

CACHE COUNTY, UTAH

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

CACHE COUNTY
FINANCIAL STATEMENTS
DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Cache County Council
Cache County
Logan, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited 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, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements 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, 2022, 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.

We did not audit the financial statements of Bridgerland Community Ice Arena (a component unit of North Park Interlocal Cooperative), which represent 6 percent, 7 percent, and 7 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units of the County. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Bridgerland Community Ice Arena, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The County's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

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 is the responsibility of management and, 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.

Supplementary 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, including the schedule of expenditures of federal awards, 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), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information described above is 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. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the supplementary information described above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Change in Accounting Principle

As described in the notes to the financial statements, the County adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2023 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 solely 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

September 28, 2023

INTRODUCTION

The following discussion and analysis is presented as an overview of the financial performance of Cache County for the year ended December 31, 2022. 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 \$130.3 million, representing an increase of approximately \$17.8 million or about 15.8 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 \$34.6 million, or 26.5 percent of total net position.
- During the year, the County had net program expenses of approximately \$49.1 million. This was a significant increase as compared to last year, when net program expenses were approximately 38.1 million. The total cost of the County's programs was about \$71.1 million and increased approximately \$10.9 million, or about 18.1 percent, from the prior year.
- Combined fund balances of the County amounted to about \$79.8 million, an increase of approximately \$9.5 million or about 13.5 percent, from the prior year. Of the combined total, approximately \$46.9 million, or 58.8 percent, is subject to external restrictions on its use.
- Unassigned fund balance of the General Fund was about \$31.6 million, which amount was approximately 77.9 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.

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, and the Bear River Health Department.

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 custodial funds. These funds are custodial in nature and do not involve measuring results of operations. Accordingly, a statement of fiduciary net position and a statement of changes in fiduciary net position is presented. 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 2022, the County’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$130,302,153, an increase of \$17,767,830 from the prior year.

Just under half of the County’s net position, \$52,991,734 or 40.7 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 County’s investment in capital assets is reported net of related debt, it should be noted

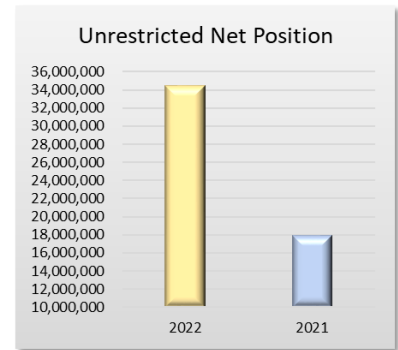
CACHE COUNTY'S NET POSITION			
GOVERNMENTAL ACTIVITIES			
	<u>2022</u>	<u>2021</u>	<u>% Change</u>
ASSETS			
Current and other assets	\$ 99,577,565	\$ 88,895,482	12.0%
Capital assets, net	67,827,483	65,299,464	3.9%
Non-current assets	<u>6,571,928</u>	<u>224,231</u>	2830.9%
Total assets	<u>173,976,976</u>	<u>154,419,177</u>	12.7%
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	<u>6,051,929</u>	<u>4,617,537</u>	31.1%
LIABILITIES			
Current liabilities	19,514,058	18,335,213	6.4%
Long-term liabilities	<u>18,356,276</u>	<u>22,272,155</u>	-17.6%
Total liabilities	<u>37,870,334</u>	<u>40,607,368</u>	-6.7%
DEFERRED INFLOWS OF RESOURCES			
Pensions	<u>11,856,418</u>	<u>5,895,023</u>	101.1%
NET POSITION			
Net investment in capital assets	52,991,734	48,977,407	8.2%
Restricted	42,745,234	45,580,115	-6.2%
Unrestricted	<u>34,565,185</u>	<u>17,976,801</u>	92.3%
Total net position	<u>\$130,302,153</u>	<u>\$112,534,323</u>	15.8%

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

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 \$42,745,234, or 32.8 percent, represents the restricted amount of the County’s net position. These assets are restricted because of various contracts and agreements with outside entities, or laws and regulations, which dictate how these resources may be used. The remaining balance of \$34,565,185, or 26.5 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 \$17,767,830 from the prior year is attributable to governmental activities.

Sales tax revenue, representing 34.4 percent of all revenue, is the County’s most significant revenue source. In 2022, sales tax revenue increased over the prior year by \$2,829,452, or 10.2 percent, and totaled \$30,587,508. Property tax revenue, also a significant source of revenue for the County, accounts for 25.7 percent of all revenue. In 2022, it grew by \$988,694, or 4.5 percent, and totaled \$22,884,575.

In total, revenues for the County increased \$14,755,704, or 19.9 percent, from the prior year. The primary reasons for the net increase are due to increases in other general revenues.

Other general revenues increased by approximately \$11.1 million. The entire amount of that increase was related to an ARPA grant that was awarded by the Federal government to help aid with the COVID-19 crisis in the prior years.

CHANGES IN CACHE COUNTY'S NET POSITION
GOVERNMENTAL ACTIVITIES

Charges for services, operating grants and contributions, and capital grants and contributions remained about the same when compared to the prior year.

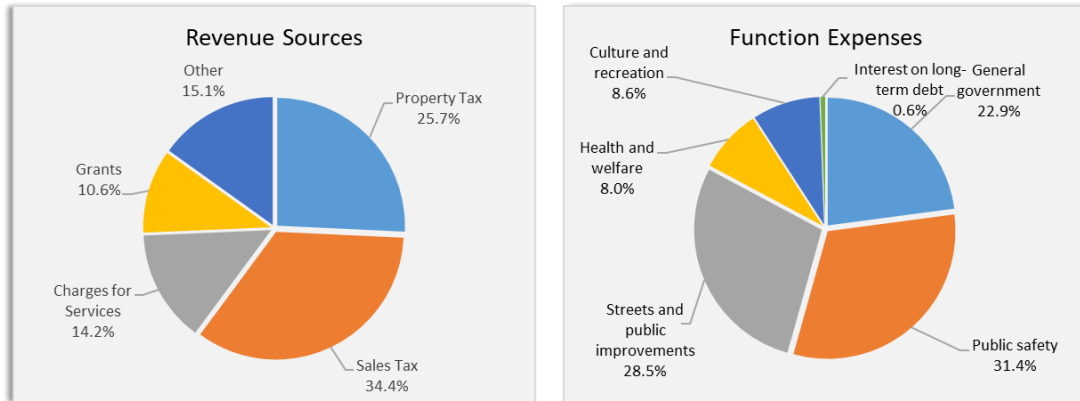
Increases in sales taxes were related to economic improvements in the County, which was from new development and higher consumer spending compared to activity in the prior year.

Taxes collected by the County create the largest portion of revenues for the County totaling \$53,472,083, or 60.1 percent of all revenues. Other general revenues, totaling \$13,439,814 or 15.1 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 \$12,609,108 or 14.2 percent.

Total expenses increased for the County by \$10,900,485, or 18.1 percent, from the prior year. The activity with the largest increase was streets and public improvements, experiencing an increase of \$6,240,014, or

	2022	2021	% Change
REVENUES			
Program revenues			
Charges for services	\$ 12,609,108	\$ 12,194,959	3.4%
Operating grants and contributions	9,182,245	9,534,262	-3.7%
Capital grants and contributions	190,792	423,953	-55.0%
General revenues			
Property taxes	22,884,575	21,895,881	4.5%
Sales taxes	30,587,508	27,758,056	10.2%
Other general revenues	13,439,814	2,331,227	476.5%
Total revenues	<u>88,894,042</u>	<u>74,138,338</u>	19.9%
EXPENSES			
General government	16,287,125	14,256,199	14.2%
Public safety	22,364,034	20,236,686	10.5%
Streets and public improvements	20,241,805	14,001,791	44.6%
Health and welfare	5,717,368	5,483,342	4.3%
Culture and recreation	6,088,007	5,790,914	5.1%
Interest on long-term debt	427,873	456,795	-6.3%
Total expenses	<u>71,126,212</u>	<u>60,225,727</u>	18.1%
Change in net position	17,767,830	13,912,611	27.7%
Net position - January 1	<u>112,534,323</u>	<u>98,621,712</u>	14.1%
Net position - December 31	<u>\$130,302,153</u>	<u>\$112,534,323</u>	15.8%

44.6 percent. The primary reasons for the total increase in County expenses were related to awards in the CCCOG fund of about \$3.8 million, ARPA expenditures of approximately \$1.3 million, an 8% cola payroll increase, and contributions to other governments related to the new 0.25% sales tax in 2019 of about 0.4 million.



Public safety services generate the most significant portion of the County’s expenses amounting to \$22,364,034, or 31.4 percent of total expenses. The costliest 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 \$5,522,105, \$4,947,182, and \$9,908,169, respectively. Combined, these three programs account for 28.6 percent of the County’s total expenses. The cost of these programs increased by 10.5 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 2022, these revenues covered \$21,982,145, or 30.9 percent, of total expenses through charges for services, grants and contributions. Taxes and other general revenues covered the remaining 69.1 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	
	2022	2022	2022	2021	2022	2021
General government	\$ 16,287,125	\$ (5,861,050)	\$ 10,426,075	\$ 7,798,445	36.0%	45.3%
Public safety	22,364,034	(7,930,364)	14,433,670	12,374,867	35.5%	38.8%
Streets and public improvements	20,241,805	(3,433,403)	16,808,402	10,913,832	17.0%	22.1%
Health and welfare	5,717,368	(3,935,512)	1,781,856	1,641,048	68.8%	70.1%
Culture and recreation	6,088,007	(821,816)	5,266,191	4,887,566	13.5%	15.6%
Interest on long-term debt	427,873	-	427,873	456,795	0.0%	0.0%
Total governmental activities	\$ 71,126,212	\$ (21,982,145)	\$ 49,144,067	\$ 38,072,553	30.9%	36.8%

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The investment in capital assets, net of accumulated depreciation, of the County for its governmental activities totaled \$67,827,483 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 \$2,528,019, or 3.9 percent. The most significant addition to capital assets was related to continued work on the new animal shelter of about \$3.3 million. Total capital purchases were approximately \$6.6 million. These increases were partially offset by current depreciation of approximately \$3.8 million and net disposals of approximately \$0.3 million.

CACHE COUNTY'S CAPITAL ASSETS, NET
GOVERNMENTAL ACTIVITIES

	<u>2022</u>	<u>2021</u>	<u>% Change</u>
Land	\$ 3,673,786	\$ 3,536,649	3.9%
Construction in process	4,108,104	640,651	541.2%
Buildings and improvements	39,291,659	40,491,879	-3.0%
Equipment	12,034,491	11,478,361	4.8%
Infrastructure	8,719,443	9,151,924	-4.7%
Total capital assets, net	<u>\$ 67,827,483</u>	<u>\$ 65,299,464</u>	<u>3.9%</u>

Long-term Debt

Bonded debt outstanding at the end of the year, consisting of revenue bonds, had a balance of \$13,772,000 compared to \$15,462,000 at the prior year end. There are two bonds outstanding at the end of 2022. 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 2019 to help finance the new road facility. Direct borrowings at the end of the year totaled \$1,573,242 compared to \$1,481,986 at the prior year end. There were two new capital assets financed with debt during the year and one was paid off making a total of six debts outstanding at the end of the year. The first is for the purchase of patrol vehicles in 2019, the second is for the purchase of patrol vehicles in 2020, the third is for the purchase of patrol vehicles in 2021, the fourth is for the purchase of fire vehicles in 2021, the fifth is for the purchase of patrol vehicles in 2022, and the sixth is for the purchase of development service vehicles in 2022. In addition to the revenue bonds and direct borrowings, the County's long-term obligations include an accrual for compensated absences in the amount of \$3,011,034. The adjoining table presents changes to long-term obligations relative to the prior year.

CACHE COUNTY'S LONG-TERM DEBT
GOVERNMENTAL ACTIVITIES

	<u>2022</u>	<u>2021</u>	<u>% Change</u>
Sales tax revenue bonds, net of premiums and refundings	\$ 13,772,000	\$ 15,462,000	-10.9%
Direct Borrowings	1,573,242	1,481,986	6.2%
Compensated absences	3,011,034	2,568,814	17.2%
Total long-term debt	<u>\$ 18,356,276</u>	<u>\$ 19,512,800</u>	<u>-5.9%</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

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

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, 2022, the combined fund balance of the governmental funds of the County was \$79,805,607, an increase of \$9,501,438, or 13.5 percent, in comparison with the prior year. Of that fund balance, \$31,624,072, or 39.6 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, 2022, the unassigned fund balance of the general fund was \$31,624,072. This amount represents 77.9 percent of the total expenditures of the general fund, and is 176.1 percent of the total revenues from property taxes for the current year.

CACHE COUNTY'S FUND BALANCES
GOVERNMENTAL FUNDS

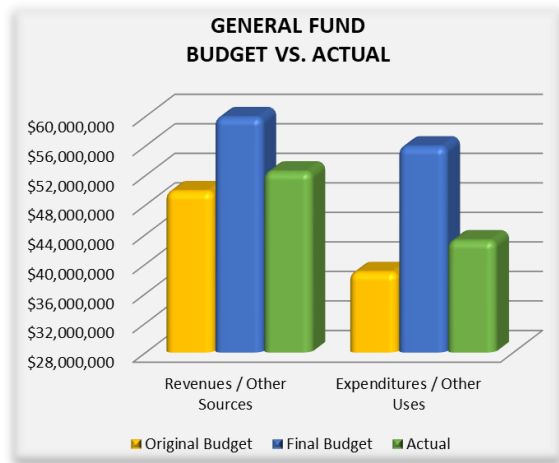
FUNDS	2022					2021		% Change
	Nonspendable	Restricted	Assigned	Unassigned	Total	Total		
General	\$ 687,948	\$ 953,089	\$ -	\$ 31,624,072	\$ 33,265,109	\$ 23,935,279	39.0%	
Assessing and Collecting	2,921	6,326,125	-	-	6,329,046	6,790,558	-6.8%	
Municipal Services	33,087	9,561,630	-	-	9,594,717	7,124,779	34.7%	
CCCOG	-	19,957,937	-	-	19,957,937	21,514,985	-7.2%	
Capital Projects	-	-	350,050	-	350,050	1,812,475	-80.7%	
Other (Nonmajor)	1,365	10,125,749	181,634	-	10,308,748	9,126,093	13.0%	
Total fund balances	\$ 725,321	\$ 46,924,530	\$ 531,684	\$ 31,624,072	\$ 79,805,607	\$ 70,304,169	13.5%	

General Fund Budgetary Highlights

The final adopted revenue budget of the general fund increased by \$9,299,600 over the original budget. The most significant increase in budgeted revenues resulted from a change in grant revenue related to the ARPA grant. The increase for the grant was \$7,798,500, or 83.9 percent of the total revenue budget increase.

Budgeted expenditures increased by \$10,857,700 over the original budget. Some of the most notable increases are as follows:

- The function with the largest increase to the budget was public safety, increasing by \$6,927,800. Within this increase, there was approximately \$3,281,100 appropriated for expenditures related to the animal shelter.
- A significant portion of the increase was related to an 8% COLA payroll increase to all County employees.
- ARPA projects for the County IT department accounted for another \$1,065,500 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 County’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, 2022

	Primary Government		Component Units
	Governmental Activities	Total	
ASSETS			
Cash and cash equivalents	\$ 5,184,995	\$ 5,184,995	\$ 7,092,666
Equity in investment pool	84,557,257	84,557,257	908,335
Taxes receivable	5,842,891	5,842,891	-
Accounts receivable, net	397,343	397,343	2,534,813
Interest receivable	45,076	45,076	-
Pledges receivable, net	-	-	92,853
Due from other governments	2,315,186	2,315,186	129,399
Investments	-	-	1,474,568
Inventory	-	-	370,485
Restricted cash and investments	509,493	509,493	-
Other assets, net	725,324	725,324	16,684
Capital assets:			
Land	3,673,786	3,673,786	3,674,773
Construction in process	4,108,104	4,108,104	220,508
Buildings, improvements and equipment	81,047,381	81,047,381	42,998,046
Infrastructure	18,662,012	18,662,012	-
Accumulated depreciation	(39,663,800)	(39,663,800)	(23,885,120)
Net pension asset	6,571,928	6,571,928	2,761,528
Total assets	<u>173,976,976</u>	<u>173,976,976</u>	<u>38,389,538</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	6,051,929	6,051,929	1,943,911
Total deferred outflows of resources	<u>6,051,929</u>	<u>6,051,929</u>	<u>1,943,911</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 3,474,603	\$ 3,474,603	\$ 912,701
Due to other governments	956,619	956,619	-
Unearned revenue	15,082,836	15,082,836	25,727
Long-term liabilities:			
Due within one year	3,947,446	3,947,446	512,850
Due in more than one year	14,408,830	14,408,830	522,000
Total liabilities	<u>37,870,334</u>	<u>37,870,334</u>	<u>1,973,278</u>
DEFERRED INFLOWS OF RESOURCES			
Pensions	11,856,418	11,856,418	3,827,822
Total deferred inflows of resources	<u>11,856,418</u>	<u>11,856,418</u>	<u>3,827,822</u>
NET POSITION			
Net investment in capital assets	52,991,734	52,991,734	23,008,207
Restricted for:			
Air pollution control	565,948	565,948	-
Building inspection	725,714	725,714	-
Capital projects	-	-	44,000
Election equipment	25,028	25,028	-
Health services	613,775	613,775	-
Municipal services	3,618,669	3,618,669	-
Parks and recreation	8,959,675	8,959,675	-
Property tax administration	6,326,125	6,326,125	-
Recorder services	601,398	601,398	-
Streets and public improvements	20,502,804	20,502,804	-
Debt service	453,193	453,193	-
Other purposes	352,905	352,905	120,305
Unrestricted	34,565,185	34,565,185	11,359,837
Total net position	<u>\$ 130,302,153</u>	<u>\$ 130,302,153</u>	<u>\$ 34,532,349</u>

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

CACHE COUNTY

STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022

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	
Primary government:							
Governmental activities:							
General government	\$ 16,287,125	\$ 3,634,939	\$ 2,204,971	\$ 21,140	\$ (10,426,075)	\$ (10,426,075)	\$ -
Public safety	22,364,034	6,886,756	1,043,608	-	(14,433,670)	(14,433,670)	-
Streets and public improvements	20,241,805	998,778	2,413,090	21,535	(16,808,402)	(16,808,402)	-
Health and welfare	5,717,368	418,670	3,396,790	120,052	(1,781,856)	(1,781,856)	-
Culture and recreation	6,088,007	669,965	123,786	28,065	(5,266,191)	(5,266,191)	-
Interest on long-term debt	427,873	-	-	-	(427,873)	(427,873)	-
Total governmental activities	<u>71,126,212</u>	<u>12,609,108</u>	<u>9,182,245</u>	<u>190,792</u>	<u>(49,144,067)</u>	<u>(49,144,067)</u>	<u>-</u>
Total primary government	<u>\$ 71,126,212</u>	<u>\$ 12,609,108</u>	<u>\$ 9,182,245</u>	<u>\$ 190,792</u>	<u>(49,144,067)</u>	<u>(49,144,067)</u>	<u>-</u>
Component Units:							
Airport Authority	\$ 1,526,922	\$ 164,283	\$ 160,000	\$ 261,718	-	-	(940,921)
North Park Interlocal Cooperative	1,137,036	682,905	583,675	-	-	-	129,544
Bear River Health Department	14,143,603	4,110,086	10,385,461	-	-	-	351,944
Total component units	<u>\$ 16,807,561</u>	<u>\$ 4,957,274</u>	<u>\$ 11,129,136</u>	<u>\$ 261,718</u>	<u>-</u>	<u>-</u>	<u>(459,433)</u>
General revenues:							
Property taxes					22,884,575	22,884,575	-
Sales and use taxes					30,587,508	30,587,508	-
American rescue plan act					11,257,774	11,257,774	-
Interest and investment income					623,914	623,914	173,162
Gain (loss) on sale of assets					96,599	96,599	(73,386)
Miscellaneous income					1,461,527	1,461,527	1,764,222
Total general revenues					<u>66,911,897</u>	<u>66,911,897</u>	<u>1,863,998</u>
Changes in net position					17,767,830	17,767,830	1,404,565
Net position - January 1					<u>112,534,323</u>	<u>112,534,323</u>	<u>33,127,784</u>
Net position - December 31					<u>\$ 130,302,153</u>	<u>\$ 130,302,153</u>	<u>\$ 34,532,349</u>

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

GOVERNMENTAL FUNDS
BALANCE SHEET

	Special Revenue					Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	General	Tax Administration	Municipal Services	Mental Health	CCCOG			
ASSETS								
Cash and cash equivalents	\$ 3,803,199	\$ 919,622	\$ 466	\$ -	\$ -	\$ -	\$ 461,708	\$ 5,184,995
Equity in investment pool	41,247,001	5,547,144	8,579,692	1,676,783	18,716,329	355,467	8,434,841	84,557,257
Interfund receivable - investment pool	-	-	35,574	-	-	-	-	35,574
Taxes receivable	1,962,949	71,800	1,519,256	-	1,241,608	-	1,047,278	5,842,891
Accounts receivable	318,510	68	78,765	-	-	-	-	397,343
Interest receivable	45,076	-	-	-	-	-	-	45,076
Due from other governments	1,395,317	9,540	492,446	184,947	-	-	232,936	2,315,186
Restricted cash and investments	-	-	-	-	-	-	509,493	509,493
Other assets	687,951	2,921	33,087	-	-	-	1,365	725,324
Total assets	<u>\$ 49,460,003</u>	<u>\$ 6,551,095</u>	<u>\$10,739,286</u>	<u>\$ 1,861,730</u>	<u>\$19,957,937</u>	<u>\$ 355,467</u>	<u>\$10,687,621</u>	<u>\$ 99,613,139</u>
LIABILITIES								
Interfund payable - investment pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,574	\$ 35,574
Accounts payable and accrued liabilities	1,825,561	180,749	1,144,569	-	-	5,417	318,307	3,474,603
Due to other governments	-	-	-	956,619	-	-	-	956,619
Unearned revenues	14,163,933	-	-	905,111	-	-	13,792	15,082,836
Total liabilities	<u>15,989,494</u>	<u>180,749</u>	<u>1,144,569</u>	<u>1,861,730</u>	<u>-</u>	<u>5,417</u>	<u>367,673</u>	<u>19,549,632</u>
DEFERRED INFLOWS OF RESOURCES								
Delinquent property taxes	205,400	41,300	-	-	-	-	11,200	257,900
Total deferred inflows of resources	<u>205,400</u>	<u>41,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,200</u>	<u>257,900</u>
FUND BALANCES								
Nonspendable	687,948	2,921	33,087	-	-	-	1,365	725,321
Restricted for:								
Air pollution control	-	-	-	-	-	-	565,948	565,948
Building inspection	-	-	725,714	-	-	-	-	725,714
Election equipment	25,028	-	-	-	-	-	-	25,028
Health services	326,663	-	-	-	-	-	287,112	613,775
Municipal services	-	-	7,797,965	-	-	-	-	7,797,965
Parks and recreation	-	-	646,340	-	-	-	8,313,335	8,959,675
Property tax administration	-	6,326,125	-	-	-	-	-	6,326,125
Recorder services	601,398	-	-	-	-	-	-	601,398
Streets and public improvements	-	-	391,611	-	19,957,937	-	153,256	20,502,804
Debt service	-	-	-	-	-	-	453,193	453,193
Other purposes	-	-	-	-	-	-	352,905	352,905
Assigned to:								
Capital projects	-	-	-	-	-	350,050	-	350,050
Health and welfare	-	-	-	-	-	-	181,634	181,634
Unassigned	31,624,072	-	-	-	-	-	-	31,624,072
Total fund balances	<u>33,265,109</u>	<u>6,329,046</u>	<u>9,594,717</u>	<u>-</u>	<u>19,957,937</u>	<u>350,050</u>	<u>10,308,748</u>	<u>79,805,607</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 49,460,003</u>	<u>\$ 6,551,095</u>	<u>\$10,739,286</u>	<u>\$ 1,861,730</u>	<u>\$19,957,937</u>	<u>\$ 355,467</u>	<u>\$10,687,621</u>	<u>\$ 99,613,139</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, 2022

Total Fund Balance - Governmental Funds \$ 79,805,607

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	3,673,786	
Construction in process	4,108,104	
Buildings, improvements and equipment	81,047,381	
Infrastructure	18,662,012	
Accumulated depreciation	<u>(39,663,800)</u>	
		67,827,483

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		257,900
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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	(13,772,000)	
Capital purchases	(1,573,242)	
Compensated absences	<u>(3,011,034)</u>	
		(18,356,276)

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	6,571,928	
Deferred outflow of resources - pensions	6,051,929	
Net pension liability	-	
Deferred inflow of resources - pensions	<u>(11,856,418)</u>	
		<u>767,439</u>

Net Position - Governmental Activities \$130,302,153

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, 2022

	Special Revenue					Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	General	Tax Administration	Municipal Services	Mental Health	CCCOG			
REVENUES								
Taxes:								
Property	\$ 17,954,108	\$ 3,854,676	\$ -	\$ -	\$ -	\$ -	\$ 1,073,991	\$ 22,882,775
Sales and use	8,980,470	-	8,330,648	-	6,822,145	-	6,454,245	30,587,508
	<u>26,934,578</u>	<u>3,854,676</u>	<u>8,330,648</u>	<u>-</u>	<u>6,822,145</u>	<u>-</u>	<u>7,528,236</u>	<u>53,470,283</u>
Other revenues:								
Intergovernmental	13,019,523	-	3,138,666	2,935,445	-	-	1,337,615	20,431,249
Charges for services	8,732,823	432,318	1,511,911	-	-	-	460,013	11,137,065
Licenses and permits	63,330	-	1,256,583	-	-	-	-	1,319,913
Fines and forfeitures	152,130	-	-	-	-	-	-	152,130
Interest and investment income	595,134	7,768	805	-	-	-	20,207	623,914
Rental income	154,383	-	-	-	-	-	-	154,383
Public contributions	108,086	-	-	-	-	-	91,476	199,562
Miscellaneous revenues	<u>1,152,778</u>	<u>-</u>	<u>9,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,590</u>	<u>1,307,144</u>
Total revenues	<u>50,912,765</u>	<u>4,294,762</u>	<u>14,248,389</u>	<u>2,935,445</u>	<u>6,822,145</u>	<u>-</u>	<u>9,582,137</u>	<u>88,795,643</u>
EXPENDITURES								
General government	10,957,544	4,756,274	1,531,801	-	-	-	220,513	17,466,132
Public safety	27,388,309	-	330,653	-	-	-	616,748	28,335,710
Streets and public improvements	-	-	11,611,226	-	8,249,421	57,290	-	19,917,937
Health and welfare	407,700	-	-	2,935,445	-	-	2,579,520	5,922,665
Culture and recreation	1,846,478	-	201,527	-	-	-	3,933,389	5,981,394
Debt service principal	-	-	-	-	-	-	2,411,835	2,411,835
Debt service interest	-	-	-	-	-	-	427,873	427,873
Total expenditures	<u>40,600,031</u>	<u>4,756,274</u>	<u>13,675,207</u>	<u>2,935,445</u>	<u>8,249,421</u>	<u>57,290</u>	<u>10,189,878</u>	<u>80,463,546</u>
Revenues over (under) expenditures	10,312,734	(461,512)	573,182	-	(1,427,276)	(57,290)	(607,741)	8,332,097
OTHER FINANCING SOURCES (USES)								
Proceeds from sale of capital assets	193,275	-	147,000	-	-	-	15,975	356,250
Debt proceeds	740,091	-	73,000	-	-	-	-	813,091
Transfers in	657,137	-	2,511,256	-	-	20,505	3,211,900	6,400,798
Transfers out	<u>(2,573,407)</u>	<u>-</u>	<u>(834,500)</u>	<u>-</u>	<u>(129,772)</u>	<u>(1,425,640)</u>	<u>(1,437,479)</u>	<u>(6,400,798)</u>
Total other financing sources (uses)	<u>(982,904)</u>	<u>-</u>	<u>1,896,756</u>	<u>-</u>	<u>(129,772)</u>	<u>(1,405,135)</u>	<u>1,790,396</u>	<u>1,169,341</u>
Net change in fund balances	9,329,830	(461,512)	2,469,938	-	(1,557,048)	(1,462,425)	1,182,655	9,501,438
Fund balances - January 1	<u>23,935,279</u>	<u>6,790,558</u>	<u>7,124,779</u>	<u>-</u>	<u>21,514,985</u>	<u>1,812,475</u>	<u>9,126,093</u>	<u>70,304,169</u>
Fund balances - December 31	<u>\$ 33,265,109</u>	<u>\$ 6,329,046</u>	<u>\$ 9,594,717</u>	<u>\$ -</u>	<u>\$ 19,957,937</u>	<u>\$ 350,050</u>	<u>\$ 10,308,748</u>	<u>\$ 79,805,607</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, 2022

Net Changes in Fund Balances - Total Governmental Funds \$ 9,501,438

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	6,570,592	
Depreciation expense	<u>(3,782,922)</u>	
		2,787,670

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. (259,651)

The issuance of long-term debt, such as capital purchases, 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 amount:

Capital purchases	<u>(813,091)</u>	
		(813,091)

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	1,690,000	
Payments of capital purchases principal	<u>721,836</u>	
		2,411,836

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. 1,800

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

Increase in compensated absences liability		(442,221)
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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	6,347,697	
Change in deferred outflow of resources related to pensions	1,434,392	
Change in net pension liability	2,759,355	
Change in deferred inflow of resources related to pensions	<u>(5,961,395)</u>	
		<u>4,580,049</u>

Change in Net Position of Governmental Activities \$ 17,767,830

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

	<u>Custodial Funds</u>
ASSETS	
Cash and cash equivalents	\$ 26,331,266
Equity in investment pool	848,845
Taxes receivable	<u>1,157,971</u>
Total assets	<u>28,338,082</u>
 LIABILITIES	
Due to other taxing units	27,333,077
Other payables	<u>997,952</u>
Total liabilities	<u>28,331,029</u>
 NET POSITION	
Restricted for:	
Pool participants	<u>7,053</u>
Total net position	<u>\$ 7,053</u>

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

**FIDUCIARY FUNDS
STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION**

CACHE COUNTY

YEAR ENDED DECEMBER 31, 2022

	Custodial Funds
ADDITIONS	
Contributions - participants	\$ 2,205,041
Tax collections for other governments	128,997,258
Interest income	<u>423,937</u>
Total additions	<u>131,626,236</u>
DEDUCTIONS	
Distributions - participants	2,205,182
Tax distributions to other governments	<u>129,421,168</u>
Total deductions	<u>131,626,350</u>
Changes in net position	(114)
Net Position - January 1	<u>7,167</u>
Net position - December 31	<u><u>\$ 7,053</u></u>

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

	Airport Authority	North Park Interlocal Cooperative	Bear River Health Department	Total
ASSETS				
Cash and cash equivalents	\$ -	\$ 668,385	\$ 6,424,281	\$ 7,092,666
Equity in investment pool	908,335	-	-	908,335
Accounts receivable, net	3,379	14,253	2,517,181	2,534,813
Pledges receivable, net	-	92,853	-	92,853
Due from other governments	129,399	-	-	129,399
Investments	-	1,474,568	-	1,474,568
Inventory	-	8,541	361,944	370,485
Other assets	15,496	1,188	-	16,684
Capital assets:				
Land	2,223,267	-	1,451,506	3,674,773
Construction in process	-	-	220,508	220,508
Buildings, improvements and equipment	24,631,048	5,099,223	13,267,775	42,998,046
Accumulated depreciation	(14,098,847)	(2,693,832)	(7,092,441)	(23,885,120)
Net pension asset	38,313	-	2,723,215	2,761,528
Total assets	<u>13,850,390</u>	<u>4,665,179</u>	<u>19,873,969</u>	<u>38,389,538</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	20,957	-	1,922,954	1,943,911
Total deferred outflows of resources	<u>20,957</u>	<u>-</u>	<u>1,922,954</u>	<u>1,943,911</u>
LIABILITIES				
Accounts payable and accrued liabilities	84,366	25,206	803,129	912,701
Unearned revenue	25,727	-	-	25,727
Noncurrent liabilities:				
Due within one year	164,850	-	348,000	512,850
Due in more than one year	-	-	522,000	522,000
Total liabilities	<u>274,943</u>	<u>25,206</u>	<u>1,673,129</u>	<u>1,973,278</u>
DEFERRED INFLOWS OF RESOURCES				
Pensions	51,910	-	3,775,912	3,827,822
Total deferred inflows of resources	<u>51,910</u>	<u>-</u>	<u>3,775,912</u>	<u>3,827,822</u>
NET POSITION				
Net investment in capital assets	12,755,468	2,405,391	7,847,348	23,008,207
Restricted for:				
Capital projects	-	44,000	-	44,000
Other purposes	-	120,305	-	120,305
Unrestricted	789,026	2,070,277	8,500,534	11,359,837
Total net position	<u>\$ 13,544,494</u>	<u>\$ 4,639,973</u>	<u>\$ 16,347,882</u>	<u>\$ 34,532,349</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>Total</u>
Expenses	\$ 1,526,922	\$ 1,137,036	\$ 14,143,603	\$ 16,807,561
Program revenues				
Charges for services	164,283	682,905	4,110,086	4,957,274
Operating grants and contributions	160,000	583,675	10,385,461	11,129,136
Capital grants and contributions	<u>261,718</u>	<u>-</u>	<u>-</u>	<u>261,718</u>
Total program revenues	<u>586,001</u>	<u>1,266,580</u>	<u>14,495,547</u>	<u>16,348,128</u>
Net revenues (expense)	<u>(940,921)</u>	<u>129,544</u>	<u>351,944</u>	<u>(459,433)</u>
General revenues				
Insurance recoveries	-	-	6,564	6,564
Interest income	12,168	60,318	100,676	173,162
Loss on sale of assets	-	-	(73,386)	(73,386)
Miscellaneous income	<u>-</u>	<u>-</u>	<u>1,757,658</u>	<u>1,757,658</u>
Total general revenues	<u>12,168</u>	<u>60,318</u>	<u>1,791,512</u>	<u>1,863,998</u>
Change in net position	(928,753)	189,862	2,143,456	1,404,565
Net position - beginning	<u>14,473,247</u>	<u>4,450,111</u>	<u>14,204,426</u>	<u>33,127,784</u>
Net position - ending	<u>\$ 13,544,494</u>	<u>\$ 4,639,973</u>	<u>\$ 16,347,882</u>	<u>\$ 34,532,349</u>

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

**NOTES TO THE
FINANCIAL STATEMENTS**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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. Beginning in 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, 2022

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.

The Logan-Cache Airport Authority and NPIC 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.

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 Tax Administration Fund is a special revenue fund used to report expenditures related to the assessing, collecting, and distribution 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 federal and state provided funding for mental health services in the Mental Health Authority jurisdiction, comprising Cache, Box Elder, and Rich counties.

The CCCOG 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 County only has custodial funds. Custodial 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, inmate accounts, and employee withholdings.

The County accounts for these funds in accordance with GASB Statement No. 84 "Fiduciary Activities" (GASB 84).

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, 2022, the County has estimated that \$116,000 of its receivables were uncollectable. These uncollectable receivables result from ambulance services. BRHD has estimated that \$233,878 of its accounts receivable were uncollectable. The uncollectable receivables result primarily from services for substance abuse counseling and treatment.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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, financial statements 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 financial statements 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 credit risk. As of December 31, 2022, \$45,672,285 of the County’s bank balances of \$46,172,285 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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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 lists 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, on 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, 2022

At December 31, 2022, the County had the following recurring fair value measurements:

Investments by fair value level	Fair Value Measurements Using			
	12/31/2022	Level 1	Level 2	Level 3
Debt Securities				
PTIF Investments - Govt Funds	\$ 50,115,139	\$ -	\$ 50,115,139	\$ -
Corporate Bonds - Govt Funds	16,715,235	-	16,715,235	-
U.S. Agencies - Govt Funds	4,612,347	4,612,347	-	-
PTIF Investments - Custodial Funds	1,521,924	-	1,521,924	-
Total debt securities	72,964,645	4,612,347	68,352,298	-
Total investments	\$ 72,964,645	\$ 4,612,347	\$ 68,352,298	\$ -

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, banker’s 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, 2022 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	\$ 50,115,139	\$ 50,115,139	\$ -	\$ -	\$ -
Corporate Bonds - Govt Funds	16,715,235	4,392,404	12,322,831	-	-
U.S. Agencies - Govt Funds	4,612,347	740,081	3,872,266	-	-
PTIF Investments - Custodial Funds	1,521,924	1,521,924	-	-	-
Total investments	\$ 72,964,645	\$ 56,769,548	\$ 16,195,097	\$ -	\$ -

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, 2022 are presented as follows:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Investment Type	Fair Value	AAA	AA	AA-	A+	A	A-	BBB+	Unrated
PTIF Investments - Govt Funds	\$50,115,139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,115,139
Corporate Bonds - Govt Funds	16,715,235	-	693,187	745,079	2,538,339	3,003,489	2,888,204	897,256	5,949,681
U.S. Agencies - Govt Funds	4,612,347	4,612,347	-	-	-	-	-	-	-
PTIF Investments - Custodial Funds	1,521,924	-	-	-	-	-	-	-	1,521,924
Total investments	\$72,964,645	\$4,612,347	\$ 693,187	\$ 745,079	\$ 2,538,339	\$ 3,003,489	\$ 2,888,204	\$ 897,256	\$ 57,586,744

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, 2022, were with the PTIF and therefore, are not categorized as to concentration of credit risk. The largest investment in corporate notes, issued by Athene Global Funding, is \$687,799, or 0.9 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, 2022, 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 \$16,715,235 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, 2022, \$3,392,620 of the component unit’s bank balances of \$4,454,131 were uninsured and uncollateralized.

Investments

All component units of the County adhere to the Utah Money Management Act as described previously. As of December 31, 2022, 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 \$1,235,411, fair value of \$1,474,568 and unrealized appreciation of \$239,157. All of BCIA’s investments are classified as Level 2.

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At December 31, 2022, there were interfund balances of the investment pool between a special revenue fund and a debt service fund. The Municipal Services fund had a receivable of \$35,574. That amount was payable by the Debt Service 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	
Debt service funds:	
Debt service fund	\$35,574
Total due	\$ 35,574

During the year, the County made interfund transfers as shown in the schedule below. The most significant portion of transfers between funds were between the General fund, Municipal Service fund, Visitor’s Bureau fund, and the Debt Service fund. These transfers were made to finance debt payments for the sales tax revenue bonds and capital purchases. Another major transfer was between the Capital Projects fund and the Municipal Service fund. This transfer was made to close out the remaining funds left over from the new road facility.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Transfers out from the Restaurant Tax and RAPZ Tax funds were to fund recreational improvements. The transfer out from the General fund to the Municipal Service fund, Capital Projects fund, Council on Aging fund, and

Children’s Justice Center fund was made to cover ARPA related expenditures. Other transfers were to fund the normal operations of individual funds.

	Transfers out reported in:										Total Transfers In
	General	Municipal Services	CCCOG	Capital Projects	CDRA	Visitor's Bureau	Restaurant Tax	RAPZ Tax	RSSD	CCCF	
Transfers in reported in:											
Major Funds:											
General Fund	\$ -	\$ -	\$ -	\$ -	\$ 9,064	\$ 30,000	\$ 415,000	\$ 123,982	\$ 1,000	\$ 78,091	\$ 657,137
Municipal Services Fund	438,502	-	129,772	1,425,640	-	-	100,000	282,412	120,000	14,930	2,511,256
Capital Projects Fund	20,505	-	-	-	-	-	-	-	-	-	20,505
Nonmajor Funds:											
Council on Aging Fund	328,800	-	-	-	-	-	-	-	-	1,000	329,800
Children's Justice Center Fund	30,100	-	-	-	-	-	-	-	-	-	30,100
Debt Service Fund	1,755,500	834,500	-	-	-	262,000	-	-	-	-	2,852,000
Total transfers out	\$ 2,573,407	\$ 834,500	\$ 129,772	\$ 1,425,640	\$ 9,064	\$ 292,000	\$ 515,000	\$ 406,394	\$ 121,000	\$ 94,021	\$ 6,400,798

NOTE 4 – CAPITAL ASSETS

Primary Government

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

	Balance 1/1/2022	Additions	Reductions	Transfers/ Adjustments	Balance 12/31/2022
Capital assets, nondepreciable					
Land	\$ 3,536,649	\$ 135,143	\$ -	\$ 1,994	\$ 3,673,786
Construction in process	640,651	3,496,500	-	(29,047)	4,108,104
Totals	4,177,300	3,631,643	-	(27,053)	7,781,890
Capital assets, depreciable					
Buildings	48,330,193	-	-	-	48,330,193
Improvements	5,329,297	242,698	-	-	5,571,995
Equipment	25,307,605	2,696,251	(885,716)	27,053	27,145,193
Infrastructure	18,662,012	-	-	-	18,662,012
Totals	97,629,107	2,938,949	(885,716)	27,053	99,709,393
Accumulated depreciation					
Buildings	(11,996,749)	(1,183,076)	-	-	(13,179,825)
Improvements	(1,170,862)	(259,842)	-	-	(1,430,704)
Equipment	(13,829,244)	(1,907,523)	626,065	-	(15,110,702)
Infrastructure	(9,510,088)	(432,481)	-	-	(9,942,569)
Totals	(36,506,943)	(3,782,922)	626,065	-	(39,663,800)
Total capital assets, net	\$ 65,299,464	\$ 2,787,670	\$ (259,651)	\$ -	\$ 67,827,483

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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

Function	Amount
General government	\$ 461,418
Public safety	1,328,757
Streets and public improvements	1,509,393
Health and welfare	64,954
Culture and recreation	418,400
Total depreciation expense	\$ 3,782,922

In 2022, it was determined that certain fully depreciated buildings with a gross historical cost of \$843,031 were actually assets of the County and not the BRHD. These assets have been removed from the financial record of the BRHD and added to the County, with no effect on beginning net position.

Component Units

Changes in capital assets of component units were as follows:

	Balance 1/1/2022	Additions	Deletions	Transfers/ Adjustments	Balance 12/31/2022
Land	\$ 2,996,695	\$ 751,464	\$ (73,386)	\$ -	\$ 3,674,773
Construction in process	28,799	204,711	-	(13,002)	\$ 220,508
Buildings and improvements	37,870,949	254,910	-	13,002	\$ 38,138,861
Equipment and machinery	4,134,536	833,734	(109,085)	-	\$ 4,859,185
Accumulated depreciation	(22,155,722)	(1,852,264)	122,866	-	\$ (23,885,120)
Capital assets, net	\$ 22,875,257	\$ 192,555	\$ (59,605)	\$ -	\$ 23,008,207

NOTE 5 – LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance 1/1/2022	Additions	Reductions	Balance 12/31/2022	Due Within One Year
Primary Government					
Sales tax revenue bonds	\$ 15,462,000	\$ -	\$ (1,690,000)	\$ 13,772,000	\$ 716,000
Direct Borrowings	1,481,987	813,091	(721,836)	1,573,242	635,446
Compensated absences	2,568,813	2,656,745	(2,214,524)	3,011,034	2,596,000
Total long-term liabilities	\$ 19,512,800	\$ 3,469,836	\$ (4,626,360)	\$ 18,356,276	\$ 3,947,446
Component Units					
Direct Borrowings	\$ -	\$ 184,573	\$ (19,723)	\$ 164,850	\$ 164,850
Compensated absences	790,000	416,467	(336,467)	870,000	348,000
Total long-term liabilities	\$ 790,000	\$ 601,040	\$ (356,190)	\$ 1,034,850	\$ 512,850

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

B. Sales Tax Revenue Bonds

Primary Government

Sales tax revenue bonds payable at December 31, 2022, were as follows:

Purpose	Series	Maturity Date	Interest Rate %	Original Amount	Balance
Event Center	2017	12/15/2032	2.51	3,200,000	2,263,000
Road Facility	2019	10/1/2040	2.50	12,500,000	11,509,000

Total sales tax revenue bonds payable	\$ 13,772,000
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Year	Sales Tax Revenue Bonds - Debt Service Requirements to Maturity					
	Series 2017		Series 2019		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
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	218,000	41,214	554,000	248,200	772,000	289,414
2027	223,000	35,742	567,000	234,350	790,000	270,092
2028	229,000	30,145	582,000	220,175	811,000	250,320
2029 - 2040	972,000	61,746	8,225,000	1,397,075	9,197,000	1,458,821
Total	\$ 2,263,000	\$ 323,914	\$ 11,509,000	\$ 2,924,100	\$ 13,772,000	\$ 3,248,014

C. Direct Borrowings

Primary Government

The County has six capital assets that were financed with debt in the current year of which four of them are accounted for together. The first, second, third, and fourth debt purchases were entered into on May 31, 2019, July 31, 2020, August 31, 2021, and August 31, 2022, in the amount of \$448,646, \$936,684, \$693,400, and 740,091, respectively, for the purchase of patrol vehicles. Debt payments are due annually on May 31, July 31, August 31, and August 31 in the amount of \$96,454, \$198,572, \$146,997, and \$164,277 respectively, until 2023, 2024, 2025, and 2026 respectively, with an applicable interest rate of 3.75, 3.75, 3.00, and 5.5 percent, respectively.

The fifth debt purchase was entered into on March 31, 2021, in the amount of \$80,942 for the purchase of two fire vehicles. Debt payments are due annually on March 31, in the amount of \$21,141, until 2024, with an applicable interest rate of 3.00 percent.

The last debt purchase was entered into on March 31, 2022, in the amount of \$73,000 for the purchase of two development service vehicles. Debt payments are due annually on March 31, in the amount of \$4,753, until 2023 and a balloon payment in 2023 of \$68,247, with an applicable interest rate of 5.50 percent.

The County's outstanding notes from direct borrowings related to governmental activities of \$1,573,242 contain a provision that in an event of default, outstanding amounts become immediately due if the County is unable to make payment.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Debt Service Requirements to Maturity								
Year	DS Admin Vehicles		Fire Vehicles		Sheriff Vehicles		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 68,247	\$ 3,754	\$ 19,928	\$ 1,214	\$ 547,271	\$ 59,029	\$ 635,446	\$ 63,997
2024	-	-	20,526	616	471,248	38,598	491,774	39,214
2025	-	-	-	-	290,310	20,963	290,310	20,963
2026	-	-	-	-	155,712	8,564	155,712	8,564
Total	\$ 68,247	\$ 3,754	\$ 40,454	\$ 1,830	\$ 1,464,541	\$ 127,154	\$ 1,573,242	\$ 132,738

Component Units

The Airport has one capital asset that was financed with debt in the current year. The debt purchase was entered into on September 30, 2022, in the amount of \$184,573 for the purchase of one loader. Debt payments are due annually on September 30, in the amount of \$19,723, until 2023 and a balloon payment in 2023 of \$164,850, with an applicable interest rate of 5.50 percent.

The Airport’s outstanding notes from direct borrowings related to governmental activities of \$164,850 contain a provision that in an event of default, outstanding amounts become immediately due if the Airport is unable to make payment.

Debt Service Requirements to Maturity		
Year	Airport Loader	
	Principal	Interest
2023	\$ 164,850	\$ 9,067
2024	-	-
2025	-	-
2026	-	-
2027	-	-
Total	\$ 164,850	\$ 9,067

NOTE 6 – LEASES

On January 1, 2022, the County implemented GASB Statement No. 87, *Leases*, which establishes a single model for lease accounting and requires recognition of certain lease assets and liabilities. The adoption of this standard resulted in no change to beginning net position or fund balance.

The County’s policy is to recognize a lease liability and a right-to-use lease asset (lease asset) in the government wide financial statements if the lease has an initial, individual value of \$50,000 or more and a lease term of

more than one year, including expected extensions. As of the end of 2022, the County does not have any leases that meet that threshold.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or lease term. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase options that the County is reasonably certain to exercise. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

NOTE 7 – PENSION PLANS

A. Defined Benefit Plans

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 system.

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

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/general/publications.

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 to June 30, 2020 2.0% per year July 1, 2020 to present	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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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.

Contribution rates as of December 31, 2022 are as follows:

	Employee	Employer	Employer 401(k)
Contributory System			
11 - Local Governmental Division Tier 1	6.00%	13.96%	N/A
111 - Local Governmental Division Tier 2	N/A	16.01%	0.18%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	17.97%	N/A
Public Safety Retirement System			
43 - Other Division A Noncontributory Tier 1	N/A	34.04%	N/A
122 - Tier 2 DB Hybrid Public Safety Contributory	2.59%	25.83%	N/A
Firefighter System			
31 - Other Division A	15.05%	3.61%	N/A
132 - Tier 2 DB Hybrid Firefighters	2.59%	14.08%	N/A
Tier 2 DC Only			
211 - Local Government	N/A	6.19%	10.00%
222 - Public Safety	N/A	11.83%	14.00%
232 - Firefighters	N/A	0.08%	14.00%

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, 2022, the employer and employee contributions to the System were as follows:

Governmental Activities:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 924,229	N/A
Public Safety System	1,381,408	-
Firefighters System	20,925	77,474
Tier 2 Public Employees System	806,899	-
Tier 2 Public Safety and Firefighters System	961,517	94,804
Tier 2 DC Only System	96,690	N/A
Tier 2 DC Public Safety and Firefighters System	100,047	N/A
Total	\$ 4,291,715	\$ 172,278

Component Units:

System	Employer Contributions	Employee Contributions
Airport Authority - Noncontributory System	\$ 12,915	N/A
BRHD - Noncontributory System	661,641	N/A
BRHD - Tier 2 Public Employees System	459,528	-
BRHD - Tier 2 DC Only System	42,877	N/A
Total	\$ 1,176,961	\$ -

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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, 2022, the County reported for the primary government a net pension asset of \$6,571,928 and a net pension liability of \$0.

	Measurement Date: December 31, 2021			Proportionate Share December 31, 2020	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Noncontributory System	\$3,435,469	\$ -	0.5998611%	0.5933095%	0.0065516%
Public Safety Retirement System	2,287,844	-	2.8170470%	2.7995684%	0.0174786%
Firefighter System	712,864	-	1.2222972%	0.8019125%	0.4203847%
Tier 2 Public Employees System	74,730	-	0.1765684%	0.1664151%	0.0101533%
Tier 2 Public Safety and Firefighter System	61,021	-	1.2073295%	1.1903583%	0.0169712%
Total Net Pension Asset / Liability	\$6,571,928	\$ -			

Component Units:

At December 31, 2022, the County reported for component units a net pension asset of \$2,761,528 of which \$38,313 is related to the Airport Authority and \$2,723,215 is related to the BRHD, and a net pension liability of \$0.

	Measurement Date: December 31, 2021			Proportionate Share December 31, 2020	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Airport Authority - Noncontributory System	\$ 38,313	\$ -	0.0066899%	0.0069133%	-0.0002234%
BRHD - Noncontributory System	2,664,148	-	0.4651823%	0.4192055%	0.0459768%
BRHD - Tier 2 Public Employees System	59,067	-	0.1395594%	0.1155634%	0.0239960%
Total Net Pension Asset / Liability	\$2,761,528	\$ -			

The net pension asset and liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021 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, 2022, the County recognized for the primary government pension expense of \$(290,575).

At December 31, 2022, 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, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 693,223	\$ 26,030
Changes in assumptions	931,774	57,524
Net difference between projected and actual earnings on pension plan investments	-	11,620,602
Changes in proportion and differences between contributions and proportionate share of contributions	135,217	152,262
Contributions subsequent to the measurement date	4,291,715	-
Total	\$ 6,051,929	\$ 11,856,418

\$4,291,715 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, 2021.

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
2022	\$ (2,014,622)
2023	(3,529,232)
2024	(2,818,035)
2025	(1,909,888)
2026	23,487
Thereafter	152,086
	\$ (10,096,204)

Component Units:

For the year ended December 31, 2022, the County recognized for the Airport Authority and BRHD component units pension expense of \$(5,675) and \$(174,559), respectively.

At December 31, 2022, 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, 2022

	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	\$ 4,013	\$ -	\$ 307,737	\$ 7,611
Changes in assumptions	3,596	247	305,115	17,755
Net difference between projected and actual earnings on pension plan investments	-	51,584	-	3,732,865
Changes in proportion and differences between contributions and proportionate share of contributions	433	79	146,057	17,681
Contributions subsequent to the measurement date	12,915	-	1,164,045	-
Total	\$ 20,957	\$ 51,910	\$ 1,922,954	\$ 3,775,912

\$12,915 and \$1,164,045 are 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, 2021.

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
2022	\$ (8,754)	\$ (578,113)
2023	(15,335)	(1,005,038)
2024	(12,244)	(888,597)
2025	(8,298)	(610,629)
2026	102	11,443
Thereafter	661	53,931
	\$ (43,868)	\$ (3,017,003)

Actuarial Assumptions

The total pension liability in the December 31, 2021, 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 - 9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based on gender, occupation and age, as appropriate, with projected improvement using 80% of the ultimate rates from the MP-2019

improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

The actuarial assumptions used in the January 1, 2021, valuation were based on the results of an actuarial experience study for the five year period ending 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 and is applied consistently to each defined benefit pension plan. 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		Long-Term Expected
	Target Asset Allocation	Real Return Arithmetic Basis	Portfolio Real Rate of Return
Equity securities	37.00%	6.58%	2.43%
Debt securities	20.00%	-0.28%	-0.06%
Real assets	15.00%	5.77%	0.87%
Private equity	12.00%	9.85%	1.18%
Absolute return	16.00%	2.91%	0.47%
Cash and cash equivalents	0.00%	-1.01%	0.00%
Totals	100%		4.89%
Inflation			2.50%
Expected arithmetic nominal return			7.39%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount Rate:

The discount rate used to measure the total pension liability for all plans was 6.85%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on

pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95 percent to 6.85 percent from the prior measurement date.

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 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.85 percent) or 1 percentage point higher (7.85 percent) than the current rate:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Governmental Activities:

Proportionate Share of Net Pension Liability/(Asset)	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 1,847,356	\$ (3,435,469)	\$ (7,842,957)
Public Safety Retirement System	5,642,575	(2,287,844)	(8,727,893)
Firefighter System	(174,564)	(712,864)	(1,149,174)
Tier 2 Public Employees System	445,260	(74,730)	(473,975)
Tier 2 Public Safety and Firefighter System	489,544	(61,021)	(498,094)
Total Net Pension Liability/(Asset)	\$ 8,250,171	\$ (6,571,928)	\$ (18,692,093)

Component Units:

Proportionate Share of Net Pension Liability/(Asset)	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Airport Authority - Noncontributory System	\$ 20,602	\$ (38,313)	\$ (87,466)
BRHD - Noncontributory System	1,432,593	(2,664,148)	(6,082,081)
BRHD - Tier 2 Public Employees System	351,933	(59,067)	(374,629)
Total Net Pension Liability/(Asset)	\$ 1,805,128	\$ (2,761,528)	\$ (6,544,176)

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:

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

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

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

	2022	2021	2020
401(K) Plan			
Employer Contributions	349,936	272,746	224,165
Employee Contributions	469,765	341,994	344,149
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	27,826	24,999	19,696
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	179,634	155,914	130,434
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	2,315	2,695	2,345

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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:

	2022	2021	2020
401(K) Plan			
Employer Contributions	296,959	285,419	252,490
Employee Contributions	301,764	333,496	308,665
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	86,804	76,840	69,934
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	95,841	74,724	85,103

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, 2022, 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 awards are met. At December 31, 2022, there were \$599,668 in Restaurant Tax funds, \$1,220,488 in RAPZ Tax funds, and \$18,295,077 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 \$278,559 to BCIA for facility improvements over the next three 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 \$613,108 over the next two years.

During 2023, the Utah Office for Victim of Crimes performed a review on grant monies received by the County from 2018-2020. This review determined that the County owed about \$78,000 in unallowable expenditures. The County has determined it reasonable to disclose this amount in 2022 and report it as an expenditure in 2023.

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, 2022, the County abated property taxes totaling \$454,993 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 \$150,223.
- Logan North Retail RDA Plan – The agreed rebate paid amounted to \$85,130.
- North Logan RDA (C3) Project - The agreed rebate paid amounted to \$52,079.
- North Logan RDA (C2) Project – The agreed rebate paid amounted to \$45,296.

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 \$1,054,704. The County also contributed \$382,507 to the department for the substance abuse program and for the air pollution contract.

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.

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.

NOTE 13 – SUBSEQUENT EVENTS

In March of 2023, the County agreed to a final payout of \$3,143,635, related to the 6f land conversion agreement regarding the Land and Water Conservation Fund converting from land the County owned in North Logan to land owned by North Logan, Hyde Park, and Nibley for recreational use. This amount will be paid out in 2023

REQUIRED SUPPLEMENTARY INFORMATION

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property	\$17,130,000	\$ 17,475,000	\$ 17,954,108	\$ 479,108
Sales and use	<u>8,734,000</u>	<u>8,734,000</u>	<u>8,980,470</u>	<u>246,470</u>
	25,864,000	26,209,000	26,934,578	725,578
Other revenues:				
Intergovernmental revenues	14,075,600	22,379,000	13,019,523	(9,359,477)
Charges for services	8,214,100	8,781,100	8,732,823	(48,277)
Licenses and permits	40,000	40,000	63,330	23,330
Fines and forfeitures	111,000	142,600	152,130	9,530
Interest and investment income	248,000	248,000	595,134	347,134
Rental income	155,400	155,400	154,383	(1,017)
Public contributions	52,500	100,100	108,086	7,986
Miscellaneous revenues	<u>41,700</u>	<u>46,700</u>	<u>1,152,778</u>	<u>1,106,078</u>
Total revenues	<u>48,802,300</u>	<u>58,101,900</u>	<u>50,912,765</u>	<u>(7,189,135)</u>
EXPENDITURES				
General government:				
Council	129,900	222,500	218,490	4,010
Public legal assistance	819,200	957,700	876,099	81,601
Executive	446,800	444,200	371,172	73,028
Finance	732,400	851,400	745,844	105,556
Human resources	411,400	452,300	407,677	44,623
Geographic information systems	116,800	127,900	120,892	7,008
Information technology	1,092,000	2,220,000	1,028,631	1,191,369
Auditor	33,800	35,200	33,202	1,998
Clerk	234,300	238,100	190,580	47,520
Recorder	342,500	461,600	341,999	119,601
Attorney	2,123,300	2,186,800	1,944,117	242,683
Victim services	872,700	1,957,600	1,075,380	882,220
Elections	755,100	828,800	738,354	90,446
Economic development	288,900	300,900	236,568	64,332
USU Ag extension services	244,600	244,600	244,600	-
Agricultural promotion	6,000	6,000	6,000	-
Miscellaneous and general	3,195,100	2,333,400	1,899,381	434,019
Contributions to other units	<u>530,000</u>	<u>1,478,600</u>	<u>478,558</u>	<u>1,000,042</u>
	12,374,800	15,347,600	10,957,544	4,390,056

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public safety:				
Sheriff patrol	5,160,700	5,761,200	5,522,105	239,095
Support services	3,114,400	3,523,900	3,373,127	150,773
Sheriff administration	1,584,400	4,972,500	5,016,559	(44,059)
Search and rescue	238,000	238,000	123,675	114,325
Explorer	25,300	32,900	23,078	9,822
Corrections	8,837,300	10,345,800	9,908,169	437,631
Animal control	225,300	232,300	186,911	45,389
Animal impound	-	138,400	90,510	47,890
Emergency management	173,500	180,200	137,375	42,825
Ambulance	1,699,500	2,024,200	1,836,098	188,102
Fire safety	<u>1,253,000</u>	<u>1,789,800</u>	<u>1,170,702</u>	<u>619,098</u>
	22,311,400	29,239,200	27,388,309	1,850,891
Health and welfare:				
Mental health services	327,700	327,700	327,700	-
Welfare services	<u>82,800</u>	<u>82,800</u>	<u>80,000</u>	<u>2,800</u>
	410,500	410,500	407,700	2,800
Culture and recreation:				
Fairgrounds	1,093,800	1,899,200	1,219,018	680,182
TV translator station	18,800	21,300	14,791	6,509
Library services	118,000	147,400	144,710	2,690
Fair and rodeo	<u>447,300</u>	<u>567,100</u>	<u>467,959</u>	<u>99,141</u>
	1,677,900	2,635,000	1,846,478	788,522
Total expenditures	<u>36,774,600</u>	<u>47,632,300</u>	<u>40,600,031</u>	<u>7,032,269</u>
Revenues over expenditures	<u>12,027,700</u>	<u>10,469,600</u>	<u>10,312,734</u>	<u>(156,866)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	200,000	278,500	193,275	(85,225)
Debt proceeds	824,500	824,500	740,091	(84,409)
Transfers in:				
RSSD fund	1,000	1,000	1,000	-
Visitor's bureau fund	-	30,000	30,000	-
CCCF fund	10,000	82,000	78,091	(3,909)
CDRA fund	-	9,100	9,064	(36)
Restaurant fund	-	415,300	415,000	(300)
RAPZ tax fund	<u>-</u>	<u>124,000</u>	<u>123,982</u>	<u>(18)</u>
Total transfers in	11,000	661,400	657,137	(4,263)
Transfers out:				
Municipal services fund	-	(1,145,000)	(438,502)	706,498
Council on aging fund	(313,000)	(338,800)	(328,800)	10,000
Children's justice center fund	(30,100)	(30,100)	(30,100)	-
Debt service fund	(1,752,500)	(1,755,500)	(1,755,500)	-
Capital projects fund	<u>-</u>	<u>(5,000,000)</u>	<u>(20,505)</u>	<u>4,979,495</u>
Total transfers out	<u>(2,095,600)</u>	<u>(8,269,400)</u>	<u>(2,573,407)</u>	<u>5,695,993</u>
Total other financing uses	<u>(1,060,100)</u>	<u>(6,505,000)</u>	<u>(982,904)</u>	<u>5,522,096</u>
Net change in fund balances	10,967,600	3,964,600	9,329,830	5,365,230
Fund balances - January 1	<u>23,935,279</u>	<u>23,935,279</u>	<u>23,935,279</u>	<u>-</u>
Fund balances - December 31	<u>\$34,902,879</u>	<u>\$ 27,899,879</u>	<u>\$33,265,109</u>	<u>\$ 5,365,230</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
TAX ADMINISTRATION FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 3,600,500	\$ 3,740,300	\$ 3,854,676	\$ 114,376
Other revenues:				
Charges for services	1,200,000	1,200,000	432,318	(767,682)
Interest income	-	-	7,768	7,768
Miscellaneous revenues	100	100	-	(100)
Total revenues	<u>4,800,600</u>	<u>4,940,400</u>	<u>4,294,762</u>	<u>(645,638)</u>
EXPENDITURES				
General government:				
Council	14,500	24,800	24,277	523
Executive	78,900	78,500	65,435	13,065
Finance	81,400	94,700	83,125	11,575
Human resources	72,700	79,900	71,943	7,957
Geographic information systems	175,300	192,000	181,281	10,719
Information technology	916,700	961,600	875,339	86,261
Auditor	207,900	216,900	204,693	12,207
Treasurer	326,400	352,600	353,738	(1,138)
Recorder	342,500	342,500	298,191	44,309
Attorney	210,000	216,300	192,275	24,025
Assessor	2,099,600	2,179,200	1,968,478	210,722
Miscellaneous and general	257,300	361,700	207,474	154,226
Contributions to other units	125,500	218,000	230,025	(12,025)
Total expenditures	<u>4,908,700</u>	<u>5,318,700</u>	<u>4,756,274</u>	<u>562,426</u>
Revenues under expenditures	<u>(108,100)</u>	<u>(378,300)</u>	<u>(461,512)</u>	<u>(83,212)</u>
Net change in fund balances	(108,100)	(378,300)	(461,512)	(83,212)
Fund balances - January 1	<u>6,790,558</u>	<u>6,790,558</u>	<u>6,790,558</u>	<u>-</u>
Fund balances - December 31	<u>\$ 6,682,458</u>	<u>\$ 6,412,258</u>	<u>\$ 6,329,046</u>	<u>\$ (83,212)</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
MUNICIPAL SERVICES FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales and use	\$ 8,137,000	\$ 8,137,000	\$ 8,330,648	\$ 193,648
Other revenues:				
Intergovernmental	2,723,700	2,732,700	3,138,666	405,966
Charges for services	1,233,200	1,430,700	1,511,911	81,211
Licenses and permits	1,022,300	1,022,300	1,256,583	234,283
Interest income	10,000	10,000	805	(9,195)
Miscellaneous revenues	<u>12,000</u>	<u>12,000</u>	<u>9,776</u>	<u>(2,224)</u>
Total revenues	<u>13,138,200</u>	<u>13,344,700</u>	<u>14,248,389</u>	<u>903,689</u>
EXPENDITURES				
General government:				
Development services administration	433,300	558,100	312,925	245,175
Zoning administration	406,500	555,700	463,278	92,422
Building inspection	1,000,300	1,099,500	755,598	343,902
Miscellaneous expenditures	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
	1,841,600	2,214,800	1,531,801	682,999
Public safety:				
Fire safety	359,000	359,000	323,453	35,547
Animal control	<u>12,000</u>	<u>12,000</u>	<u>7,200</u>	<u>4,800</u>
	371,000	371,000	330,653	40,347
Streets and public improvements:				
Public works administration	-	752,300	617,909	134,391
Road projects	5,512,200	6,620,200	5,674,973	945,227
Vegetation management	760,100	754,800	632,519	122,281
Engineering	1,558,200	1,423,600	476,164	947,436
Contribution to other governments	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,209,661</u>	<u>(209,661)</u>
	11,830,500	13,550,900	11,611,226	1,939,674
Culture and recreation:				
Parks and trails	103,600	1,189,900	180,086	1,009,814
Eccles Ice Center support	<u>16,000</u>	<u>16,000</u>	<u>21,441</u>	<u>(5,441)</u>
	119,600	1,205,900	201,527	1,004,373
Total expenditures	<u>14,162,700</u>	<u>17,342,600</u>	<u>13,675,207</u>	<u>3,667,393</u>
Revenues over (under) expenditures	<u>(1,024,500)</u>	<u>(3,997,900)</u>	<u>573,182</u>	<u>4,571,082</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
MUNICIPAL SERVICES FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	258,000	406,000	147,000	(259,000)
Debt proceeds	-	-	73,000	73,000
Transfers in:				
General fund	-	1,145,000	438,502	(706,498)
CCCF fund	5,000	15,000	14,930	(70)
Recreation fund	-	100,000	100,000	-
RAPZ tax fund	49,000	302,500	282,412	(20,088)
CCCOG fund	717,500	871,900	129,772	(742,128)
RSSD fund	120,000	120,000	120,000	-
Capital Projects Fund	-	<u>1,473,000</u>	<u>1,425,640</u>	<u>(47,360)</u>
Total transfers in	891,500	4,027,400	2,511,256	(1,516,144)
Transfers out:				
Debt service fund	<u>(834,500)</u>	<u>(834,500)</u>	<u>(834,500)</u>	-
Total transfers out	<u>(834,500)</u>	<u>(834,500)</u>	<u>(834,500)</u>	-
Total other financing sources (uses)	<u>315,000</u>	<u>3,598,900</u>	<u>1,896,756</u>	<u>(1,702,144)</u>
Net change in fund balances	(709,500)	(399,000)	2,469,938	2,868,938
Fund balances - January 1	<u>7,124,779</u>	<u>7,124,779</u>	<u>7,124,779</u>	-
Fund balances - December 31	<u>\$ 6,415,279</u>	<u>\$ 6,725,779</u>	<u>\$ 9,594,717</u>	<u>\$ 2,868,938</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
MENTAL HEALTH FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Intergovernmental	\$ 3,146,400	\$ 4,146,400	\$ 2,935,445	\$ (1,210,955)
Total revenues	<u>3,146,400</u>	<u>4,146,400</u>	<u>2,935,445</u>	<u>(1,210,955)</u>
EXPENDITURES				
Health and welfare:				
Mental health services	<u>3,146,400</u>	<u>4,146,400</u>	<u>2,935,445</u>	<u>1,210,955</u>
Total expenditures	<u>3,146,400</u>	<u>4,146,400</u>	<u>2,935,445</u>	<u>1,210,955</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, 2022

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Sales and use	\$ 7,007,000	\$ 7,007,000	\$ 6,822,145	\$ (184,855)
Total revenues	<u>7,007,000</u>	<u>7,007,000</u>	<u>6,822,145</u>	<u>(184,855)</u>
EXPENDITURES				
Streets and public improvements:				
New road construction	<u>12,100,000</u>	<u>12,100,000</u>	<u>8,249,421</u>	<u>3,850,579</u>
Total expenditures	<u>12,100,000</u>	<u>12,100,000</u>	<u>8,249,421</u>	<u>3,850,579</u>
Revenues under expenditures	<u>(5,093,000)</u>	<u>(5,093,000)</u>	<u>(1,427,276)</u>	<u>3,665,724</u>
OTHER FINANCING USES				
Transfers out:				
Municipal services fund	<u>(717,500)</u>	<u>(871,900)</u>	<u>(129,772)</u>	<u>742,128</u>
Total transfers out	<u>(717,500)</u>	<u>(871,900)</u>	<u>(129,772)</u>	<u>742,128</u>
Total other financing uses	<u>(717,500)</u>	<u>(871,900)</u>	<u>(129,772)</u>	<u>742,128</u>
Net change in fund balances	(5,810,500)	(5,964,900)	(1,557,048)	4,407,852
Fund balances - January 1	<u>21,514,985</u>	<u>21,514,985</u>	<u>21,514,985</u>	<u>-</u>
Fund balances - December 31	<u>\$15,704,485</u>	<u>\$15,550,085</u>	<u>\$19,957,937</u>	<u>\$ 4,407,852</u>

CACHE COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
PRIMARY GOVERNMENT
DECEMBER 31, 2021 & 2020

December 31, 2021	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
Proportion of the net pension liability (asset)	0.5998611%	2.8170470%	1.2222972%	0.1765684%	1.2073295%
Proportionate share of the net pension liability (asset)	\$ (3,435,469)	(2,287,844)	(712,864)	(74,730)	(61,021)
Covered employee payroll	\$ 4,593,369	3,660,128	407,508	3,273,044	2,887,167
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-74.79%	-62.51%	-174.93%	-2.28%	-2.11%
Plan fiduciary net position as a percentage of the total pension liability	108.7%	104.2%	120.1%	103.8%	102.8%
December 31, 2020	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
Proportion of the net pension liability (asset)	0.5933095%	2.7995684%	0.8019125%	0.1664151%	1.1903583%
Proportionate share of the net pension liability (asset)	\$ 304,316	2,324,317	(224,231)	23,935	106,769
Covered employee payroll	\$ 4,819,540	3,786,663	261,620	2,661,035	2,368,861
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	6.31%	61.38%	-85.71%	0.90%	4.51%
Plan fiduciary net position as a percentage of the total pension liability	99.2%	95.5%	110.5%	98.3%	93.1%

CACHE COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
PRIMARY GOVERNMENT
DECEMBER 31, 2019 & 2018

December 31, 2019	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
Proportion of the net pension liability (asset)	0.5790999%	2.9606001%	0.6980722%	0.1505977%	1.3202731%
Proportionate share of the net pension liability (asset)	\$ 2,182,551	4,753,592	(86,575)	33,871	124,191
Covered employee payroll	\$ 4,817,820	3,986,954	223,503	2,092,709	2,176,068
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	45.30%	119.23%	-38.74%	1.62%	5.71%
Plan fiduciary net position as a percentage of the total pension liability	93.7%	90.9%	105.0%	96.5%	89.6%
December 31, 2018	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
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%

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

December 31, 2017	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
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%
December 31, 2016	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
Proportion of the net pension liability (asset)	0.5693184%	3.1333176%	0.6771347%	0.1387795%	1.3847484%
Proportionate share of the net pension liability (asset)	\$ 3,655,723	6,358,367	(5,338)	15,481	(12,020)
Covered employee payroll	\$ 5,050,952	4,541,332	190,261	1,138,108	1,144,109
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	72.38%	140.01%	-2.81%	1.36%	-1.05%
Plan fiduciary net position as a percentage of the total pension liability	87.3%	86.5%	100.4%	95.1%	103.6%

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

December 31, 2015	Non- Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter	
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%	
December 31, 2014	Non- Contributory System	Contributory System	Public Safety System	Firefighters System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter
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, 2021 & 2020

December 31, 2021	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
Proportion of the net pension liability (asset)	0.0066899%	0.4651823%	0.1395594%
Proportionate share of the net pension liability (asset)	\$ (38,313)	(2,664,148)	(59,067)
Covered employee payroll	\$ 67,360	3,641,317	2,585,478
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-56.88%	-73.16%	-2.28%
Plan fiduciary net position as a percentage of the total pension liability	108.7%	108.7%	103.8%
December 31, 2020	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
Proportion of the net pension liability (asset)	0.0069133%	0.4192055%	0.1155634%
Proportionate share of the net pension liability (asset)	\$ 3,564	215,029	16,621
Covered employee payroll	\$ 65,870	3,394,049	1,847,449
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	5.41%	6.34%	0.90%
Plan fiduciary net position as a percentage of the total pension liability	99.2%	99.2%	98.3%

CACHE COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
COMPONENT UNITS
DECEMBER 31, 2019 & 2018

December 31, 2019	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
Proportion of the net pension liability (asset)	0.0067053%	0.4233143%	0.1244383%
Proportionate share of the net pension liability (asset)	\$ 25,272	1,595,416	27,987
Covered employee payroll	\$ 65,141	3,517,692	1,729,584
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	38.80%	45.35%	1.62%
Plan fiduciary net position as a percentage of the total pension liability	93.7%	93.7%	96.5%
December 31, 2018	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
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%

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

December 31, 2017	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
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%
December 31, 2016	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
Proportion of the net pension liability (asset)	0.0064688%	0.4410652%	0.1420163%
Proportionate share of the net pension liability (asset)	\$ 41,536	2,832,178	15,842
Covered employee payroll	\$ 60,711	3,682,885	1,164,649
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	68.42%	76.90%	1.36%
Plan fiduciary net position as a percentage of the total pension liability	87.3%	87.3%	95.1%

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

December 31, 2015	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
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%
December 31, 2014	Airport Authority Non- Contributory System	BRHD Non- Contributory System	BRHD Tier 2 Public Employees System
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%
	2020	854,473	854,473	-	4,823,050	17.72%
	2021	833,589	833,589	-	4,589,981	18.16%
	2022	924,229	924,229	-	5,145,983	17.96%
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%
	2020	1,258,316	1,258,316	-	3,787,453	33.22%
	2021	1,214,592	1,214,592	-	3,658,179	33.20%
	2022	1,381,408	1,381,408	-	4,161,978	33.19%
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%
	2020	12,061	12,061	-	261,620	4.61%
	2021	18,786	18,786	-	407,508	4.61%
	2022	20,925	20,925	-	514,778	4.06%
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%
	2020	419,699	419,699	-	2,672,413	15.70%
	2021	522,541	522,541	-	3,289,591	15.88%
	2022	806,899	806,899	-	5,035,051	16.03%
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%
	2020	569,027	569,027	-	2,374,338	23.97%
	2021	725,084	725,084	-	2,894,948	25.05%
	2022	961,517	961,517	-	3,896,661	24.68%
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%
	2020	58,055	58,055	-	865,410	6.71%
	2021	78,136	78,136	-	1,166,212	6.70%
	2022	96,690	96,690	-	1,422,520	6.80%
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%
	2020	56,203	56,203	-	533,493	10.53%
	2021	70,774	70,774	-	696,016	10.17%
	2022	100,047	100,047	-	972,988	10.28%

*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%
	2020	12,694	12,694	-	65,870	19.27%
	2021	12,587	12,587	-	67,360	18.69%
	2022	12,915	12,915	-	71,861	17.97%
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%
	2020	626,881	626,881	-	3,394,049	18.47%
	2021	672,551	672,551	-	3,641,317	18.47%
	2022	661,641	661,641	-	3,636,776	18.19%
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%
	2020	290,906	290,906	-	1,849,030	15.73%
	2021	413,688	413,688	-	2,592,036	15.96%
	2022	459,528	459,528	-	2,864,820	16.04%
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%
	2020	20,885	20,885	-	312,180	6.69%
	2021	31,733	31,733	-	474,338	6.69%
	2022	42,877	42,877	-	672,125	6.38%

*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, 2022

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 2014.

NOTE 5 – CHANGE IN ASSUMPTIONS

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

SUPPLEMENTARY INFORMATION

CACHE COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2022

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	Special Revenue										Total Nonmajor Governmental Funds
	CCCF	CDRA	Health	Visitor's Bureau	Council on Aging	Restaurant Tax	Children's Justice Center	RAPZ Tax	RSSD	Debt Service	
ASSETS											
Cash and cash equivalents	\$ 15,014	\$ 205,247	\$ 241,022	\$ 125	\$ 200	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ 461,708
Equity in investment pool	50	-	603,838	1,067,264	154,206	2,665,032	211,161	3,580,034	153,256	-	8,434,841
Taxes receivable	-	-	19,400	147,282	-	384,340	-	496,256	-	-	1,047,278
Due from other governments	-	-	-	17,710	75,087	-	140,139	-	-	-	232,936
Restricted cash and investments	-	-	-	-	-	-	-	-	-	509,493	509,493
Other assets	-	-	-	1,365	-	-	-	-	-	-	1,365
Total assets	<u>\$ 15,064</u>	<u>\$ 205,247</u>	<u>\$ 864,260</u>	<u>\$ 1,233,746</u>	<u>\$ 229,493</u>	<u>\$ 3,049,372</u>	<u>\$ 351,400</u>	<u>\$ 4,076,290</u>	<u>\$ 153,256</u>	<u>\$ 509,493</u>	<u>\$ 10,687,621</u>
LIABILITIES											
Interfund payable - investment pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,574	\$ 35,574
Accounts payable and accrued liabilities	50	197,037	-	30,916	47,859	-	21,719	-	-	20,726	318,307
Unearned revenues	-	-	-	13,792	-	-	-	-	-	-	13,792
Total liabilities	<u>50</u>	<u>197,037</u>	<u>-</u>	<u>44,708</u>	<u>47,859</u>	<u>-</u>	<u>21,719</u>	<u>-</u>	<u>-</u>	<u>56,300</u>	<u>367,673</u>
DEFERRED INFLOWS OF RESOURCES											
Delinquent property taxes	-	-	11,200	-	-	-	-	-	-	-	11,200
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>11,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,200</u>
FUND BALANCE											
Nonspendable	-	-	-	1,365	-	-	-	-	-	-	1,365
Restricted for:											
Air pollution control	-	-	565,948	-	-	-	-	-	-	-	565,948
Health services	-	-	287,112	-	-	-	-	-	-	-	287,112
Streets and public improvements	-	-	-	-	-	-	-	153,256	-	-	153,256
Parks and recreation	-	-	-	1,187,673	-	3,049,372	-	4,076,290	-	-	8,313,335
Debt service	-	-	-	-	-	-	-	-	-	453,193	453,193
Other purposes	15,014	8,210	-	-	-	-	329,681	-	-	-	352,905
Assigned to:											
Health and welfare	-	-	-	-	181,634	-	-	-	-	-	181,634
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>15,014</u>	<u>8,210</u>	<u>853,060</u>	<u>1,189,038</u>	<u>181,634</u>	<u>3,049,372</u>	<u>329,681</u>	<u>4,076,290</u>	<u>153,256</u>	<u>453,193</u>	<u>10,308,748</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,064</u>	<u>\$ 205,247</u>	<u>\$ 864,260</u>	<u>\$ 1,233,746</u>	<u>\$ 229,493</u>	<u>\$ 3,049,372</u>	<u>\$ 351,400</u>	<u>\$ 4,076,290</u>	<u>\$ 153,256</u>	<u>\$ 509,493</u>	<u>\$ 10,687,621</u>

CACHE COUNTY
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

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	Special Revenue									Total Nonmajor Governmental Funds	
	CCCF	CDRA	Health	Visitor's Bureau	Council on Aging	Restaurant Tax	Children's Justice Center	RAPZ Tax	RSSD		Debt Service
REVENUES											
Taxes:											
Property	\$ -	\$ 35,582	\$ 1,038,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,073,991
Sales and use	-	-	-	1,456,856	-	2,269,402	-	2,727,987	-	-	6,454,245
	-	35,582	1,038,409	1,456,856	-	2,269,402	-	2,727,987	-	-	7,528,236
Other revenues:											
Intergovernmental	-	169,665	-	23,918	580,662	-	416,823	-	146,547	-	1,337,615
Charges for services	-	-	330,818	41,343	87,852	-	-	-	-	-	460,013
Interest income	833	-	-	-	-	-	-	-	-	19,374	20,207
Public contributions	90,741	-	-	-	735	-	-	-	-	-	91,476
Miscellaneous revenues	-	-	-	-	1,270	-	141,453	-	1,867	-	144,590
Total revenues	<u>91,574</u>	<u>205,247</u>	<u>1,369,227</u>	<u>1,522,117</u>	<u>670,519</u>	<u>2,269,402</u>	<u>558,276</u>	<u>2,727,987</u>	<u>148,414</u>	<u>19,374</u>	<u>9,582,137</u>
EXPENDITURES											
General government	360	197,037	23,116	-	-	-	-	-	-	-	220,513
Public safety	-	-	-	-	-	-	616,748	-	-	-	616,748
Health and welfare	-	-	1,460,043	-	1,119,477	-	-	-	-	-	2,579,520
Culture and recreation	-	-	-	851,004	-	1,564,248	-	1,518,137	-	-	3,933,389
Debt service principal	-	-	-	-	-	-	-	-	-	2,411,835	2,411,835
Debt service interest	-	-	-	-	-	-	-	-	-	427,873	427,873
Total expenditures	<u>360</u>	<u>197,037</u>	<u>1,483,159</u>	<u>851,004</u>	<u>1,119,477</u>	<u>1,564,248</u>	<u>616,748</u>	<u>1,518,137</u>	<u>-</u>	<u>2,839,708</u>	<u>10,189,878</u>
Revenues over (under) expenditures	91,214	8,210	(113,932)	671,113	(448,958)	705,154	(58,472)	1,209,850	148,414	(2,820,334)	(607,741)
OTHER FINANCING SOURCES (USES)											
Proceeds from sale of capital assets	-	-	-	-	15,975	-	-	-	-	-	15,975
Transfers in	-	-	-	-	329,800	-	30,100	-	-	2,852,000	3,211,900
Transfers out	(94,021)	(9,064)	-	(292,000)	-	(515,000)	-	(406,394)	(121,000)	-	(1,437,479)
Total other financing sources (uses)	<u>(94,021)</u>	<u>(9,064)</u>	<u>-</u>	<u>(292,000)</u>	<u>345,775</u>	<u>(515,000)</u>	<u>30,100</u>	<u>(406,394)</u>	<u>(121,000)</u>	<u>2,852,000</u>	<u>1,790,396</u>
Net change in fund balances	(2,807)	(854)	(113,932)	379,113	(103,183)	190,154	(28,372)	803,456	27,414	31,666	1,182,655
Fund balances - January 1	17,821	9,064	966,992	809,925	284,817	2,859,218	358,053	3,272,834	125,842	421,527	9,126,093
Fund balances - December 31	<u>\$ 15,014</u>	<u>\$ 8,210</u>	<u>\$ 853,060</u>	<u>\$ 1,189,038</u>	<u>\$ 181,634</u>	<u>\$ 3,049,372</u>	<u>\$ 329,681</u>	<u>\$ 4,076,290</u>	<u>\$ 153,256</u>	<u>\$ 453,193</u>	<u>\$ 10,308,748</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
CCCF FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Interest income	\$ 100	\$ 100	\$ 833	\$ 733
Public contributions	36,000	118,400	90,741	(27,659)
Total revenues	<u>36,100</u>	<u>118,500</u>	<u>91,574</u>	<u>(26,926)</u>
EXPENDITURES				
General government:				
General and administrative	100	500	360	140
Total expenditures	<u>100</u>	<u>500</u>	<u>360</u>	<u>140</u>
Revenues over expenditures	<u>36,000</u>	<u>118,000</u>	<u>91,214</u>	<u>(26,786)</u>
OTHER FINANCING USES				
Transfers out:				
General fund	(10,000)	(82,000)	(78,091)	3,909
Municipal services fund	(5,000)	(15,000)	(14,930)	70
Council on aging fund	(21,000)	(21,000)	(1,000)	20,000
Total transfers out	<u>(36,000)</u>	<u>(118,000)</u>	<u>(94,021)</u>	<u>23,979</u>
Total other financing uses	<u>(36,000)</u>	<u>(118,000)</u>	<u>(94,021)</u>	<u>23,979</u>
Net change in fund balances	-	-	(2,807)	(2,807)
Fund balances - January 1	<u>17,821</u>	<u>17,821</u>	<u>17,821</u>	<u>-</u>
Fund balances - December 31	<u>\$ 17,821</u>	<u>\$ 17,821</u>	<u>\$ 15,014</u>	<u>\$ (2,807)</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
CDRA FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property	\$ 70,000	\$ 70,000	\$ 35,582	\$ (34,418)
Other revenues:				
Intergovernmental	<u>266,000</u>	<u>266,000</u>	<u>169,665</u>	<u>(96,335)</u>
Total revenues	<u>336,000</u>	<u>336,000</u>	<u>205,247</u>	<u>(130,753)</u>
EXPENDITURES				
General government:				
Cache County Redevelopment Agency	<u>325,000</u>	<u>325,000</u>	<u>197,037</u>	<u>127,963</u>
Total expenditures	<u>325,000</u>	<u>325,000</u>	<u>197,037</u>	<u>127,963</u>
Revenues over expenditures	<u>11,000</u>	<u>11,000</u>	<u>8,210</u>	<u>(2,790)</u>
OTHER FINANCING USES				
Transfers out:				
General fund	<u>-</u>	<u>(9,100)</u>	<u>(9,064)</u>	<u>36</u>
Total transfers out	<u>-</u>	<u>(9,100)</u>	<u>(9,064)</u>	<u>36</u>
Total other financing uses	<u>-</u>	<u>(9,100)</u>	<u>(9,064)</u>	<u>36</u>
Net change in fund balances	11,000	1,900	(854)	(2,754)
Fund balances - January 1	<u>9,064</u>	<u>9,064</u>	<u>9,064</u>	<u>-</u>
Fund balances - December 31	<u>\$ 20,064</u>	<u>\$ 10,964</u>	<u>\$ 8,210</u>	<u>\$ (2,754)</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
HEALTH FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property	\$ 1,029,000	\$ 1,037,000	\$ 1,038,409	\$ 1,409
Other revenues:				
Charges for services	<u>320,000</u>	<u>320,000</u>	<u>330,818</u>	<u>10,818</u>
Total revenues	<u>1,349,000</u>	<u>1,357,000</u>	<u>1,369,227</u>	<u>12,227</u>
EXPENDITURES				
General government:				
Contributions to other units	<u>50,000</u>	<u>50,000</u>	<u>23,116</u>	<u>26,884</u>
	50,000	50,000	23,116	26,884
Health and welfare:				
Air pollution control	255,000	305,000	305,000	-
Bear River Health Department	<u>1,104,300</u>	<u>1,155,300</u>	<u>1,155,043</u>	<u>257</u>
	<u>1,359,300</u>	<u>1,460,300</u>	<u>1,460,043</u>	<u>257</u>
Total expenditures	<u>1,409,300</u>	<u>1,510,300</u>	<u>1,483,159</u>	<u>27,141</u>
Revenues under expenditures	<u>(60,300)</u>	<u>(153,300)</u>	<u>(113,932)</u>	<u>39,368</u>
Net change in fund balances	(60,300)	(153,300)	(113,932)	39,368
Fund balances - January 1	<u>966,992</u>	<u>966,992</u>	<u>966,992</u>	<u>-</u>
Fund balances - December 31	<u>\$ 906,692</u>	<u>\$ 813,692</u>	<u>\$ 853,060</u>	<u>\$ 39,368</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
VISITOR'S BUREAU FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales and use	\$ 1,191,000	\$ 1,191,000	\$ 1,456,856	\$ 265,856
Other revenues:				
Intergovernmental	39,100	59,100	23,918	(35,182)
Charges for services	31,000	31,000	41,343	10,343
Public contributions	4,200	4,200	-	(4,200)
Miscellaneous revenues	500	500	-	(500)
Total revenues	<u>1,265,800</u>	<u>1,285,800</u>	<u>1,522,117</u>	<u>236,317</u>
EXPENDITURES				
Culture and recreation:				
Cache Valley Visitor's Bureau	813,800	921,300	851,004	70,296
Total expenditures	<u>813,800</u>	<u>921,300</u>	<u>851,004</u>	<u>70,296</u>
Revenues over expenditures	<u>452,000</u>	<u>364,500</u>	<u>671,113</u>	<u>306,613</u>
OTHER FINANCING USES				
Transfers out:				
General fund	-	(30,000)	(30,000)	-
Debt service fund	(262,000)	(262,000)	(262,000)	-
Total transfers out	<u>(262,000)</u>	<u>(292,000)</u>	<u>(292,000)</u>	<u>-</u>
Total other financing uses	<u>(262,000)</u>	<u>(292,000)</u>	<u>(292,000)</u>	<u>-</u>
Net change in fund balances	190,000	72,500	379,113	306,613
Fund balances - January 1	<u>809,925</u>	<u>809,925</u>	<u>809,925</u>	<u>-</u>
Fund balances - December 31	<u>\$ 999,925</u>	<u>\$ 882,425</u>	<u>\$ 1,189,038</u>	<u>\$ 306,613</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
COUNCIL ON AGING FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Other revenues:				
Intergovernmental	\$ 444,900	\$ 565,900	\$ 580,662	\$ 14,762
Charges for services	88,500	88,500	87,852	(648)
Public contributions	13,000	13,000	735	(12,265)
Miscellaneous revenues	4,100	4,100	1,270	(2,830)
Total revenues	<u>550,500</u>	<u>671,500</u>	<u>670,519</u>	<u>(981)</u>
EXPENDITURES				
Health and welfare:				
Nutrition	484,600	559,100	547,052	12,048
Senior center	314,200	504,700	402,339	102,361
Access	142,300	168,100	170,086	(1,986)
Total expenditures	<u>941,100</u>	<u>1,231,900</u>	<u>1,119,477</u>	<u>112,423</u>
Revenues under expenditures	<u>(390,600)</u>	<u>(560,400)</u>	<u>(448,958)</u>	<u>111,442</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	-	15,975	15,975
Transfers in:				
General fund	313,000	338,800	328,800	(10,000)
CCCF fund	21,000	21,000	1,000	(20,000)
Total transfers in	<u>334,000</u>	<u>359,800</u>	<u>329,800</u>	<u>(30,000)</u>
Total other financing sources	<u>334,000</u>	<u>359,800</u>	<u>345,775</u>	<u>(14,025)</u>
Net change in fund balances	(56,600)	(200,600)	(103,183)	97,417
Fund balances - January 1	<u>284,817</u>	<u>284,817</u>	<u>284,817</u>	-
Fund balances - December 31	<u>\$ 228,217</u>	<u>\$ 84,217</u>	<u>\$ 181,634</u>	<u>\$ 97,417</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
RESTAURANT TAX FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales and use	\$ 2,106,000	\$ 2,106,000	\$ 2,269,402	\$ 163,402
Total revenues	<u>2,106,000</u>	<u>2,106,000</u>	<u>2,269,402</u>	<u>163,402</u>
EXPENDITURES				
Culture and recreation:				
Recreation and tourism promotion	1,878,200	2,454,300	1,564,248	890,052
Total expenditures	<u>1,878,200</u>	<u>2,454,300</u>	<u>1,564,248</u>	<u>890,052</u>
Revenues over (under) expenditures	<u>227,800</u>	<u>(348,300)</u>	<u>705,154</u>	<u>1,053,454</u>
OTHER FINANCING USES				
Transfers out:				
General fund	-	(415,300)	(415,000)	300
Municipal services fund	-	(100,000)	(100,000)	-
Total transfers out	<u>-</u>	<u>(515,300)</u>	<u>(515,000)</u>	<u>300</u>
Total other financing uses	<u>-</u>	<u>(515,300)</u>	<u>(515,000)</u>	<u>300</u>
Net change in fund balances	227,800	(863,600)	190,154	1,053,754
Fund balances - January 1	<u>2,859,218</u>	<u>2,859,218</u>	<u>2,859,218</u>	<u>-</u>
Fund balances - December 31	<u>\$ 3,087,018</u>	<u>\$ 1,995,618</u>	<u>\$ 3,049,372</u>	<u>\$ 1,053,754</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
CHILDREN'S JUSTICE CENTER FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Intergovernmental	\$ 428,800	\$ 410,800	\$ 416,823	\$ 6,023
Miscellaneous revenue	-	141,300	141,453	153
Total revenues	<u>428,800</u>	<u>552,100</u>	<u>558,276</u>	<u>6,176</u>
EXPENDITURES				
Public safety:				
Children's services	458,900	863,500	616,748	246,752
Total expenditures	<u>458,900</u>	<u>863,500</u>	<u>616,748</u>	<u>246,752</u>
Revenues over (under) expenditures	<u>(30,100)</u>	<u>(311,400)</u>	<u>(58,472)</u>	<u>252,928</u>
OTHER FINANCING SOURCES				
Transfers in:				
General fund	30,100	30,100	30,100	-
Total transfers in	<u>30,100</u>	<u>30,100</u>	<u>30,100</u>	<u>-</u>
Total other financing sources	<u>30,100</u>	<u>30,100</u>	<u>30,100</u>	<u>-</u>
Net change in fund balances	-	(281,300)	(28,372)	252,928
Fund balances - January 1	<u>358,053</u>	<u>358,053</u>	<u>358,053</u>	<u>-</u>
Fund balances - December 31	<u>\$ 358,053</u>	<u>\$ 76,753</u>	<u>\$ 329,681</u>	<u>\$ 252,928</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
RAPZ TAX FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales and use	\$ 2,801,000	\$ 2,801,000	\$ 2,727,987	\$ (73,013)
Total revenues	<u>2,801,000</u>	<u>2,801,000</u>	<u>2,727,987</u>	<u>(73,013)</u>
EXPENDITURES				
Culture and recreation:				
Programs and projects	2,022,900	2,443,600	1,518,137	925,463
Total expenditures	<u>2,022,900</u>	<u>2,443,600</u>	<u>1,518,137</u>	<u>925,463</u>
Revenues over expenditures	<u>778,100</u>	<u>357,400</u>	<u>1,209,850</u>	<u>852,450</u>
OTHER FINANCING USES				
Transfers out:				
General fund	-	(124,000)	(123,982)	18
Municipal services fund	(49,000)	(302,500)	(282,412)	20,088
Total transfers out	<u>(49,000)</u>	<u>(426,500)</u>	<u>(406,394)</u>	<u>20,106</u>
Total other financing uses	<u>(49,000)</u>	<u>(426,500)</u>	<u>(406,394)</u>	<u>20,106</u>
Net change in fund balances	729,100	(69,100)	803,456	872,556
Fund balances - January 1	<u>3,272,834</u>	<u>3,272,834</u>	<u>3,272,834</u>	<u>-</u>
Fund balances - December 31	<u>\$ 4,001,934</u>	<u>\$ 3,203,734</u>	<u>\$ 4,076,290</u>	<u>\$ 872,556</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
RSSD FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Other revenues:				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 146,547	\$ 26,547
Miscellaneous income	1,000	1,000	1,867	867
Total revenues	<u>121,000</u>	<u>121,000</u>	<u>148,414</u>	<u>27,414</u>
EXPENDITURES				
Streets and public improvements:				
Road projects	-	-	-	-
Total expenditures	-	-	-	-
Revenues over expenditures	<u>121,000</u>	<u>121,000</u>	<u>148,414</u>	<u>27,414</u>
OTHER FINANCING USES				
Transfers out:				
General fund	(1,000)	(1,000)	(1,000)	-
Municipal services fund	(120,000)	(120,000)	(120,000)	-
Total transfers out	<u>(121,000)</u>	<u>(121,000)</u>	<u>(121,000)</u>	-
Total other financing uses	<u>(121,000)</u>	<u>(121,000)</u>	<u>(121,000)</u>	-
Net change in fund balances	-	-	27,414	27,414
Fund balances - January 1	<u>125,842</u>	<u>125,842</u>	<u>125,842</u>	-
Fund balances - December 31	<u>\$ 125,842</u>	<u>\$ 125,842</u>	<u>\$ 153,256</u>	<u>\$ 27,414</u>

CACHE COUNTY
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
YEAR ENDED DECEMBER 31, 2022

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Interest income	\$ -	\$ -	\$ 19,374	\$ 19,374
Total revenues	<u>-</u>	<u>-</u>	<u>19,374</u>	<u>19,374</u>
EXPENDITURES				
Debt service:				
Principal	2,419,000	2,422,000	2,411,835	10,165
Interest	<u>430,000</u>	<u>430,000</u>	<u>427,873</u>	<u>2,127</u>
Total expenditures	<u>2,849,000</u>	<u>2,852,000</u>	<u>2,839,708</u>	<u>12,292</u>
Revenues under expenditures	<u>(2,849,000)</u>	<u>(2,852,000)</u>	<u>(2,820,334)</u>	<u>31,666</u>
OTHER FINANCING SOURCES				
Transfers in:				
General fund	1,752,500	1,755,500	1,755,500	-
Municipal services fund	834,500	834,500	834,500	-
Visitor's bureau fund	<u>262,000</u>	<u>262,000</u>	<u>262,000</u>	<u>-</u>
Total transfers in	<u>2,849,000</u>	<u>2,852,000</u>	<u>2,852,000</u>	<u>-</u>
Total other financing sources	<u>2,849,000</u>	<u>2,852,000</u>	<u>2,852,000</u>	<u>-</u>
Net change in fund balances	-	-	31,666	31,666
Fund balances - January 1	<u>421,527</u>	<u>421,527</u>	<u>421,527</u>	<u>-</u>
Fund balances - December 31	<u>\$ 421,527</u>	<u>\$ 421,527</u>	<u>\$ 453,193</u>	<u>\$ 31,666</u>

CACHE COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
AS OF DECEMBER 31, 2022

	<u>Fee Trust Fund</u>	<u>Health Department 125 Plan</u>	<u>Treasurer's Tax Fund</u>	<u>Total Custodial Funds</u>
ASSETS				
Cash and cash equivalents	\$ -	\$ 7,053	\$ 26,324,213	\$ 26,331,266
Equity in investment pool	848,845	-	-	848,845
Taxes receivable	-	-	<u>1,157,971</u>	<u>1,157,971</u>
Total assets	<u>848,845</u>	<u>7,053</u>	<u>27,482,184</u>	<u>28,338,082</u>
LIABILITIES				
Due to other taxing units	-	-	27,333,077	27,333,077
Other payables	<u>848,845</u>	<u>-</u>	<u>149,107</u>	<u>997,952</u>
Total liabilities	<u>848,845</u>	<u>-</u>	<u>27,482,184</u>	<u>28,331,029</u>
NET POSITION				
Restricted for:				
Pool participants	<u>-</u>	<u>7,053</u>	<u>-</u>	<u>7,053</u>
Total net position	<u>\$ -</u>	<u>\$ 7,053</u>	<u>\$ -</u>	<u>\$ 7,053</u>

CACHE COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	<u>Fee Trust Fund</u>	<u>Health Department 125 Plan</u>	<u>Treasurer's Tax Fund</u>	<u>Total Custodial Funds</u>
ADDITIONS				
Contributions - participants	\$ 2,194,739	\$ 10,302	\$ -	\$ 2,205,041
Tax collections for other governments	-	-	128,997,258	128,997,258
Interest income	-	27	423,910	423,937
Total additions	<u>2,194,739</u>	<u>10,329</u>	<u>129,421,168</u>	<u>131,626,236</u>
DEDUCTIONS				
Distributions - participants	2,194,739	10,443	-	2,205,182
Tax distributions to other governments	-	-	129,421,168	129,421,168
Total deductions	<u>2,194,739</u>	<u>10,443</u>	<u>129,421,168</u>	<u>131,626,350</u>
Changes in net position	-	(114)	-	(114)
Net Position - January 1	-	7,167	-	7,167
Net position - December 31	<u>\$ -</u>	<u>\$ 7,053</u>	<u>\$ -</u>	<u>\$ 7,053</u>

COMPONENT UNITS

CACHE COUNTY
COMBINING STATEMENT OF NET POSITION
NORTH PARK INTERLOCAL COOPERATIVE
AS OF DECEMBER 31, 2022

	North Park Interlocal Cooperative	Bridgerland Community Ice Arena	Total
ASSETS			
Cash and cash equivalents	\$ 149	\$ 668,236	\$ 668,385
Accounts receivable, net	-	14,253	14,253
Pledges receivable, net	-	92,853	92,853
Investments	-	1,474,568	1,474,568
Inventory	-	8,541	8,541
Other assets	-	1,188	1,188
Capital assets:			
Buildings, improvements and equipment	4,516,695	582,528	5,099,223
Accumulated depreciation	<u>(2,229,467)</u>	<u>(464,365)</u>	<u>(2,693,832)</u>
Total assets	<u>2,287,377</u>	<u>2,377,802</u>	<u>4,665,179</u>
LIABILITIES			
Accounts payable and accrued liabilities	<u>-</u>	<u>25,206</u>	<u>25,206</u>
Total liabilities	<u>-</u>	<u>25,206</u>	<u>25,206</u>
NET POSITION			
Net investment in capital assets	2,287,228	118,163	2,405,391
Restricted for:			
Other purposes	-	120,305	120,305
Unrestricted	<u>149</u>	<u>2,070,128</u>	<u>2,070,277</u>
Total net position	<u>\$ 2,287,377</u>	<u>\$ 2,352,596</u>	<u>\$ 4,639,973</u>

CACHE COUNTY
COMBINING STATEMENT OF ACTIVITIES
NORTH PARK INTERLOCAL COOPERATIVE
YEAR ENDED DECEMBER 31, 2022

	<u>North Park Interlocal Cooperative</u>	<u>Bridgerland Community Ice Arena</u>	<u>Total</u>
Expenses	\$ 114,632	\$ 1,022,404	\$ 1,137,036
Program revenues			
Charges for services	-	682,905	682,905
Operating grants and contributions	<u>-</u>	<u>583,675</u>	<u>583,675</u>
Total program revenues	<u>-</u>	<u>1,266,580</u>	<u>1,266,580</u>
Net revenues (expenses)	<u>(114,632)</u>	<u>244,176</u>	<u>129,544</u>
General revenues			
Interest income	<u>2</u>	<u>60,316</u>	<u>60,318</u>
Total general revenues	<u>2</u>	<u>60,316</u>	<u>60,318</u>
Change in net position	(114,630)	304,492	189,862
Net position - beginning	<u>2,402,007</u>	<u>2,048,104</u>	<u>4,450,111</u>
Net position - ending	<u>\$ 2,287,377</u>	<u>\$ 2,352,596</u>	<u>\$ 4,639,973</u>

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CACHE COUNTY
SINGLE AUDIT REPORTS

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
U.S. Department of Agriculture (USDA)			
<i>Direct Program</i>			
Forest Service Schools and Roads Cluster			
Secure Rural Schools-Title I	10.665	FY2022	122,009
Secure Rural Schools-Title III	10.665	FY2022	20,096
Total Forest Service Schools and Roads Cluster			142,105
<i>Passed through Utah Weed Supervisors Association</i>			
EDRR Knapweed Project	10.025	2022	8,600
<i>Passed through Utah Department of Health</i>			
Special Supplemental Food Program for Women, Infants and Children:			
Food Checks 2022	10.557	202700372	1,354,487
Food Checks 2023	10.557	202700372	483,270
Administrative Costs 2022	10.557	202700372	792,282
Administrative Costs 2023	10.557	202700372	262,626
Total USDA			3,043,370
U.S. Environmental Protection Agency (EPA)			
<i>Passed through Utah Division of Environmental Quality</i>			
Targeted Airshed Vehicle Repair and Replace 2022	66.202	n/a	69,639
Targeted Airshed Vehicle Repair and Replace 2023	66.202	n/a	76,818
DEQ Drinking Water 2022	66.605	92535	20,901
DEQ Drinking Water Surveys 2022	66.605	92535	10,111
DEQ Air Quality 2022	66.605	92535	3,500
Total EPA			180,969

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services (HHS)			
<i>Passed through Bear River Association of Governments</i>			
Aging Cluster			
Special Programs for Aging, Title III, Part B	93.044	FY 22-23	52,213
Special Programs for Aging, IIID PHP	93.043	FY 21-22	2,078
Special Programs for Aging, IIID PHP	93.043	FY 22-23	1,883
Special Programs for Aging, Title III, Part C1	93.045	FY 21-22	94,121
Special Programs for Aging, Title III, Part C1	93.045	FY 22-23	15,062
Special Programs for Aging, Title IIIC-1 CIC	93.053	FY 21-22	1,467
Special Programs for Aging, Title IIIC-1 CIC	93.053	FY 22-23	21,277
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 21-22	50,884
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 22-23	88,252
Special Programs for Aging, Title IIIC-2 CIH	93.053	FY 21-22	521
Special Programs for Aging, Title IIIC-2 CIH	93.053	FY 22-23	21,277
Total Aging Cluster			349,035
Health Insurance Counseling	93.779	FY 21-22	2,596
Health Insurance Counseling	93.779	FY 22-23	1,200
MIPPA	93.071	FY 21-22	1,489
MIPPA	93.071	FY 22-23	835
Title XX - Social Services Block Grant	93.667	FY 21-22	4,600
<i>Passed through Utah Department of Health and Human Services</i>			
General Federal Block FRF	93.958	A03079 (21-22)	3,167
General Federal Block FRF	93.958	A03079 (22-23)	7,588
General Federal Block MHF	93.958	A03079 (21-22)	51,870
General Federal Block MHF	93.958	A03079 (22-23)	53,399
Federal Block Children MHX	93.958	A03079 (21-22)	13,500
Federal Block Children MHX	93.958	A03079 (22-23)	12,000
General Federal Block MOT	93.958	A03079 (22-23)	21,428
General Federal Block RFU	93.958	A03079 (21-22)	25,607
General Federal Block RFU	93.958	A03079 (22-23)	32,055
General Federal Block SET	93.958	A03079 (21-22)	25,000
General Federal Block EIM	93.958	A03079 (22-23)	75,000
General Federal Block EIM	93.665	A03079 (21-22)	91,032
General Federal Block SET	93.665	A03079 (22-23)	57,811
MRC 22-0158 2022	93.008	MRC 22-0158	5,000
MRC 22-0473 2022	93.008	MRC 22-0473	5,000
MRC 22-2333 2022	93.008	MRC 22-2333	5,000
MRC RISE 22-0158 2022	93.008	MRC RISE 22-0158	52,500
MRC RISE 22-0473 2022	93.008	MRC RISE 22-0473	52,500
MRC RISE 22-2333 2022	93.008	MRC RISE 22-2333	52,500
MRC Small Grant 2022	93.008	222700742	9,580

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
PH & Medical Preparedness 2022	93.069	212700121	155,799
PH & Medical Preparedness 2023	93.069	222700172	240,236
HABS-PMS 2022	93.070	1NUE1EH001446	42,706
TB Control 2022	93.116	202700572	675
Community Level PDO Grant	93.136	232700573	50,074
MCH-PBG Injury Prevention 2023	93.184	222700485	16,588
Utah Overdose Data to Action 2023	93.184	222700541	33,357
Childhood Lead Poisoning 2023	93.197	222700394	3,194
Substance Abuse - SPF Partners for Success 2022	93.243	A03079	40,426
Substance Abuse - SPF Partners for Success 2023	93.243	A03079	41,882
Substance Abuse - MH - Integration W/FQHC 2022	93.243	160048	29,899
Substance Abuse - MH - Integration W/FQHC 2023	93.243	160048	35,650
COVID-19 Vaccine Supplemental Support Funding 2022	93.268	212701510	267,608
COVID-19 Vaccine Supplemental Support Funding 2023	93.268	212701510	55,011
Immunizations 2022	93.268	192701004	40,191
Immunizations 2023	93.268	192701004	40,192
Disease Response, Eval, Analysis & Monitoring 2022	93.323	202700507	46,600
COVID-19 PPPHEA 2022	93.323	212700269	238,974
PPPHEA Test, Prevent, & Trace 2023	93.323	212700269	83,218
PPPHEA EED Epidemiology 2023	93.323	212700269	82,410
PPPHEA Vulnerable Populations 2023	93.323	212700269	97,099
PPPHEA Health Workers 2023	93.323	212700269	155,096
PPPHEA EED Personnel/Flex Funds 2023	93.323	212700269	144,800
COVID-19 Testing K-12 Schools 2022	93.323	222700085	101,551
ELC Detection and Mitigation of COVID-19 2022	93.323	222701283	61,400
Crisis Response Workforce Supplemental 2022	93.354	222700707	657,507
Tobacco Comprehensive CDC 2022	93.387	212700250	27,301
Tobacco Comprehensive CDC 2023	93.387	212700250	24,580
Health Disparaties 2022	93.391	222700135	362,827
EPICC 1815 2022	93.426	192700347	14,839
EPICC 1815 2023	93.426	192700347	10,006
EPICC 1815 2022	93.435	192700347	36,383
EPICC 1815 2023	93.435	192700347	44,836

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing No.	Pass-Through Grant No.	Expenditures
EPICC 1815 2022	93.439	192700347	10,553
EPICC 1815 2023	93.439	192700347	3,740
Refugee Health 2022	93.566	212701474	26,191
Refugee Health 2023	93.566	212701474	3,809
TB Refugee Health Coordinator 2022	93.566	212701474	10,978
TB Refugee Health Coordinator 2023	93.566	212701474	9,022
Medicaid Cluster			
Targeted Case Management 2022	93.778	162700997	81,803
Targeted Case Management 2023	93.778	2112305	68,300
Consumer Education and Assistance 2022	93.778	202700898	48,965
Consumer Education and Assistance 2023	93.778	202700898	23,102
Total Medicaid Cluster			222,170
Substance Abuse - Opioid SOR Grant 2022	93.788	160048	76,426
Substance Abuse - Opioid SOR Grant 2023	93.788	160048	185,915
Substance Abuse - State Opioid Prevention 2022	93.788	A03079	14,725
Substance Abuse - State Opioid Prevention 2023	93.788	A03079	8,125
Hospital Prep-Medical Reserve Corp 2022	93.889	222700172	19,057
Hospital Prep-Medical Reserve Corp 2023	93.889	222700172	614
Regional Health Care Coalition 2022	93.889	222700172	112,171
Regional Health Care Coalition 2023	93.889	222700172	96,586
Cancer Control 2022 (Breast and Cervical)	93.898	22700360	21,000
Cancer Control 2023 (Breast and Cervical)	93.898	22700360	21,000
HIV Prevention Counseling & Testing 2022	93.940	182700662	500
HIV Prevention Counseling & Testing 2023	93.940	182700662	500
Substance Abuse - SAPT Block Grant 2022	93.959	A03079	659,261
Substance Abuse - SAPT Block Grant 2023	93.959	A03079	428,774
Substance Abuse - SAPT Block Grant 2023	93.959	A03079	21,688
Substance Abuse - SAPT Block Grant 2023	93.959	A03079	31,180
Substance Abuse - Drug Court 2022	93.959	A03079	40,842
STD Disease Intervention Services 2022	93.977	192700671	4,000
MCH-PBG Injury Prevention 2022	93.991	222700485	59,344
MCH-PBG Injury Prevention 2023	93.991	222700485	33,537
MCH-PBG Injury Prevention 2022	93.994	212700630	18,167
MCH-PBG Injury Prevention 2023	93.994	232700573	18,216
Maternal and Child Health Funding 2022	93.994	212700500	14,898
Maternal and Child Health Funding 2023	93.994	212700500	1,388

Total HHS

6,468,584

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
U.S. Dept of Housing and Urban Development (HUD)			
<i>Passed through Bear River Association of Governments</i>			
Community Development Block Grant - CDBG	14.218	BRAG	120,052
Community Development Block Grant - CDBG	14.228	BRAG	47,965
Total HUD			168,017
U.S. Department of Interior (DOI)			
<i>Passed through the State Division of Wildlife Resources</i>			
Fish and Wildlife Cluster			
Pittman-Robertson Program	15.611	FY2022	9,160
Total Fish and Wildlife Cluster			9,160
Total DOI			9,160
U.S. Department of Justice (DOJ)			
<i>Passed through Utah Department of Justice</i>			
Justice Assistance 2022	16.738	20A 42	88,652
Suicide Prevention 2022	16.745	2020-MO-BX-0043	111,344
<i>Passed through State Office of the Attorney General</i>			
State Criminal Alien Assistance Program	16.606	FY2022	160,000
Victim Assistance Services Grant - CJC	16.575	22-VOCA-001	51,461
Victim Assistance Services Grant - CJC	16.575	23-VOCA-001	50,729
Victim Assistance Services Grant - SAS	16.575	22-VOCA-121	62,167
Victim Assistance Services Grant - SAS	16.575	23-VOCA-121	50,494
Victim Assistance Services Grant	16.575	22-VOCA-025	161,816
Victim Assistance Services Grant	16.575	23-VOCA-025	128,607
Violence Against Women Grant - Investigations	16.588	22-W-2102	84,871
Violence Against Women Grant - Prosecutions	16.588	22-W1904	86,638
Total DOJ			1,036,779

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2022

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
U.S. Department of Transportation (DOT)			
<i>Direct Program</i>			
Airport Rescue Grant	20.106	DOT-FA22NM-K1022	58,999
Airport Master Plan	20.106	DOT-FA22NM-1038	104,785
<i>Passed through Utah Highway Safety Office</i>			
Highway Safety Cluster			
Highway Safety - Rural Seat Belt 2022 Box Elder	20.600	MOA	11,250
Highway Safety - Rural Seat Belt 2023 Box Elder	20.600	MOA	10,370
Highway Safety - Rural Seat Belt Cache 2022	20.600	MOA	11,250
Highway Safety - Rural Seat Belt Cache 2023	20.600	MOA	8,025
Highway Safety - Child Passenger Safety 2022	20.616	MOA	3,850
Highway Safety - Child Passenger Safety 2023	20.616	MOA	3,850
Total Highway Safety Cluster			48,595
Total DOT			212,379
U.S. Department of the Treasury (DOTT)			
<i>Direct Program</i>			
ARPA - 2022	21.027	ARPA	11,255,511
General Federal Block SET	21.027	A03079 (21-22)	50,000
Local Assistance and Tribal Consistency Fund	21.032	2022	2,263
Total DOTT			11,307,774
U.S. Department of Homeland Security (DHS)			
<i>Passed through State Department of Public Safety</i>			
Homeland Security Grant	97.067	2020 SHSP	6,206
Emergency Management Performance Grant	97.042	EMPG-2021-DEM-003	33,125
Total DHS			39,331
GRAND TOTAL			\$ 22,466,363

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2022

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 information in the Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

B. Assistance Listing Numbers

Title 2 U.S. Code of Federal Regulations Part 200 required the schedule to show the total expenditures for each of the County’s federal financial assistance programs as identified by Assistance Listing number. Assistance Listing

is a government-wide compendium of individual federal programs which assigns a five-digit program identification Assistance Listing number to each federal program.

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.

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

To the Cache County Council
Cache County
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, 2022, and the related notes to the financial statements, which collectively comprise the County’s basic financial statements, and have issued our report thereon dated September 28, 2023. 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), 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 *Governmental 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.

Report on 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) as a basis for designing 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002, that we consider to be significant deficiencies.

Report on 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 financial statements. 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*.

The County’s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County’s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
September 28, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Cache County Council
Cache County
Logan, Utah

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cache County, Utah's (the County) compliance with the types of compliance requirements identified as subject to audit 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, 2022. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit

evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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 a 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2022-003, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other 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.



JONES SIMKINS LLC
Logan, Utah
September 28, 2023

CACHE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

A. Summary of Auditor's Results:

Financial Statements

- | | | |
|----|---|-----------------|
| 1. | Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. | Internal control over financial reporting:
Material weaknesses identified:
Significant deficiencies identified: | No
Yes – Two |
| 3. | Non-compliance material to financial statements noted: | No |

Federal Awards

- | | | |
|----|--|--|
| 4. | Internal control over major federal programs:
Material weaknesses identified:
Significant deficiencies identified: | No
Yes – One |
| 5. | Type of auditor's report issued on compliance for major federal programs: | Unmodified |
| 6. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): | Yes – One |
| 7. | Identification of major federal programs <ul style="list-style-type: none"> • Assistance Listing Numbers | 10.557 – Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

21.027 – Coronavirus State and Local Fiscal Recovery Funds

93.323 – Epidemiology and Lab Capacity for Infectious Disease

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 qualified as a low-risk auditee? | Yes |

CACHE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

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

Finding 2022-001

Criteria: Procurement policies and procedures and appropriate approval of purchases is an important control activity needed to adequately ensure that all purchases made by the County are acceptable and in compliance with County policies and other external compliance requirements.

Condition: Although the County has implemented procurement policies and procedures, controls have not been established to identify noncompliance with procurement policies and procedures in a timely manner. Specifically, bids have not been obtained when required for certain purchases during the year.

Cause: Review and approval of large purchases is not always performed within a timely basis. In addition, employees with the ability to enter into contracts have not received adequate training regarding procurement policies and procedures.

Effect or Potential Effect: Without timely controls over procurement, the risk increases significantly that errors and fraud, including misappropriation of assets, could occur.

Recommendation: County management should ensure that procurement policies and procedures are being following by all County personnel. In addition, we recommend that County management provide training related to procurement policies and procedures to all County personnel with the ability to enter into a contract.

Finding 2022-002

Criteria: Policies and procedures related to employee time entry and appropriate approval of said time entry is an important control activity needed to adequately ensure that all employee time being submitted in reimbursement-basis grant situations is allowable.

Condition: It was noted that time keeping software is not being used by each County department for salary employees resulting in estimates being regularly made by County employees when submitting grant reimbursement requests. This was especially significant in grant reimbursement requests submitted by the County Attorney's office.

Cause: The County has not required the use of time keeping software for salary employees.

Effect or Potential Effect: Costs submitted for reimbursement to federal and state granting agencies may be considered unallowable.

Recommendation: County management should require the use of time keeping or time management software for all employees throughout the County. In addition, we recommend that County management provide training related to grant reimbursement requests and the need to support all expenditures for which reimbursement requests have been submitted.

CACHE COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2022

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

Finding 2022-003

Information on the Federal Program: Assistance Listing Number 21.027 – Coronavirus State and Local Fiscal Recovery Funds. *Compliance Requirement:* Procurement and Suspension and Debarment. *Type of Finding:* Significant deficiency in internal control over major federal programs.

Criteria: Uniform Guidance requirements indicate recipients must follow the procurement standards in 2 CFR sections 200.318 through 200.327, including ensuring that the procurement method used for the contracts are appropriate based on the dollar amount and conditions specified in 2 CFR section 200.320.

Condition: We noted one expenditure for which general procurement policies and procedures related to obtaining a bid were not followed prior to entering into a contract with a vendor.

Cause: County staff are not familiar enough with County procurement policies and procedures.

Effect or Potential Effect: The County has a significant deficiency in internal control with respect to its procurement policies and procedures which could result in significant noncompliance or questioned costs in the future.

Recommendation: County management should ensure that procurement policies and procedures are being following by all County personnel. In addition, we recommend that County management provide training related to procurement policies and procedures to all County personnel with the ability to enter into a contract.

CACHE COUNTY

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2022

There were no audit findings in the prior year.

CACHE COUNTY

CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2022

Cache County respectfully submits the following response for the findings identified in the financial statements audited as of December 31, 2022.

Response to finding 2022-001

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 procurement policies. The County will provide sufficient training and resources for staff to make sure all procurement policies are followed correctly. The County will also monitor these processes through internal audit procedures.

Response to finding 2022-002

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 employee time entry and approval when employee time is being submitted for grant reimbursements. The County will provide sufficient training and resources for staff to make sure all time entry policies are followed correctly. The County will also monitor these processes through internal audit procedures.

Response to finding 2022-001

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 County and Federal procurement policies. The County will provide sufficient training and resources for staff to make sure all County and Federal procurement policies are followed correctly. The County will also monitor these processes through internal audit procedures.

STATE COMPLIANCE REPORTS

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

To the Cache County Council
Cache County
Logan, Utah

Report on Compliance

Opinion on Compliance

We have audited Cache County, Utah's (the County) compliance with the following applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended December 31, 2022:

Budgetary Compliance
Fund Balance
Restricted Taxes and Other Related Restricted Revenue
Fraud Risk Assessment
Government Fees
Cash Management
Utah Retirement Systems
Public Treasurer's Bond

In our opinion, the County complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2022.

Basis for Opinion on Compliance

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*, issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State Compliance Audit Guide* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of the *State Compliance Audit Guide* as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *State Compliance Audit Guide*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 state compliance requirement on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.



JONES SIMKINS LLC
Logan, Utah
September 28, 2023

September 28, 2023

To the Cache County Council and Management of
Cache County
Logan, Utah

We have audited the financial statements of Cache County, Utah (the County), as of and for the year ended December 31, 2022, and have issued our report thereon dated September 28, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated February 1, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the County solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting, and other matters noted during our audit in a separate letter to you dated September 28, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you. In addition, there were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of the planning phase of our audit.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the following significant risks:

- Management override of controls
- Improper revenue recognition
- Risks of material misstatement related to long-term items
- Risks associated with compliance over federal and state grants

Qualitative Aspects of the County's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the County is included in Note 1 to the financial statements.

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 (GASB 87), *Leases*, which establishes a single model for lease accounting and requires recognition of certain lease assets and liabilities. The County adopted GASB 87 on July 1, 2021 using the facts and circumstances that existed as of that date. The adoption of this standard resulted in no change to beginning net position or beginning fund balance.

No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive estimates affecting the County's financial statements relate to the estimated useful lives of capital assets and the estimates related to the County's proportionate share of the net pension liability.

Management's estimate of the useful lives of capital assets is based on expected future use of the assets and historical lives of similar assets. Management's estimate related to the County's proportionate share of the net pension liability is based on the results of an actuarial study. We evaluated the key factors and assumptions used to develop these estimates and determined that each is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the County's financial statements are related to capital assets, long-term liabilities, and retirement plans, which are located in Note 4, Note 5, and Note 7 to the financial statements, respectively. The disclosures of the changes in capital assets, the changes in long-term liabilities, and retirement plans were formulated to include all changes to each respective category during the year.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be

materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole or applicable opinion units.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the County's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated September 28, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the County, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the County, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the County's auditors.

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) listed in the table of contents which supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the

information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Internal Control

In planning and performing our audit of the basic financial statements of the County as of and for the year ended December 31, 2022, 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, we considered the County's internal control over financial reporting (internal control) as a basis for designing 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 over financial reporting.

Comments, if any, related to internal control were reported in the Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

Other Findings or Recommendations

Our audit procedures identified other matters involving internal control and compliance that, although not considered by us to be significant deficiencies, are weaknesses in internal control for which corrective action might be taken, or are immaterial instances of non-compliance with laws and regulations. Our audit procedures also identified certain areas where accounting or management practices could be implemented to improve the County's accounting and administrative functions.

1. Throughout our audit procedures, we noted that the County has begun storing supporting documentation for purchases electronically on a more consistent basis. Although not considered an inappropriate method of storage, we did note that evidence of review and approval of said electronic documentation was not always readily available. As the County continues to move towards paperless operations, we recommend that management consider obtaining software that can assist in improving approval documentation of purchases made by County officials and employees.
2. During the audit period, an investigation was performed by the Utah Office for Victims of Crime (UOVC) regarding the use of VAWA grant funds by the Cache County Attorney's Office during grant years 2018, 2019, and 2020. The results of this investigation concluded that \$77,917 of costs incurred and reimbursed during this time period did not meet allowability criteria under the terms of the grant resulting in repayment of the \$77,917 to UOVC. The County has disclosed the results of this investigation in its December 31, 2022 financial statements, but has chosen to account for

the repayment in fiscal year 2023. Although immaterial, this treatment is not consistent with the determination made by UOVC that the funds received by the County in grant years 2018, 2019, and 2020 should have never been recorded as revenue. Therefore, the most accurate method of adjusting for this finding would be an adjustment to beginning fund balance.

3. Properly designed internal controls require adequate information and communication systems. The use of relevant, quality information is critical in the County's identification of risks of material misstatement. JS notes that the tone of communication among those charged with governance, elected officials, and County staff could at times result in limited communication between these groups. We continue to recommend and encourage open, transparent communication across all levels of the County in order to address potential risks of material misstatement.
4. In May 2020, the Governmental Accounting Standards Board issued Statement No. 96 (GASB 96). The objective of GASB 96 is to better meet the information needs of financial statement users by improving accounting and financial reporting for subscription-based information technology arrangements (SBITAs) by establishing a model for accounting for SBITAs based on the foundational principle that these arrangements are financings of the right to use an underlying asset. Under GASB 96, a subscriber is required to recognize a liability and an intangible right-to-use subscription asset, thereby enhancing the relevance and consistency of information about the governments' subscription activities. GASB 96 is required to be implemented in fiscal year 2023. To prepare for adoption and implementation of GASB 96, we recommend that the County identify all SBITA arrangements held by the County and document the specific terms of each including, but not limited to, monthly payment amount, term of the arrangement, interest rate, etc.

Restriction of Use

This report is intended solely for the use of the County Council, County officials and management, and certain regulatory bodies, and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



JONES SIMKINS LLC

CACHE COUNTY, UTAH
PASSED AUDIT ADJUSTMENTS
December 31, 2022

Account	Description	Debit	Credit
100-1499000	Lease receivable	\$ 142,038	-
100-2334000	Unearned revenue - rent	67,096	-
100-2399000	Deferred inflow of resources - lease	-	174,155
100-36-20000	Rents and concessions	-	34,979
		<u>\$ 209,134</u>	<u>209,134</u>