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**FINANCIAL STATEMENTS**

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FOR THE YEAR ENDED DECEMBER 31, 2005

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(back of cover)

# **CACHE COUNTY**

## **FINANCIAL STATEMENTS**

**December 31, 2005**

**CACHE COUNTY**  
**FINANCIAL STATEMENTS**  
For the Year Ended December 31, 2005

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## **FINANCIAL SECTION**



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## INDEPENDENT AUDITORS' REPORT

To the Cache County Council  
Logan, UT

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cache County, Utah, as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Bridgerland Community Ice Arena (a component unit of North Park Interlocal Cooperative), which represent 3 percent, 3 percent, and 5 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. 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 on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cache County, Utah, as of December 31, 2005, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 12, 2006, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not provide an opinion on the internal control over financial reporting or on

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

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

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 listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations*," and is also not a required part of the basic financial statements. The supplementary information and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in blue ink that reads "Jones Simkins, P.C.".

JONES SIMKINS, P.C.

June 12, 2006



**CACHE COUNTY**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**Year Ended December 31, 2005**

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## INTRODUCTION

The following narrative is presented to facilitate a better understanding of Cache County's financial position and results of operations for the year ended December 31, 2005. Readers are encouraged to consider information presented here in context with the financial statements and the notes to the financial statements for a full understanding of the financial condition of the County.

## FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities by \$32,888,341 at year-end. The portion of these net assets which represents the amount the County can use to meet on-going financial obligations is the unrestricted net assets. This amount was \$4,462,252 at year-end.
- Total debt of the County as of December 31, 2005, was \$15,652,752 of which \$797,752 is due within one year. This amount represents a decrease of \$770,358 over the previous year. The County did not incur new debt; therefore the reduction is entirely due to debt payments made during the year.
- As of the end of the year, Cache County's combined fund balances amounted to \$14,746,920, an increase of \$1,691,832 from the prior year. About 66% of the combined total, or \$9,777,578, is available for appropriation and spending.
- The General Fund is the primary operating fund of the County. The unreserved and undesignated fund balance of the general fund at December 31, 2005 was \$4,886,974. This amount is approximately 28% of the total expenditures of the General Fund. Actual 2005 expenditures for the General Fund were \$1,627,682 below the adopted budget.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to be an introduction to the basic financial statements of the County. The basic financial statements include three sections: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes supplementary information to give additional insight to the financial condition of the County.

**Government-wide financial statements.** The *government-wide financial statements* provide a view of the County finances as a whole, similar to private-sector business reporting. These statements consist of the *statement of net assets* and the *statement of activities*.

The statement of net assets reports all assets and liabilities of the County and the difference between the two (*net assets*). The change in net assets over time may serve as a beneficial tool in determining whether the financial position of the County is improving or deteriorating.

The statement of activities reports the events showing how the net assets of the County changed during the period. Changes in net assets are reported according to the timing of transactions, *not according to the timing of related cash flows*. Consequently, some revenues and expenses included in the report will not result in cash flows until future periods. Uncollected taxes, goods received but not paid for, and earned vacation that has not been used are a few examples.

The report format of the government-wide statements distinguish functions of the government that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). Notably, the County does not have any business-type activities. Therefore, the County only reports governmental activities. These activities include general government, public safety, highways and streets, health, welfare, and culture and recreation.

**CACHE COUNTY**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**Year Ended December 31, 2005**

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The government-wide financial statements include not only Cache County itself (known as the *primary government*), but legally separate entities. These *component units* include Logan-Cache Airport Authority, North Park Interlocal Cooperative, Bridgerland Community Ice Arena, Bear River Health District, Cache County Emergency Medical System Authority and Roads Special Service District, for which Cache County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

**Fund financial statements.** A *fund* is a set of closely related accounts used to maintain control over financial resources which have been segregated for specific activities or purposes. The County uses fund accounting, as do other state and local governments, to ensure and demonstrate compliance with finance-related legal requirements. There are three broad classifications of fund *types*: governmental funds, proprietary funds, and fiduciary funds. All of the funds of the County can be classified either as a governmental fund or a fiduciary fund.

**Governmental funds.** *Governmental funds* include essentially the same functions and services as delineated above under governmental activities shown in the government-wide statements. However, governmental fund financial statements differ from the government-wide statements by focusing on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at year-end. Such information may be useful in evaluating a government's near-term financing requirements.

Governmental fund financial statements have a narrower focus than the government-wide statements and it is therefore useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. Readers may then gain a better understanding of the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

Cache County maintains 15 individual governmental funds, three of which are considered *major funds*. These funds include the general, municipal services and mental health funds. Information for the major funds is presented separately. Data for the other twelve *nonmajor funds* are presented in the aggregate. Individual fund data for each of these nonmajor governmental funds is presented in the form of *combining statements* in the supplementary information section of the report.

The County is required to adopt an annual budget showing appropriations for all governmental funds. To demonstrate legal compliance, statements comparing budget-to-actual amounts for the general fund and the other major funds are included in the required supplementary information. Budget-to-actual schedules for certain other governmental funds are included in the supplementary information.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the programs of the County.

**Notes to the financial statements.** The notes 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 assets may serve over time as a beneficial tool in determining whether the financial position of the County is improving or deteriorating. In the case of Cache County, assets exceeded liabilities by \$32,888,341 as of December 31, 2005, an improvement of \$3,211,012 over the prior year, and contributing to an average increase of 15.5% over the past two years.

The majority of the net assets of the County (\$18,566,143) reflect its investment in capital assets (e.g. land, buildings & improvements, machinery and equipment, infrastructure, and construction in process) less any related debt used to acquire the assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending.

**CACHE COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
Year Ended December 31, 2005**

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**CACHE COUNTY'S Net Assets**

	<b>Governmental activities</b>	
	<u>2005</u>	<u>2004</u>
<b>Assets:</b>		
Current and other assets	\$ 17,705,445	\$ 15,542,927
Capital assets	<u>34,218,895</u>	<u>33,190,755</u>
Total assets	51,924,340	48,733,682
<b>Liabilities:</b>		
Long-term liabilities outstanding	16,459,474	17,012,720
Other liabilities	<u>2,576,525</u>	<u>2,043,633</u>
Total liabilities	19,035,999	19,056,353
<b>Net assets:</b>		
Invested in capital assets, net of related debt	18,566,143	16,767,645
Restricted	9,859,946	9,677,862
Unrestricted	<u>4,462,252</u>	<u>3,231,822</u>
Total net assets	<u>\$ 32,888,341</u>	<u>\$ 29,677,329</u>

An additional \$9,859,946 (30.0%) of the net assets of the County represents restricted net assets. 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 \$4,462,252 of *unrestricted net assets* may be used to meet the general, on-going financial obligations of the County.

**Governmental activities.** None of the operations of Cache County are classified as *Business-type activities*. Therefore, the entire increase in net assets of \$3,211,012 over the prior year is attributable to governmental activities. Key elements of this increase are as follows:

- Solid property tax revenue growth both for the general fund and assessing and collecting
- More than three quarters of a million dollars of Restaurant and RAPZ Tax awards were appropriated, but not collected by recipients; recipients can collect when they have met the conditions of the award
- Sale of property contributed a one time amount of nearly three quarters of a million dollars

Taxes comprise the largest source of revenue for the County. Revenue from all tax sources amounted to \$16,441,381, which was 54.5% of all revenue for the County. Property tax of \$10,237,237 represents 62.3% of total taxes.

Public safety programs continue to be the most costly programs in the County. Expenditures for public safety represent 42.2% of total expenditures for the County. The largest portion of that budget goes toward operations of the County Jail.

**CACHE COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
Year Ended December 31, 2005**

**Changes in Net Assets of Cache County**

	<b>Governmental Activities</b>	
	<u>2005</u>	<u>2004</u>
Revenues:		
Program revenues:		
Charges for services	\$ 6,425,344	\$ 4,619,475
Operating grants and contributions	5,542,935	4,476,169
Capital grants and contributions	410,491	201,515
General revenues:		
Property taxes	10,237,237	8,834,879
Sales taxes	5,939,212	5,795,366
Other taxes	264,932	368,337
Other general revenues	<u>1,374,239</u>	<u>742,747</u>
Total revenues	30,194,390	25,038,488
Expenses:		
General government	6,759,810	5,874,600
Public safety	11,388,918	9,883,739
Highways and streets	2,115,370	1,891,832
Health	3,218,835	3,044,014
Welfare	54,500	46,268
Culture and recreation	2,698,725	2,326,165
Interest on long-term debt	<u>747,220</u>	<u>779,379</u>
Total program expenses	26,983,378	23,845,997
Increase in net assets	3,211,012	1,192,491
Net assets - January 1	<u>29,677,329</u>	<u>28,484,838</u>
Net assets - December 31	<u>\$ 32,888,341</u>	<u>\$ 29,677,329</u>

**Financial Analysis of the County's Funds**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with the Uniform Fiscal Procedures Act (Utah Code Title 17 Chapter 36).

**Governmental funds.** The focus of the governmental funds of the County is to provide information on near-term inflows, outflows, and balances of resources available for appropriation. Such information is a useful measure of the net resources of the County available for spending at the end of the year.

As of December 31, 2005 the fund balance of the governmental funds of the County was \$14,746,920, an increase of \$1,691,832 in comparison with the prior year. Of the \$14,746,920 fund balance, \$9,777,578 is unreserved and undesignated and is available for appropriation by the County at its discretion. The remainder of the fund balance is either reserved or designated and is not available for new spending.

The general fund is the principal operating fund of the County. As of December 31, 2005, the undesignated fund balance of the general fund was \$4,886,974. This amount represents 28.3% of the total expenditures of the general fund.

**CACHE COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
Year Ended December 31, 2005**

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The municipal services fund accounts for services provided only in the unincorporated areas of the County. The unreserved, undesignated fund balance in the municipal services fund is \$333,454 as of December 31, 2005.

**General Fund Budgetary Highlights**

The final adopted revenues budget increased by \$2,040,797 over the original budget. The majority of the change was due to taxes which had an increase of \$826,466 and intergovernmental revenues which had an increase of \$793,000. Tax revenues exceeded their budget, but the intergovernmental revenues did not fully materialize.

Notwithstanding the shortfall in intergovernmental revenues, total actual revenues were nearly \$350,000 higher than the final budgeted amounts. Better than expected tax collections offset the revenue shortfall from intergovernmental revenue.

**Capital Asset and Debt Administration**

**Capital assets.** The investment in capital assets, net of accumulated depreciation, of the County for its governmental activities totaled \$34,218,895 as of December 31, 2005. This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in process. The total increase in the investment in capital assets of the County was 3.1%. The largest portion of that being ongoing construction of the Historic Courthouse, which was opened for business in January of 2006.

**CACHE COUNTY'S Capital Assets**  
(net of depreciation)

	<b>Governmental Activities</b>	
	<b>2005</b>	<b>2004</b>
Land	\$ 2,477,014	\$ 2,787,578
Buildings and improvements	16,428,967	15,629,087
Machinery and equipment	4,076,854	3,580,149
Infrastructure	9,340,310	9,726,762
Construction in progress	1,895,750	1,467,179
Total	\$ 34,218,895	\$ 33,190,755

**Long-term debt.** Total bonded debt outstanding as of December 31, 2005 was \$15,495,000 of which \$640,000 is due within one year. This is a decrease over the prior year. No additional long-term debt was incurred during 2005, so the reduction represents payment on existing debt.

**Requests for Information**

This financial report is designed to provide a general overview of Cache County's finances for all those with an interest in the government's finances. Questions concerning any of the information in this report or requests for additional financial information should be addressed to Tamra Stones, County Auditor, 179 North Main, Logan, UT, 84321.

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## **BASIC FINANCIAL STATEMENTS**

**CACHE COUNTY**  
**Statement of Net Assets**  
**December 31, 2005**

	<u>Primary Government</u>		<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Total</u>	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 110,088	\$ 110,088	\$ 2,646,658
Equity in investment pool	10,299,630	10,299,630	992,665
Taxes receivable, net	1,338,567	1,338,567	29,531
Accounts receivable, net	202,934	202,934	1,529,810
Accrued interest	149,873	149,873	-
Pledges receivable	-	-	181,811
Due from other governments	1,576,111	1,576,111	152,110
Restricted investments	4,024,382	4,024,382	211,613
Inventory	-	-	123,291
Other assets	3,860	3,860	13,085
Noncurrent pledges receivable, net	-	-	255,981
Capital assets:			
Land	2,477,014	2,477,014	1,477,830
Infrastructure	11,264,408	11,264,408	-
Construction in process	1,895,750	1,895,750	1,059,420
Buildings, improvements, and equipment	30,508,326	30,508,326	19,147,359
Less: accumulated depreciation	(11,926,604)	(11,926,604)	(5,752,612)
Total assets	<u>51,924,340</u>	<u>51,924,340</u>	<u>22,068,552</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	2,575,225	2,575,225	970,343
Deferred revenue	1,300	1,300	59,040
Long-term liabilities:			
Due within one year	1,515,735	1,515,735	323,000
Due in more than one year	<u>14,943,739</u>	<u>14,943,739</u>	<u>1,393,000</u>
Total liabilities	<u>19,035,999</u>	<u>19,035,999</u>	<u>2,745,383</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	18,566,143	18,566,143	14,512,997
Restricted for:			
Assessing and collecting	347,246	347,246	-
Highways and streets	4,509,718	4,509,718	-
Capital projects	916,873	916,873	447,020
Debt service	140,542	140,542	202,385
Other purposes	3,945,567	3,945,567	-
Unrestricted	<u>4,462,252</u>	<u>4,462,252</u>	<u>4,160,767</u>
Total net assets	<u>\$ 32,888,341</u>	<u>\$ 32,888,341</u>	<u>\$ 19,323,169</u>

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



**CACHE COUNTY**  
**Statement of Activities**  
**For the Year Ended December 31, 2005**

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Governmental Activities	Total	
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 6,759,810	\$ 1,581,540	\$ 739,128	\$ 410,491	\$ (4,028,651)	\$ (4,028,651)	
Public safety	11,388,918	4,511,336	1,485,701	-	(5,391,881)	(5,391,881)	
Highways and streets	2,115,370	88,684	1,154,821	-	(871,865)	(871,865)	
Health	3,218,835	138,954	2,083,529	-	(996,352)	(996,352)	
Welfare	54,500	-	-	-	(54,500)	(54,500)	
Culture and recreation	2,698,725	104,830	79,756	-	(2,514,139)	(2,514,139)	
Interest on long term debt	747,220	-	-	-	(747,220)	(747,220)	
Total governmental activities	<u>26,983,378</u>	<u>6,425,344</u>	<u>5,542,935</u>	<u>410,491</u>	<u>(14,604,608)</u>	<u>(14,604,608)</u>	
Total primary government	<u>\$ 26,983,378</u>	<u>\$ 6,425,344</u>	<u>\$ 5,542,935</u>	<u>\$ 410,491</u>	<u>(14,604,608)</u>	<u>(14,604,608)</u>	
<b>Component units:</b>							
Airport Authority	\$ 462,847	\$ 63,427	\$ 134,708	\$ 484,864			\$ 220,152
North Park Interlocal Cooperative	1,147,541	382,144	211,703	430,812			(122,882)
Bear River Health Department	6,660,746	2,168,532	5,153,699	-			661,485
Cache County EMS Authority	2,014,062	1,715,081	495,037	-			196,056
Nonmajor Component Units	102,263	-	15,454	-			(86,809)
Total component units	<u>\$ 10,387,459</u>	<u>\$ 4,329,184</u>	<u>\$ 6,010,601</u>	<u>\$ 915,676</u>			<u>868,002</u>
General revenues:							
Property taxes					10,237,237	10,237,237	-
Sales and use taxes					5,939,212	5,939,212	171,188
Other taxes					264,932	264,932	-
Interest income					583,319	583,319	99,840
Gain (loss) on disposal of assets					708,700	708,700	-
Miscellaneous					82,220	82,220	-
Total general revenues					<u>17,815,620</u>	<u>17,815,620</u>	<u>271,028</u>
Change in net assets					3,211,012	3,211,012	1,139,030
Net assets - beginning					<u>29,677,329</u>	<u>29,677,329</u>	<u>18,184,139</u>
Net assets - ending					<u>\$ 32,888,341</u>	<u>\$ 32,888,341</u>	<u>\$ 19,323,169</u>

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

**CACHE COUNTY**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2005**

	<u>Special Revenue</u>			<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Municipal Services</u>	<u>Mental Health</u>		
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 40	\$ -	\$ 110,048	\$ 110,088
Equity in investment pool	4,677,261	574,029	673,603	4,374,738	10,299,630
Interfund receivable - investment pool	-	62,202	-	-	62,202
Taxes receivable, net	772,160	132,736	-	433,671	1,338,567
Accounts receivable, net	20,189	685	-	182,060	202,934
Accrued interest	149,873	-	-	-	149,873
Due from other funds	140,000	-	-	-	140,000
Due from other governments	949,340	223,473	252,452	150,846	1,576,111
Prepaid expenses	3,860	-	-	-	3,860
Cash and investments - restricted	-	3,929,663	-	94,719	4,024,382
<b>Total assets</b>	<b>\$ 6,712,683</b>	<b>\$ 4,922,827</b>	<b>\$ 926,055</b>	<b>\$ 5,346,082</b>	<b>\$ 17,907,647</b>
<b>LIABILITIES</b>					
Interfund payable - investment pool	-	-	-	62,202	62,202
Accounts payable and accrued liabilities	1,128,463	61,996	926,055	458,711	2,575,225
Due to other funds	-	-	-	140,000	140,000
Deferred revenue	350,000	-	-	33,300	383,300
<b>Total liabilities</b>	<b>1,478,463</b>	<b>61,996</b>	<b>926,055</b>	<b>694,213</b>	<b>3,160,727</b>
<b>FUND BALANCES</b>					
Reserved - assessing and collecting	347,246	-	-	-	347,246
Reserved - debt service	-	-	-	13,799	13,799
Reserved - capital projects	-	-	-	80,920	80,920
Reserved - streets	-	4,509,718	-	-	4,509,718
Reserved - parks/rec	-	17,659	-	-	17,659
Unreserved, undesignated, reported in:					
General fund	4,886,974	-	-	-	4,886,974
Special revenue funds	-	333,454	-	3,594,454	3,927,908
Capital projects fund	-	-	-	835,953	835,953
Debt service fund	-	-	-	126,743	126,743
<b>Total fund balances</b>	<b>5,234,220</b>	<b>4,860,831</b>	<b>-</b>	<b>4,651,869</b>	<b>14,746,920</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,712,683</b>	<b>\$ 4,922,827</b>	<b>\$ 926,055</b>	<b>\$ 5,346,082</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	Land	\$ 2,477,014	
	Construction in progress	1,895,750	
	Buildings / Improvements	18,625,729	
	Equipment	11,882,597	
	Infrastructure	11,264,408	
	Accum. depreciation	(11,926,604)	34,218,895

Some of the County's earned revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 382,000

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

Bonds payable	(15,495,000)	
Capital leases	(157,752)	
Compensated absences	(806,722)	(16,459,474)

Net assets of governmental activities **\$ 32,888,341**

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

**CACHE COUNTY**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2005**

	Special Revenue			Other Governmental Funds	Total Governmental Funds
	General	Municipal Services	Mental Health		
<b>REVENUES</b>					
Taxes	\$ 12,887,024	\$ 619,043	\$ -	\$ 2,885,314	\$ 16,391,381
Intergovernmental	1,482,619	1,481,526	1,702,892	977,063	5,644,100
Charges for services	5,336,676	99,404	-	213,304	5,649,384
Licenses and permits	28,840	339,322	-	-	368,162
Fines and forfeitures	134,003	-	-	-	134,003
Miscellaneous	909,531	140,239	-	309,895	1,359,665
Total revenues	<u>20,778,693</u>	<u>2,679,534</u>	<u>1,702,892</u>	<u>4,385,576</u>	<u>29,546,695</u>
<b>EXPENDITURES</b>					
General government	5,607,230	197,940	-	152,722	5,957,892
Public safety	10,068,787	859,674	-	548,619	11,477,080
Highways and streets	692,919	1,242,353	-	-	1,935,272
Health	232,014	-	1,702,892	1,246,723	3,181,629
Welfare	54,500	-	-	-	54,500
Culture and recreation	643,104	-	-	2,054,052	2,697,156
Capital Projects	-	-	-	1,743,656	1,743,656
Debt service:					
Principal	-	-	-	770,358	770,358
Interest	-	-	-	747,220	747,220
Total expenditures	<u>17,298,554</u>	<u>2,299,967</u>	<u>1,702,892</u>	<u>7,263,350</u>	<u>28,564,763</u>
Excess of revenues over expenditures	<u>3,480,139</u>	<u>379,567</u>	<u>-</u>	<u>(2,877,774)</u>	<u>981,932</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Contributions, net	1,200	-	-	-	1,200
Proceeds from sale of assets	-	-	-	708,700	708,700
Transfers in	381,292	10,575	-	2,550,590	2,942,457
Transfers out	<u>(2,005,637)</u>	<u>(586,292)</u>	<u>-</u>	<u>(350,528)</u>	<u>(2,942,457)</u>
Total other financing sources (uses)	<u>(1,623,145)</u>	<u>(575,717)</u>	<u>-</u>	<u>2,908,762</u>	<u>709,900</u>
Net change in fund balances	1,856,994	(196,150)	-	30,988	1,691,832
Fund balances - January 1	3,377,226	5,056,981	-	4,620,881	
Fund balances - December 31	<u>\$ 5,234,220</u>	<u>\$ 4,860,831</u>	<u>\$ -</u>	<u>\$ 4,651,869</u>	

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of the assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$2,678,517) exceeded depreciation (\$1,618,897) and remaining basis of disposed assets (\$31,481) in the current period. 1,028,139

Revenues reported on the modified accrual basis recognized in the funds, but already recognized in the Statement of Activities in a prior year. (112,205)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 50,000

Bond proceeds and capital leases provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the statement of net assets. Repayment of bond and capital lease principal are expenditures in the governmental funds, but reduce liabilities in the statement of net assets. In the statement of activities, interest expense is recognized as it accrues regardless of when it is due. This amount is the net effect of these difference.

Bond principle payment	620,000	
Capital lease payment	150,358	
Compensated absences	(217,112)	<u>553,246</u>

Change in net assets of governmental activities \$ 3,211,012

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

**CACHE COUNTY**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**December 31, 2005**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 14,575,469
Equity in investment pool	155,138
Accounts receivable	39,213
Taxes receivable	931,203
Total assets	<u>\$ 15,701,023</u>
<b>LIABILITIES</b>	
Due to other taxing units	\$ 14,961,266
Due to other employees	9,281
Over-collections payable	536,125
Other collections payable	194,351
Total liabilities	<u>\$ 15,701,023</u>

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

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**CACHE COUNTY**  
**Combining Statement of Net Assets**  
**Component Units**  
**December 31, 2005**

	<u>Airport Authority</u>	<u>North Park Interlocal Cooperative</u>	<u>Bear River Health Department</u>	<u>CCEMS</u>	<u>Nonmajor Component Units</u>	<u>Total</u>
<b>ASSETS</b>						
Cash	\$ -	\$ 97,238	\$ 2,382,880	\$ 156,208	\$ 10,332	\$ 2,646,658
Equity in investment pool	872,598	120,067	-	-	-	992,665
Taxes receivable	-	29,531	-	-	-	29,531
Accounts receivable, net	1,401	43,369	935,183	549,857	-	1,529,810
Pledges receivable, net	-	181,811	-	-	-	181,811
Due from other governments	152,110	-	-	-	-	152,110
Restricted investments	-	211,613	-	-	-	211,613
Inventory	-	29,291	94,000	-	-	123,291
Other assets	-	13,085	-	-	-	13,085
Noncurrent pledges receivable, net	-	255,981	-	-	-	255,981
Capital assets:						
Land	1,289,262	-	188,568	-	-	1,477,830
Construction in Progress	-	-	1,059,420	-	-	1,059,420
Buildings and equipment	9,948,467	4,356,827	4,842,065	-	-	19,147,359
Less: accumulated depreciation	<u>(3,467,311)</u>	<u>(416,164)</u>	<u>(1,869,137)</u>	-	-	<u>(5,752,612)</u>
Total assets	<u>8,796,527</u>	<u>4,922,649</u>	<u>7,632,979</u>	<u>706,065</u>	<u>10,332</u>	<u>22,068,552</u>
<b>LIABILITIES</b>						
Accounts payable	7,120	122,392	350,527	490,304	-	970,343
Deferred revenue	59,040	-	-	-	-	59,040
Noncurrent liabilities:						
Due within one year	-	169,000	154,000	-	-	323,000
Due in more than one year	-	1,250,000	143,000	-	-	1,393,000
Total liabilities	<u>66,160</u>	<u>1,541,392</u>	<u>647,527</u>	<u>490,304</u>	<u>-</u>	<u>2,745,383</u>
<b>NET ASSETS</b>						
Invested in net assets, net of related debt	7,770,418	2,521,663	4,220,916	-	-	14,512,997
Restricted for debt service	-	202,385	-	-	-	202,385
Restricted for capital improvement	-	447,020	-	-	-	447,020
Unrestricted	959,949	210,189	2,764,536	215,761	10,332	4,160,767
Total net assets	<u>\$ 8,730,367</u>	<u>\$ 3,381,257</u>	<u>\$ 6,985,452</u>	<u>\$ 215,761</u>	<u>\$ 10,332</u>	<u>\$ 19,323,169</u>

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

**CACHE COUNTY**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended December 31, 2005**

	<u>Airport Authority</u>	<u>North Park Interlocal Cooperative</u>	<u>Bear River Health Department</u>	<u>CCEMS</u>	<u>Nonmajor Component Units</u>	<u>Total</u>
<b>Expenses</b>	\$ 462,847	\$ 1,147,541	\$ 6,660,746	\$ 2,014,062	\$ 102,263	\$ 10,387,459
<b>Program revenues:</b>						
Charges for services	63,427	382,144	2,168,532	1,715,081	-	4,329,184
Operating grants and contributions	134,708	211,703	5,153,699	495,037	15,454	6,010,601
Capital grants and contributions	484,864	430,812	-	-	-	915,676
Total revenues	<u>682,999</u>	<u>1,024,659</u>	<u>7,322,231</u>	<u>2,210,118</u>	<u>15,454</u>	<u>11,255,461</u>
Net (expenses) revenues	<u>220,152</u>	<u>(122,882)</u>	<u>661,485</u>	<u>196,056</u>	<u>(86,809)</u>	<u>868,002</u>
<b>General revenues:</b>						
Sales taxes	-	171,188	-	-	-	171,188
Interest	-	20,286	58,191	19,705	1,658	99,840
Total general revenues	<u>-</u>	<u>191,474</u>	<u>58,191</u>	<u>19,705</u>	<u>1,658</u>	<u>271,028</u>
Change in net assets	220,152	68,592	719,676	215,761	(85,151)	1,139,030
Net assets - beginning	8,510,215	3,312,665	6,265,776	-	95,483	18,184,139
Net assets - ending	<u>\$ 8,730,367</u>	<u>\$ 3,381,257</u>	<u>\$ 6,985,452</u>	<u>\$ 215,761</u>	<u>\$ 10,332</u>	<u>\$ 19,323,169</u>

**NOTES TO THE  
FINANCIAL STATEMENTS**



**CACHE COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2005**

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**Note 1 – Summary of Significant Accounting Policies**

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

**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 persons 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 enactment of the County Council which in turn may be overridden by the affirmative vote of five council persons. The Executive is elected to a four-year term by all voters of the County.

As required by generally accepted accounting principles, 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 the Government Accounting Standards Board (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 governmental 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 (within the funds of the County) or as discretely presented component units (outside the funds of County in a separate column).

**Blended component units:**

*Cache County Municipal Building Authority* – The Cache County Municipal Building Authority is a non-profit corporation established to administer the sale of bonds and related construction and remodeling projects of the County. The Governing Board of the Building Authority is comprised of the County Council. Investment and debt service activity is accounted for in the Debt Service Fund. Construction activity is accounted for in the Capital Projects Fund.

*Cache County Special Service District #1* – Cache County Special Service District #1 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. The District has contracted with the City of Logan to provide garbage collection services for citizens of the County and it pays uncollected fees to Logan City. The District's operations are accounted for in the Municipal Services Special Revenue Fund, which is reported as a major governmental fund in the financial statements.

*Cache County Fire Protection District* – The Cache County Fire Protection District 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 in the District and has appointed two council members and the County Executive to the board. Distributions are made to local governments to provide fire protection services. The County also purchases and provides fire fighting equipment for the District. The revenues and expenses of the Fire Protection District are reported in the Municipal Services Special Revenue Fund.

*Community Foundation* – The Community Foundation is a non-profit corporation established to receive contributions to benefit certain community projects. The officers of the corporation are members of the County Council, County Auditor and County Executive. The Community Foundation is reported as a nonmajor government fund of the County.

**Discretely presented component units:**

**CACHE COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2005**

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*Cache Airport Authority* – The Airport Authority has been organized as a separate corporate body under Utah law. The Board of Directors is appointed equally by the County Council and City of Logan's Council. 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, Hyde Park City, the City of North Logan, and Logan City. 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 receives funding from an allocation of restaurant tax collections from Cache County and from dedicated sales tax collections from the other members and other cities within the county limits. The County has entered into covenants to account for the dedicated sales tax collections. NPIC could be included in the financial statements of another member; however, the County has elected to include NPIC as a component unit. The NPIC does not issue separate financial statements.

*Bridgerland Community Ice Arena, Inc. (BCIA)* – BCIA operates as a nonprofit organization for the purpose of raising money for the construction, maintenance and operation of the ice arena owned by NPIC. The County evaluated BCIA in accordance with GASB Statement No. 39 and determined that BCIA should be presented as a discrete component unit of NPIC. BCIA's primary sources of funding are donations and user fees. BCIA's fiscal year ends June 30<sup>th</sup> of each year. BCIA issues separate financial statements, which can be obtained from BCIA at 2825 North 200 East, North Logan, Utah, 84341.

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

*Cache County Roads Special District* – The Cache County Roads Special District has been organized as a separate corporate body under Utah law. Directors of the board are appointed by the County Council and the district receives mineral lease funds from the State of Utah which are dedicated for the improvement of roads within the district. This entity

does not issue separate financial statements.

*Cache County Emergency Medical Services Authority (CCEMS)* – CCEMS is a jointly governed program, by contractual agreement, of the Office of the Cache County EMS Coordinator and the ambulance program of the Logan City Fire Department. CCEMS operates under a 7-member governing board with the following composition: two members of the City of Logan Municipal Council, two members of the Cache County Council, one member appointed by the City of Logan Municipal Council, the Cache County Executive, one member appointed by the other six Board members with a minimum of four votes approving the appointment. CCEMS provides ambulance services to Cache County residents. Separate financial statements are issued and audited for CCEMS and can be obtained at 199 North Main, Logan, UT 84321.

The Roads Special Service District, Cache Airport Authority, NPIC, and CCEMS have their books and records maintained by the County.

*Inter-local Agreements:*

Cache County has fiduciary responsibility for the following inter-local agreements and their activities are accounted for as nonmajor governmental funds.

*Cache Valley Visitors Bureau* – The Bureau, formerly called the Travel Council, has been formed by an agreement between Cache County and Rich County to promote tourist activity.

*County Planner* – The County Planner is operated under an agreement between Cache County and various cities of the County to provide planning and economic development services.

The City of Logan has fiduciary responsibility for the following inter-local agreements and they are reported in the City of Logan's financial statements. Cache County makes contributions to these operations.

*Parks & Recreation* – Willow Park, the zoo, the sports complex and the fairgrounds are operated under an agreement between the County and the City of Logan.

*Communications Center* – The Communication Center is operated under an agreement between Logan City, Cache County and various other cities of the County to provide dispatch services.

*Related Organizations:*

The County formed these organizations under Utah

**CACHE COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2005**

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law but the County has no fiduciary responsibility after their creation. Funds are passed through the Treasurer's Tax Agency Fund to these entities.

Wellsville-Mendon Conservation District  
Cache County Mosquito Abatement District #1  
Benson Water Improvement District

*Excluded organizations:*

The following organizations have been determined to not be component units of Cache County and are excluded from the accompanying financial statements:

*Cache County School District* – The School District is not included because it is an autonomous government entity.

*Cache, Box Elder and Rich County Substance Abuse Authority* – The Substance Abuse Authority was established to provide substance abuse treatment services. The Substance Abuse Authority operates as a joint venture with no one County designated as having primary fiduciary responsibility. The Bear River Health Department provides the treatment services and receives moneys directly from the state for the services provided.

*Soil Conservation Districts* – The soil conservation districts in the County are political subdivisions of the State and therefore have been excluded from the financial statements.

*Cache County Drainage Districts No. 3,4,5,6* – The Drainage Districts have been organized as separate corporate bodies under Utah law. The board of directors of each Drainage District is appointed by the County Council; however no County Council members serve on the boards. These entities do not issue separate financial statements and their activities were determined to be immaterial to the financial statements of the County.

*Cemetery Maintenance Districts* – Cemetery Maintenance Districts in the County have elected boards of directors and they are not fiscally dependent on the County for their operation.

*Bear River Association of Governments (BRAG)* – BRAG is not included because it is an autonomous area government entity.

**Government-wide and Fund Financial Statements**

*Government-wide Financial Statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) 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 no County activities that currently 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 Assets presents the reporting entities' non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are restricted when constraints placed upon them 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 governmental funds with each displayed as a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

*Government-wide Financial Statements*

**CACHE COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2005**

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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 a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

#### *Governmental Fund Financial Statements*

Governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes and fees-in-lieu associated with future periods are deferred. All other revenue items are considered to be measurable and available only when the County receives cash. Grants are usually reimbursable grants and are thus recognized as revenue at the time the expenditures are made. Expenditures generally are 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 County's policy to use restricted resources first, then unrestricted resources, as they are needed.

#### *Major Funds*

The County reports the following major governmental funds:

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

**The Mental Health Fund** – The Mental Health Fund is a special revenue fund used to report the activity of the Mental Health Authority.

#### *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 legally restricted to expenditures for special purposes. Examples include certain taxes restricted for health or recreation purposes, federal grants, planning and development grants and user charge and state funding for a children's justice center. The debt service fund accounts for resources used for the payment of interest and principal on general long-term debt. The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

#### *Fiduciary Fund Financial Statements*

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

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

#### *Component Unit Financial Statements*

The combining component unit financial statements are presented in order to provide information on each of the major component units included in the component units column of the government-wide financial statements. The component unit financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The information is presented in order to be consistent with the government-wide financial statements. The component units follow all GASB pronouncements. 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 end of June 30.

**CACHE COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2005**

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*Encumbrances*

During 2005, the County changed its policy and discontinued the use of encumbrances. The budgetary comparison schedules reflect the final closeout of all outstanding encumbrances.

**Assets, Liabilities, and Net Assets/Fund Balances**

*Cash and Cash Equivalents*

Cash and cash equivalents represent petty cash or demand deposits or other liquid investments that are kept in separate accounts from the investment pool of the County.

The County considers all investments with an original maturity of less than 3 months 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.

*Equity in Investment Pool*

Cash of all funds, except the Treasurer's Tax Agency Fund and restricted bond funds, and some discrete component units are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein. An individual fund's equity in the pooled cash accounts are available upon demand and are considered to be cash equivalents when preparing these financial statements. Negative balances incurred in pooled cash at year-end are treated as interfund payables of the deficit fund and receivable 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 uncollectible amounts. Property taxes are due by November 30<sup>th</sup> of each year, after which the applicable property is subject to lien and penalties and interest are assessed. At December 31, 2005, all receivables of the County were considered to be fully collectible and no

allowance was established. The Bear River Health Department has estimated that approximately \$240,000 of their accounts receivable were uncollectible. These receivables result primarily from services for substance abuse counseling and treatment.

*Inventory*

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

*Capital Assets*

Capital assets, which include, land, buildings, equipment, and infrastructure (roads, bridges, and similar items), are reported in the governmental column or in the component units column on the government-wide Statement of Net Assets. Capital assets are defined by the County as assets that cost \$5,000 or more when acquired and have an estimated useful life greater than one year. Purchased or constructed capital assets are recorded at cost or at estimated historical cost where historical cost is not available. Donated fixed assets are valued at their estimated fair value at the date of donation.

Capital assets purchased by governmental funds are recorded as expenditures in the governmental fund financial statements. 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
Equipment	3 - 15 years
Infrastructure	80 - 100 years

*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 vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

*Long-term Liabilities*

**CACHE COUNTY**  
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In the government-wide Statement of Net Assets, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are considered immaterial and are recognized in the period in which the bonds are issued.

In the governmental fund financial statements, proceeds from long-term debt are recognized as other financing sources and payments of principal are recorded as expenditures.

*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 Assets.

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 County appropriations. Interfund receivables and payables are presented in the appropriate funds and are presented as "due from other funds" or "due to other funds."

*Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at 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 – Property Tax Calendar**

The County complies with the following property tax calendar in establishing the budgetary data reflected in the financial statements.

Lien Date	1-Jan-05
Levy Date (State target date)	22-Jun-05
Property Valuation Disclosure Notice (target date)	22-Jul-05
Tax Bills Mailed	1-Nov-05
Taxes Due and Payable	Prior to November 30, 2005

**Note 3 – Deposits and Investments**

**Primary Government**

The State of Utah Money Management Council has

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

The County follows the requirements of the Utah Money Management Act (Utah Code, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of 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 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.

*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 deposit policy for custodial credit risk. As of December, 31, 2005, \$4,191,555 of the County's bank balances of \$4,401,736 was uninsured and uncollateralized.

*Investments*

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

State statutes authorize the County to invest in negotiable or nonnegotiable 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, one of which must be Moody's Investor Services or Standard and Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes and bonds; 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 Treasurer's Investment Fund.

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The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act. The Act established the Money Management Council, which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah and participants share proportionally in any realized gains or losses on investments.

As of December 31, 2005, most investments held by the County were in the PTIF. The County also had \$975,585 in Federal Home Loan Notes held by Wells Fargo Bank, in the name of the County. All investments were recorded at fair market value and had maturities of less than 1 year.

*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 arising from increasing interest rates is to comply with the State's 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 County investments in commercial paper, banker's acceptances, fixed rate negotiable deposits and fixed rate corporate obligations to 270-365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 2 years.

The investments held by Wells Fargo had a fixed rate of 5.375%. The County uses specific identification to calculate the duration of the note, which matured on February 15, 2006 at a value of \$975,000.

*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 State's Money Management Act as previously discussed. At December 31, 2005, all investments held by the County were held in the PTIF, an unrated investment, except for the investment held by Wells Fargo Bank. The bond rating for that investment throughout its duration was AAA as rated by Moody's Investor Services.

*Concentration of Credit Risk* – Concentration of

credit risk is the risk of loss attributed to the magnitude of 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 limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio. The investment held by Wells Fargo Bank is the only investment of the County outside of the PTIF.

*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. As of December 31, 2005, all of the County's investments were in the PTIF, except for those held by Wells Fargo Bank.

*Other Transactions*

At December 31, 2005, the Cache County Community Foundation held an investment in shares of General Electric Co. with a balance of \$99,400. The shares were received in December 2005, as a charitable contribution to the Foundation. The shares were held in the name of the County by Smith Barney, a third party asset custodian. In March 2006, these shares were liquidated to provide funding for the renovation of the Cache County Historic Courthouse, which was the intended purpose of the charitable contribution.

**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 a bank failure, the deposits of the component units may not be returned. The component units do not have a formal deposit policy for custodial credit risk. As of December 31, 2005, \$1,967,009 of the bank balances of \$2,288,546 of the component units was uninsured and uncollateralized.

*Investments*

All component units of the County adhere to the Utah Money Management Act as described previously. As of December 31, 2005, the only component units with investments were the Bear River Health Department and NPIC. All of the

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investments of both entities at that time were in the PTIF and have a maturity of less than one year.

The PTIF investment for NPIC was held in trust by US Bank, the counter party. The investment was not held in the name of NPIC.

**Note 4 – Interfund Receivables, Payables and Transfers**

At December 31, 2005, the interfund balances of the investment pool were as follows:

	Receivable	Payable
Special Revenue Funds:		
Municipal Services	\$ 62,202	\$ -
Children's Justice Center	-	37,825
Ambulance	-	24,377
Total	<u>\$ 62,202</u>	<u>\$ 62,202</u>

At December 31, 2005, the interfund receivable and payable balances were as follows:

	Interfund Receivable	Interfund Payable
General Fund	\$ 140,000	\$ -
Special Revenue Funds:		
Council on Aging Fund	-	140,000
Total	<u>\$ 140,000</u>	<u>\$ 140,000</u>

This interfund loan provided funding for the Council on Aging Fund in prior years.

During the year, the County made the following interfund transfers:

Purpose	Amount	Transfer in	Transfer out
Debt payments	\$ 1,525,531	Non-major	General Fund
Reimbursement	371,292	General Fund	Municipal Serv.
Fund capital purchases	338,535	Non-major	General Fund
Fund capital purchases	215,000	Non-major	Municipal Serv.
Fund capital purchases	150,000	Non-major	Non-major
Fund capital purchases	131,703	Non-major	Non-major
Operations	70,788	Non-major	General Fund
Operations	52,631	Non-major	General Fund
Operations	40,000	Non-major	Non-major
Operations	17,100	Non-major	General Fund
Recreation improvements	10,575	Municipal Serv.	Non-major
Recreation improvements	10,000	General Fund	Non-major
Recreation improvements	5,500	Non-major	Non-major
Operations	1,750	Non-major	Non-major
Operations	1,052	Non-major	General Fund
Operations	1,000	Non-major	Non-major

**Note 5 – Capital Assets**

*Governmental Activities*

A summary of changes in capital assets is as follows:

	Balance 01/01/05	Additions	Deletions/ Transfers	Balance 12/31/05
<i>Capital assets, nondepreciable</i>				
Land	\$ 2,787,579	\$ -	\$ (310,564)	\$ 2,477,015
Construction in process	1,467,179	428,571	-	1,895,750
Total	4,254,758	428,571	(310,564)	4,372,765
<i>Capital assets, depreciable</i>				
Buildings and improvements	17,391,564	923,601	310,564	18,625,729
Infrastructure	11,240,303	31,094	(6,988)	11,264,409
Machinery and equipment	10,884,575	1,295,251	(297,230)	11,882,596
Total	39,516,442	2,249,946	6,346	41,772,734
<i>Accumulated depreciation:</i>				
Buildings and improvements	(1,759,216)	(437,548)	-	(2,196,764)
Infrastructure	(1,513,540)	(410,791)	233	(1,924,098)
Machinery and equipment	(7,307,689)	(770,558)	272,504	(7,805,743)
Total	(10,580,445)	(1,618,897)	272,737	(11,926,605)
Total capital assets, net	\$ 33,190,755	\$ 1,059,620	\$ (31,481)	\$ 34,218,894

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

General government	\$ 207,324
Public safety	807,856
Highways and streets	567,120
Health	31,561
Culture and recreation	5,035
Total depreciation expense	<u>\$ 1,618,896</u>

*Component Units*

A summary of changes in capital assets of component units is as follows:

	Balance 01/01/05	Additions	Deletions/ Transfers	Balance 12/31/05
Land	\$ 1,314,257	\$ 163,573	\$ -	\$ 1,477,830
Construction	-	1,059,420	-	1,059,420
Buildings and improvements	17,178,567	712,838	-	17,891,405
Equipment and machinery	1,229,714	161,375	(135,135)	1,255,954
Accumulated depreciation	(5,239,981)	(647,766)	135,135	(5,752,612)
Total	\$ 14,482,557	\$ 1,449,440	\$ -	\$ 15,931,997

**Note 6 – Long Term Obligations**

Long-term liability activity for the year ended December 31, 2005, was as follows:

	Balance 01/01/05	Additions	Deletions	Balance 12/31/05	Due Within One Year
<i>Governmental Activities:</i>					
Revenue bonds	\$ 16,115,000	\$ -	\$ (620,000)	\$ 15,495,000	\$ 640,000
Capital leases	308,110	-	(150,358)	157,752	157,752
Compensated absences	589,610	914,905	(697,793)	806,722	717,983
Total	<u>\$ 17,012,720</u>	<u>\$ 914,905</u>	<u>\$ (1,468,151)</u>	<u>\$ 16,459,474</u>	<u>\$ 1,515,735</u>
<i>Component Units:</i>					
Revenue bonds	\$ 1,579,000	\$ -	\$ (160,000)	\$ 1,419,000	\$ 169,000
Compensated absences	320,592	175,922	(199,514)	297,000	154,000
Total	<u>\$ 1,899,592</u>	<u>\$ 175,922</u>	<u>\$ (359,514)</u>	<u>\$ 1,716,000</u>	<u>\$ 323,000</u>

*Primary Government*

Compensated absences are generally liquidated by the General Fund and Municipal Services Fund.

Revenue bonds payable at December 31, 2005 are comprised of the following issues:



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\$13,835,000 Cache County 2002 Sales Tax Revenue Bonds, due in annual installments ranging from \$460,000 to \$900,000 plus interest ranging from 3.5% to 5% until December 15, 2019. Final balloon payment of \$2,970,000, plus interest at 5%, due December 15, 2022.	\$ 12,410,000
\$3,340,000 Cache County 2003 Sales Tax Revenue Bonds, due in annual installments ranging from \$125,000 to \$175,000 plus interest ranging from 3% to 4% until December 15, 2018. Balloon payment of \$780,000, plus interest at 4.15%, due December 15, 2018. Final balloon payment of \$920,000, plus interest at 4.4%, due December 15, 2022.	<u>3,085,000</u>
Total revenue bonds	<u>\$ 15,495,000</u>

Due to Zions First National Bank for the purchase of a fire truck, payable in annual installments of \$10,109, including interest at 3.85%, final payment due in 2006.	\$ 9,731
Due to Zions First National Bank for the purchase of four fire trucks, payable in annual installments of \$155,537, including interest at 5.05%, final payment due in 2006.	<u>148,021</u>
Total capital leases	<u>\$ 157,752</u>

Proceeds from the 2002 sales tax revenue bonds were used in the acquisition, construction, and furnishing of the new County Administration Building and Public Safety Complex as well as the renovations to the County's Historic Courthouse. The bond covenants require a sinking fund to provide for the \$2,970,000 balloon payment. The sinking fund requirement is effective December 15, 2020 to December 15, 2022 with payments ranging from \$940,000 to \$1,040,000.

Proceeds from the 2003 sales tax revenue bonds were used to expand the construction of the Public Safety Complex. The bond covenants require a sinking fund to provide for the \$780,000 balloon payment. The sinking fund requirement is effective December 15, 2015 to December 15, 2018 with payments ranging from \$185,000 to \$205,000. The bond covenants also require a sinking fund to provide for the \$920,000 balloon payment. The sinking fund requirement is effective December 15, 2019 to December 15, 2022 with payments ranging from \$215,000 to \$245,000.

The annual requirements to amortize all revenue bonds as of December 31, 2005 of the primary government, including interest payments, were as follows:

Fiscal Year Ending December 31	Total	Principal	Interest
2006	\$ 1,345,482	\$ 640,000	\$ 705,482
2007	1,348,757	665,000	683,757
2008	1,344,870	685,000	659,870
2009	1,349,460	715,000	634,460
2010	1,346,795	740,000	606,795
2011 - 2015	6,736,363	4,215,000	2,521,363
2016 - 2020	6,739,698	5,325,000	1,414,698
2021 - 2022	2,695,400	2,510,000	185,400
Total	<u>\$ 22,906,825</u>	<u>\$ 15,495,000</u>	<u>\$ 7,411,825</u>

The County is current on all bond payments and is in compliance with the significant terms of the bond agreements.

Capital leases payable at December 31, 2005, consisted of the following:

Lease-purchase agreements may be canceled at any time and the equipment returned; however, the likelihood of cancellation is considered remote. These lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of future minimum lease payments as of the date of inception. Leased machinery and equipment has been recorded for \$717,113 in the governmental activities capital assets, with \$358,787 of associated accumulated depreciation.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 2005:

Fiscal Year Ending December 31	Amount
2006	\$ 165,689
Less amount representing interest	<u>(7,937)</u>
Present value of future minimum lease payments	<u>\$ 157,752</u>

*Component Units*

Revenue bonds at December 31, 2005, with their outstanding balances are comprised of the following issue:

\$2,017,000 North Park Interlocal Cooperative Building Lease Revenue Bonds, due in annual installments ranging from \$139,000 to \$206,000, plus interest ranging from 5.05% to 5.2% until December 15, 2010. Final balloon payment of \$485,000, plus interest at 5% due December 15, 2014.	<u>\$ 1,419,000</u>
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The Bonds were issued to finance a portion of the costs associated with the acquisition and construction of the Eccles Ice Arena, a community recreation facility. The bond includes a call option exercisable at the option of NPIC on December 15, 2005. The bonds also include a clause that "resets" the interest rate on December 15, 2005 and December 15, 2010. The \$485,000 payment due on December 15, 2014 includes mandatory sinking fund installments ranging from \$77,000 to \$242,000 plus interest at the "reset" interest rate.

The annual requirements to amortize all revenue bonds as of December 31, 2005 of the component units, including interest payments, were as follows:

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Fiscal Year Ending December 31	Total	Principal	Interest
2006	\$ 241,104	\$ 169,000	\$ 72,104
2007	240,569	177,000	63,569
2008	240,542	186,000	54,542
2009	241,056	196,000	45,056
2010	240,962	206,000	34,962
2011 - 2014	558,100	485,000	73,100
Total	<u>\$ 1,762,333</u>	<u>\$ 1,419,000</u>	<u>\$ 343,333</u>

**Note 7 – Reserved Fund Balance**

The amounts reported on the balance sheet as reserved fund balances are comprised of the following:

General Fund		
Reserved for assessing and collecting	\$	347,246
Municipal Services Fund		
Reserved for class B road funds		4,509,718
Reserved for parks and recreation		17,659
Non-major Funds		
Reserved for capital projects		80,920
Reserved for debt service		13,799

**Note 8 – Pension Plans**

Defined Benefit Plans

Cache County contributes to the following cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems): 1) Utah Public Employees Contributory Retirement, 2) Utah Public Employees Noncontributory Retirement, 3) Utah Public Safety Retirement, and 4) Utah Firefighters Retirement. Utah Retirement Systems provide refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes. The following briefly summarizes types of employees covered, benefit provisions, eligibility requirements and vesting for the systems participated in by Cache County:

1) Public Employees Contributory and Noncontributory - all County employees hired to a position expected to last 9 months and that work 30 or more hours per week are eligible to participate. Employees attaining age 60 to 65 with 4-20 years of credit service, or any age with 20 or more years of credited service are entitled to monthly benefits based on age, years of service credit and final average monthly salary. Matching contributions made by the County are not vested in the employee's name. All other contributions are fully vested at the time of contribution.

2) Public Safety Employees - all employees employed in the recognized public safety departments of the County who work 40 or more hours a week and are regularly assigned to hazardous duty are eligible to participate. Employees attaining age 60 to 65 with 4-10 years of credited service or any age with 20 or more years of credited service are entitled to monthly benefits based on years of credited service and final average monthly salary. Matching contributions made by the County are not vested in the employee's name. All other contributions are fully vested at the time of contribution.

3) Firefighters - all employees employed in the recognized fire department of the County who work 40 or more hours a week and are regularly assigned to hazardous duty are eligible to participate. Employees attaining age 60 to 65 with 4 to 10 years of credited service or any age with 20 or more years of credited service are entitled to monthly benefits based on years of credited service and final average monthly salary. Matching contributions made by the County are not vested in the employee's name. All other contributions are fully vested at the time of contribution.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board whose members are appointed by the Governor.

The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Government Noncontributory Retirement System, Public Safety Retirement System and Firefighters Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102-2099 or by calling 1-800-365-8772.

Plan members in the Local Governmental Contributory Retirement System are required to contribute 6.0% of their annual covered salary (paid by the County) and the County was required to contribute 7.08% of their annual covered salary. In the Local Governmental Noncontributory Retirement System, the County was required to contribute 11.09% of the eligible employees' annual covered salary. In the Public Safety Retirement System,

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contributory division members were required to contribute 12.29% of their annual covered salary (paid by the County) and the County was required to contribute 7.70% for six months and 7.95% for six months of their annual covered salary and 19.08% for six months and 19.34% for six months of the annual covered salary of noncontributory division members. In the Firefighters Retirement System plan members were required to contribute 8.61% of their annual covered salary (paid by the County). The contribution rates are the actuarial determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

The County's contributions to the Systems for the years ended December 31, 2005, 2004, and 2003 were as follows:

	2005	2004	2003
A. Local Governmental System - Contributory			
Employer paid for employee contributions	\$ 5,958	\$ 5,883	\$ 5,700
Employer contributions	7,030	6,221	4,889
B. Local Governmental System - Noncontributory			
Employer contributions	427,626	382,722	312,276
C. Public Safety - Contributory			
Employer paid for employee contributions	8,568	10,046	9,886
Employer contributions	5,440	4,985	2,692
D. Public Safety - Noncontributory			
Employer contributions	636,031	522,434	399,359
E. Firefighter's System			
Employer paid for employee contributions	8,484	10,794	10,160

All contributions by Cache County were paid by the due dates or within 30 days thereafter and were equal to the required contributions for each year. The Utah State Retirement Board of the Utah Retirement Systems provides the County with the necessary retirement disclosures for their report.

**Defined Contribution Plan**

The County maintains a qualified cash or deferred compensation plan under section 401(k) of the Internal Revenue Code that is administered by the Utah Retirement Systems. Under the plan, eligible employees may elect to defer a portion of their salary, subject to Internal Revenue Service limits. Contributions of \$541,134, \$524,983, and \$469,151, were made to the 401(k) plan during the years ended December 31, 2005, 2004, and 2003, respectively. Of this amount \$274,695, \$275,026, and \$246,693, was contributed by employees and \$266,440, \$249,957 and \$222,458, was contributed by the County on behalf of employees respectively.

*Component Units*

**Defined Benefit Plans**

The Bear River Health Department (BRHD) also participates in the Local Government Systems

retirement plans administered by the Utah Retirement Systems. The BRHD's required contribution rates are the same as Cache County's rates. The BRHD's contributions to the Systems for the years ended December 31, 2005, 2004, and 2003 were as follows:

	2005	2004	2003
A. Local Governmental System - Contributory			
Employer paid for employee contributions	\$ 4,074	\$ 5,654	\$ 5,581
Employer contributions	4,808	5,992	4,788
B. Local Governmental System - Noncontributory			
Employer contributions	312,473	280,190	243,692

**Defined Contribution Plan**

The BRHD maintains a qualified cash or deferred compensation plan under section 401(k) of the Internal Revenue Code that is administered by the Utah Retirement Systems. Under the plan, eligible employees may elect to defer a portion of their salary, subject to Internal Revenue Service limits. Contributions of \$318,603, \$309,412, and \$271,790, were made to the 401(k) plan during the years ended December 31, 2005, 2004, and 2003, respectively. Of this amount \$134,392, \$133,481, and \$104,333, was contributed by employees and \$184,211, \$175,931, \$167,457, was contributed by the BRHD on behalf of employees respectively.

***Note 9 – Deferred Compensation Plan***

The County and the Bear River Health Department offer employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plans are available to all employees and are administered by the Utah Retirement Systems. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The assets of the plans are not subject to the claims of the general creditors of the County or the Bear River Health Department and are held by the Utah Retirement Systems as trustee of the plans. The County's and the Bear River Health Department's involvement is limited to withholding the amounts elected by employees and remitting those amounts.

***Note 10 – 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 participates in the Utah Counties Insurance Pool, a public entity risk pool to manage its risk of loss. The County pays an annual

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premium to the trust for its general insurance coverage. The pool was created to be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of one million dollars for each insured event. In addition, the County has purchased additional commercial insurance related to airport operations, steam boiler usage, and employee performance, and workers' compensation.

As of December 31, 2005, 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 11 – Commitments and Contingencies**

The County has agreed to pay \$92,853 per year to the NPIC from the restaurant tax collections in the Recreation Fund. The commitment ends in December 2013. In addition, the County has agreed to pay \$46,427 on December 15, 2014 to the NPIC from restaurant tax collections.

The County has agreed to pay \$90,000 per year to Wellsville City to assist in paying the Wellsville City Utah Cultural Facility Revenue Bonds, Series 1999 (American West Heritage Foundation). The commitment goes through August 1, 2008 and is subject to annual appropriation.

The County has entered into an agreement to lease land to the NPIC for \$1 per year for forty years.

As of December 31, 2005, the County was in the process of completing the renovation of the historic courthouse. The estimated costs to complete the project were approximately \$255,000.

**Note 12 – Tax Anticipation Notes**

In February, 2005, the County borrowed \$5,000,000 on tax anticipation notes to finance the operation of the County during 2005. The notes were paid in full in December, 2005. Subsequent to year-end, the County borrowed \$3,700,000 on tax anticipation notes to finance the County's operations for 2006.

**Note 13 – Transactions with Component Units**

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 services and operating funds based on the budget adopted

by the Airport Authority and the agreement with Logan City.

*NPIC* – The County transferred taxes to the NPIC in accordance with debt agreements.

*BRHD* – The County assessed and collected property taxes in its Health Fund. The County transferred the appropriated amount to the BRHD to provide operating funds.

*CCEMS* – The County provided services and operating funds based on the budget adopted by CCEMS and the agreement with Logan City.

## **Required Supplementary Information**

**CACHE COUNTY**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2005**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 11,720,921	\$ 12,547,387	\$ 12,887,024	\$ 339,637
Intergovernmental	971,099	1,764,099	1,482,619	(281,480)
Charges for services	4,895,611	5,160,655	5,336,676	176,021
Licenses and permits	30,000	30,000	28,840	(1,160)
Fines and forfeitures	150,000	135,000	134,003	(997)
Miscellaneous	621,175	792,462	909,531	117,069
Total revenues	<u>18,388,806</u>	<u>20,429,603</u>	<u>20,778,693</u>	<u>349,090</u>
<b>EXPENDITURES</b>				
General government	6,155,106	6,511,134	5,511,038	1,000,096
Public safety	9,327,083	10,429,429	9,867,519	561,910
Highways and streets	700,499	733,638	692,919	40,719
Health	232,014	232,014	232,014	-
Welfare	56,500	56,500	54,500	2,000
Culture and recreation	555,859	666,061	643,104	22,957
Total expenditures	<u>17,027,061</u>	<u>18,628,776</u>	<u>17,001,094</u>	<u>1,627,682</u>
Excess of revenues over expenditures	<u>1,361,745</u>	<u>1,800,827</u>	<u>3,777,599</u>	<u>1,976,772</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contributions, net	(5,000)	(3,800)	1,200	5,000
Transfers in				
Municipal services fund	376,958	371,292	371,292	-
Recreation fund	10,000	10,000	10,000	-
Transfers out				
Debt service fund	(1,525,531)	(1,525,531)	(1,525,531)	-
Library fund	(17,100)	(17,100)	(17,100)	-
Capital projects fund	-	(338,535)	(338,535)	-
Council on aging fund	(50,000)	(52,631)	(52,631)	-
Planning and development fund	(70,788)	(70,788)	(70,788)	-
Children's justice center fund	-	(1,052)	(1,052)	-
Total other financing sources (uses)	<u>(1,281,461)</u>	<u>(1,628,145)</u>	<u>(1,623,145)</u>	<u>5,000</u>
Net change in fund balances	<u>\$ 80,284</u>	<u>\$ 172,682</u>	<u>2,154,454</u>	<u>\$ 1,981,772</u>
Adjust to GAAP - Encumbrances, net change			(297,458)	
Fund balance - January 1			<u>3,377,226</u>	
Fund balance - December 31			<u>\$ 5,234,222</u>	

**CACHE COUNTY**  
**Budgetary Comparison Schedule**  
**Municipal Services Fund**  
**For the Year Ended December 31, 2005**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 590,200	\$ 590,200	\$ 619,043	\$ 28,843
Intergovernmental	1,761,904	1,763,704	1,481,526	(282,178)
Charges for services	74,900	102,560	99,404	(3,156)
Licenses and permits	323,200	323,200	339,322	16,122
Miscellaneous	90,400	90,400	140,239	49,839
Total revenues	<u>2,840,604</u>	<u>2,870,064</u>	<u>2,679,534</u>	<u>(190,530)</u>
<b>EXPENDITURES</b>				
General government	180,231	210,422	197,720	12,702
Public safety	872,941	908,255	837,579	70,676
Highways and streets	1,484,990	1,387,671	1,236,554	151,117
Culture and recreation	7,084	12,000	-	12,000
Total expenditures	<u>2,545,246</u>	<u>2,518,348</u>	<u>2,271,853</u>	<u>246,495</u>
Excess of revenues over expenditures	<u>295,358</u>	<u>351,716</u>	<u>407,681</u>	<u>55,965</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
RAPZ Tax fund	7,100	12,016	10,575	(1,441)
Transfers out				
General fund	(376,958)	(371,292)	(371,292)	-
Capital projects fund	-	(215,000)	(215,000)	-
Total other financing sources (uses)	<u>(369,858)</u>	<u>(574,276)</u>	<u>(575,717)</u>	<u>(1,441)</u>
Net change in fund balances	<u>\$ (74,500)</u>	<u>\$ (222,560)</u>	<u>(168,036)</u>	<u>\$ 54,524</u>
Adjust to GAAP - Encumbrances, net change			(28,114)	
Fund balance - January 1			<u>5,056,981</u>	
Fund balance - December 31			<u>\$ 4,860,831</u>	

**CACHE COUNTY**  
**Budgetary Comparison Schedule**  
**Mental Health Fund**  
**For the Year Ended December 31, 2005**

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental				
Federal and state grants	\$ 1,700,000	\$ 1,700,000	\$ 1,651,508	\$ (48,492)
Contributions:				
Other governments	-	25,750	51,384	25,634
Bear River Mental Health	50,000	50,000	-	(50,000)
Total revenue	<u>1,750,000</u>	<u>1,775,750</u>	<u>1,702,892</u>	<u>(72,858)</u>
<b>EXPENDITURES</b>				
Health				
Mental Health	1,750,000	1,775,750	1,702,892	72,858
Total expenditures	<u>1,750,000</u>	<u>1,775,750</u>	<u>1,702,892</u>	<u>72,858</u>
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - January 1			-	
Fund balance - December 31			<u>\$ -</u>	



**CACHE COUNTY**  
**Notes to Required Supplementary Information**  
**December 31, 2005**

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**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 ensuing 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 are adopted for Capital Projects Funds.

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 Auditor prepares a tentative budget for the next budget year.
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.

**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 unreserved fund balances to provide the necessary resources to balance each fund's budget.

**Encumbrances**

During 2005, the County changed its policy and discontinued the use of encumbrances. The budgetary comparison schedules reflect the final closeout of all outstanding encumbrances.

## **Other Supplementary Information**

**CACHE COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Basis)**  
**General Fund**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December, 31, 2004)

	<b>2005</b>			<b>2004</b> <b>Actual</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance- Over/(Under)</b>	
<b>REVENUES</b>				
Taxes				
General property	\$ 7,964,363	\$ 8,107,669	\$ 143,306	\$ 6,707,689
Sales tax	3,163,771	3,387,669	223,898	3,147,149
Fees in lieu of taxes	1,143,000	1,110,491	(32,509)	1,138,779
Delinquent prior years	176,253	188,260	12,007	197,729
Penalties and interest	100,000	92,935	(7,065)	118,805
Total taxes	<u>12,547,387</u>	<u>12,887,024</u>	<u>339,637</u>	<u>11,310,151</u>
Intergovernmental				
Federal grants	1,518,968	1,261,465	(257,503)	1,096,934
State grants	123,658	98,452	(25,206)	58,154
State shared revenue	52,000	77,574	25,574	52,690
Local shared revenue	69,473	45,128	(24,345)	34,626
Total intergovernmental	<u>1,764,099</u>	<u>1,482,619</u>	<u>(281,480)</u>	<u>1,242,404</u>
Charges for services				
General government	576,200	562,099	(14,101)	571,434
Public safety	4,328,455	4,488,336	159,881	2,886,561
Streets and public improvements	80,800	89,084	8,284	38,608
Other current services	175,200	197,157	21,957	189,871
Total charges for services	<u>5,160,655</u>	<u>5,336,676</u>	<u>176,021</u>	<u>3,686,474</u>
Licenses and permits				
Marriage licenses	30,000	28,840	(1,160)	29,669
Total licenses and permits	<u>30,000</u>	<u>28,840</u>	<u>(1,160)</u>	<u>29,669</u>
Fines and forfeitures				
Circuit court fines	135,000	134,003	(997)	136,748
Total fines and forfeitures	<u>135,000</u>	<u>134,003</u>	<u>(997)</u>	<u>136,748</u>
Miscellaneous				
Interest	290,000	431,968	141,968	273,613
Rents and concessions	160,675	165,998	5,323	223,735
Sale of materials and supplies	113,306	130,408	17,102	174,448
County fair fees	57,000	55,069	(1,931)	56,798
Rodeo fees	39,173	39,163	(10)	33,239
Sundry	132,308	86,925	(45,383)	180,622
Total miscellaneous	<u>792,462</u>	<u>909,531</u>	<u>117,069</u>	<u>942,455</u>
Total revenues	<u>20,429,603</u>	<u>20,778,693</u>	<u>349,090</u>	<u>17,347,901</u>

**EXPENDITURES**

General government				
Council	82,443	79,508	2,935	64,894
Water policy	69,514	55,742	13,772	53,727
Sanity hearings	9,000	6,289	2,711	14,698
Public defender	296,400	292,813	3,587	249,163
Executive	193,260	186,837	6,423	120,885
Human Resources	92,701	92,180	521	78,956
GIS	21,295	12,152	9,143	43,884
Data processing	344,196	321,716	22,480	287,453
Auditor	311,141	283,413	27,728	253,444
Clerk	145,214	134,481	10,733	105,437
Treasurer	204,087	199,106	4,981	191,459
Recorder	276,800	226,540	50,260	235,769
Attorney	877,299	813,355	63,944	773,905
Assessor	1,325,202	868,717	456,485	954,180

(Continued)

**CACHE COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Basis)**

**General Fund**

**For the Year Ended December 31, 2005**

(With Comparative Totals for the Year Ended December, 31, 2004)

	<b>2005</b>			<b>2004</b> <b>Actual</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance- Over/(Under)</b>	
Surveyor	179,904	170,567	9,337	139,917
Victim services	137,566	130,626	6,940	114,187
Non-departmental	109,454	86,097	23,357	128,401
Insurance	158,521	157,057	1,464	168,045
Ambulance services	-	-	-	155,346
Central mail and copy	14,850	12,571	2,279	9,347
Building and grounds	188,499	157,619	30,880	148,841
Elections	115,757	79,636	36,121	182,452
Advertising and promotion	10,000	9,916	84	13,589
Economic development	35,000	35,000	-	35,000
USU Ag Extension services	227,059	216,723	10,336	152,984
Agricultural promotion	52,650	35,863	16,787	45,591
Other	204,889	104,835	100,054	138,666
Contributions to other units	828,433	741,679	86,754	355,615
Total general government	<u>6,511,134</u>	<u>5,511,038</u>	<u>1,000,096</u>	<u>5,215,835</u>
Public safety				
Sheriff	2,117,353	2,092,433	24,920	1,974,390
Fire department	1,101,184	821,585	279,599	832,639
County jail	4,999,804	4,855,707	144,097	3,735,839
Emergency management	495,144	431,764	63,380	259,290
Liquor law enforcement	81,223	74,850	6,373	31,169
PS support services	1,634,721	1,591,180	43,541	1,458,395
Total public safety	<u>10,429,429</u>	<u>9,867,519</u>	<u>561,910</u>	<u>8,291,722</u>
Highways and streets				
Highway	546,760	510,524	36,236	490,801
Weed eradication	186,878	182,395	4,483	149,956
Total highways and streets	<u>733,638</u>	<u>692,919</u>	<u>40,719</u>	<u>640,757</u>
Health				
Health services	176,105	176,105	-	165,586
Bear River Health Department	55,909	55,909	-	54,175
Total health	<u>232,014</u>	<u>232,014</u>	<u>-</u>	<u>219,761</u>
Welfare				
Welfare	56,500	54,500	2,000	46,268
Total welfare	<u>56,500</u>	<u>54,500</u>	<u>2,000</u>	<u>46,268</u>
Culture and recreation				
Parks	390,671	390,671	-	252,568
Recreation	29,000	17,546	11,454	23,780
Library - Bookmobile	118,306	118,306	-	107,448
Fairs	60,752	56,936	3,816	58,510
Rodeo	67,332	59,645	7,687	58,399
Total culture and recreation	<u>666,061</u>	<u>643,104</u>	<u>22,957</u>	<u>500,705</u>
Total expenditures	<u>18,628,776</u>	<u>17,001,094</u>	<u>1,627,682</u>	<u>14,915,048</u>
Excess of revenues over expenditures	<u>1,800,827</u>	<u>3,777,599</u>	<u>1,976,772</u>	<u>2,432,853</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Contributions, net	(3,800)	1,200	5,000	1,521
Transfers in				
Municipal services fund	371,292	371,292	-	309,703
Recreation fund	10,000	10,000	-	-

(Continued)

**CACHE COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (Non-GAAP Basis)**  
**General Fund**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December, 31, 2004)

	<u>2005</u>			<u>2004</u> <u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over/(Under)</u>	
Transfers out				
Debt service fund	(1,525,531)	(1,525,531)	-	(1,570,879)
Library fund	(17,100)	(17,100)	-	(17,100)
Capital projects fund	(338,535)	(338,535)	-	(240,000)
Council on aging fund	(52,631)	(52,631)	-	(48,876)
Planning and development fund	(70,788)	(70,788)	-	(68,144)
Children's justice center fund	(1,052)	(1,052)	-	-
Total other financing sources (uses)	<u>(1,628,145)</u>	<u>(1,623,145)</u>	<u>5,000</u>	<u>(1,633,775)</u>
Net change in fund balances	<u>\$ 172,682</u>	2,154,454	<u>\$ 1,981,772</u>	799,078
Adjust to GAAP - Encumbrances, net change		(297,458)		(6,740)
Fund balances - January 1		<u>3,377,226</u>		<u>2,584,888</u>
Fund balances - December 31		<u>\$ 5,234,222</u>		<u>\$ 3,377,226</u>

**CACHE COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Basis)**  
**Municipal Services Fund**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December, 31, 2004)

	2005			2004 Actual
	Budget	Actual	Variance- Over/(Under)	
<b>REVENUES</b>				
Taxes	\$ 590,200	\$ 619,043	\$ 28,843	\$ 576,108
Intergovernmental	1,763,704	1,481,526	(282,178)	1,298,293
Charges for services	102,560	99,404	(3,156)	71,615
Licenses and permits	323,200	339,322	16,122	340,001
Miscellaneous revenue	90,400	140,239	49,839	79,994
Total revenues	<u>2,870,064</u>	<u>2,679,534</u>	<u>(190,530)</u>	<u>2,366,011</u>
<b>EXPENDITURES</b>				
General government				
Zoning				
Salary and benefits	157,569	148,749	8,820	135,713
Other departmental expenditures	18,853	16,935	1,918	13,433
Total planning	<u>176,422</u>	<u>165,684</u>	<u>10,738</u>	<u>149,146</u>
Sanitation/waste collection				
Other departmental expenditures	23,000	22,036	964	21,584
Total sanitation/waste collection	<u>23,000</u>	<u>22,036</u>	<u>964</u>	<u>21,584</u>
Miscellaneous				
Other departmental expenditures	11,000	10,000	1,000	7,500
Total miscellaneous	<u>11,000</u>	<u>10,000</u>	<u>1,000</u>	<u>7,500</u>
Total general government	<u>210,422</u>	<u>197,720</u>	<u>12,702</u>	<u>178,230</u>
Public safety				
Sheriff				
Salary and benefits	348,961	324,611	24,350	365,631
Other departmental expenditures	75,919	63,120	12,799	45,340
Capital outlay	77,950	77,950	-	72,000
Total sheriff	<u>502,830</u>	<u>465,681</u>	<u>37,149</u>	<u>482,971</u>
Fire department				
Department allocations	119,829	110,258	9,571	106,805
Total fire	<u>119,829</u>	<u>110,258</u>	<u>9,571</u>	<u>106,805</u>
Building inspection				
Salary and benefits	212,748	210,578	2,170	208,547
Other departmental expenditures	29,757	22,830	6,927	20,974
Capital outlay	24,000	10,000	14,000	-
Total building inspections	<u>266,505</u>	<u>243,408</u>	<u>23,097</u>	<u>229,521</u>
Animal control				
Salary and benefits	11,612	11,436	176	11,215
Other departmental expenditures	7,479	6,796	683	5,248
Total animal control	<u>19,091</u>	<u>18,232</u>	<u>859</u>	<u>16,463</u>
Total public safety	<u>908,255</u>	<u>837,579</u>	<u>70,676</u>	<u>835,760</u>
Roads - Class B				
Salary and benefits	439,368	407,090	32,278	397,043
Other departmental expenditures	541,983	472,485	69,498	436,172
Capital outlay	406,320	356,979	49,341	332,430
Total highways - class B	<u>1,387,671</u>	<u>1,236,554</u>	<u>151,117</u>	<u>1,165,645</u>

(continued)

**CACHE COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (Non-GAAP Basis)**  
**Municipal Services Fund**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December, 31, 2004)

	2005			2004 Actual
	Budget	Actual	Variance- Over/(Under)	
Recreation				
Other departmental expenditures	12,000	-	12,000	7,084
Total recreation	12,000	-	12,000	7,084
Total expenditures	<u>2,518,348</u>	<u>2,271,853</u>	<u>246,495</u>	<u>2,186,719</u>
Excess of revenues over expenditures	<u>351,716</u>	<u>407,681</u>	<u>55,965</u>	<u>179,292</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in				
RAPZ Tax fund	12,016	10,575	(1,441)	7,084
Transfers out				
General fund	(371,292)	(371,292)	-	(299,703)
Capital projects fund	(215,000)	(215,000)	-	(90,589)
Total other financing sources (uses)	<u>(574,276)</u>	<u>(575,717)</u>	<u>(1,441)</u>	<u>(383,208)</u>
Net change in fund balances	<u>\$ (222,560)</u>	<u>(168,036)</u>	<u>\$ 54,524</u>	<u>(203,916)</u>
Adjust to GAAP - Encumbrances, net change		(28,114)		(13,500)
Fund balances - January 1		<u>5,056,981</u>		<u>5,274,397</u>
Fund balances - December 31		<u>\$ 4,860,831</u>		<u>\$ 5,056,981</u>

**CACHE COUNTY**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Mental Health Fund**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December, 31, 2004)

	<u>2005</u>			<u>2004</u> <u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over/(Under)</u>	
<b>REVENUES</b>				
Intergovernmental				
Federal and state grants	\$ 1,700,000	\$ 1,651,508	\$ (48,492)	\$ 1,539,388
Contributions:				
Other governments	25,750	51,384	25,634	-
Bear River Mental Health	50,000	-	(50,000)	-
Total revenue	<u>1,775,750</u>	<u>1,702,892</u>	<u>(72,858)</u>	<u>1,539,388</u>
<b>EXPENDITURES</b>				
Health				
Mental Health	1,775,750	1,702,892	72,858	1,539,388
Total expenditures	<u>1,775,750</u>	<u>1,702,892</u>	<u>72,858</u>	<u>1,539,388</u>
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund balances - January 1		-		-
Fund balances - December 31		<u>\$ -</u>		<u>\$ -</u>



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**CACHE COUNTY**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2005**

	Special Revenue				
	Health	Travel Council	Council on Aging	Recreation	Planning and Develop.
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 275	\$ 40	\$ -	\$ 25
Equity in investment pool	432,943	181,212	150,466	1,056,649	31,467
Taxes receivable, net	31,999	18,539	-	141,391	-
Accounts receivable, net	-	40,000	4,866	-	-
Due from other governments	-	-	71,205	-	34,056
Restricted assets:					
Cash and investments - restricted	-	-	-	-	-
Total assets	<u>\$ 464,942</u>	<u>\$ 240,026</u>	<u>\$ 226,577</u>	<u>\$ 1,198,040</u>	<u>\$ 65,548</u>
<b>LIABILITIES</b>					
Interfund payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	39,508	14,366	144,457	4,137
Due to other funds	-	-	140,000	-	-
Deferred revenue	32,000	-	1,300	-	-
Total liabilities	<u>32,000</u>	<u>39,508</u>	<u>155,666</u>	<u>144,457</u>	<u>4,137</u>
<b>FUND BALANCE</b>					
Reserved - Debt service	-	-	-	-	-
Reserved - Capital projects	-	-	-	-	-
Unreserved, undesignated, reported in:					
Special revenue funds	432,942	200,518	70,911	1,053,583	61,411
Capital projects fund	-	-	-	-	-
Debt service fund	-	-	-	-	-
Total fund balances	<u>432,942</u>	<u>200,518</u>	<u>70,911</u>	<u>1,053,583</u>	<u>61,411</u>
Total liabilities and fund balances	<u>\$ 464,942</u>	<u>\$ 240,026</u>	<u>\$ 226,577</u>	<u>\$ 1,198,040</u>	<u>\$ 65,548</u>

Special Revenue							Total
Library	Children's Justice Center	RAPZ Tax	Ambulance	Community Foundation	Capital Projects	Debt Service	Nonmajor Governmnt. Funds
\$ 25	\$ 100	\$ -	\$ -	\$ 109,583	\$ -	\$ -	\$ 110,048
16,949	-	1,378,970	-	-	999,339	126,743	4,374,738
-	-	241,742	-	-	-	-	433,671
-	-	-	118,681	-	18,513	-	182,060
-	45,585	-	-	-	-	-	150,846
-	-	-	-	-	80,920	13,799	94,719
<u>\$ 16,974</u>	<u>\$ 45,685</u>	<u>\$ 1,620,712</u>	<u>\$ 118,681</u>	<u>\$ 109,583</u>	<u>\$ 1,098,772</u>	<u>\$ 140,542</u>	<u>\$ 5,346,082</u>
\$ -	\$ 37,825	\$ -	\$ 24,377	\$ -	\$ -	\$ -	\$ 62,202
399	3,160	28,586	42,199	-	181,899	-	458,711
-	-	-	-	-	-	-	140,000
-	-	-	-	-	-	-	33,300
<u>399</u>	<u>40,985</u>	<u>28,586</u>	<u>66,576</u>	<u>-</u>	<u>181,899</u>	<u>-</u>	<u>694,213</u>
-	-	-	-	-	-	13,799	13,799
-	-	-	-	-	80,920	-	80,920
16,575	4,700	1,592,126	52,105	109,583	-	-	3,594,454
-	-	-	-	-	835,953	-	835,953
-	-	-	-	-	-	126,743	126,743
<u>16,575</u>	<u>4,700</u>	<u>1,592,126</u>	<u>52,105</u>	<u>109,583</u>	<u>916,873</u>	<u>140,542</u>	<u>4,651,869</u>
<u>\$ 16,974</u>	<u>\$ 45,685</u>	<u>\$ 1,620,712</u>	<u>\$ 118,681</u>	<u>\$ 109,583</u>	<u>\$ 1,098,772</u>	<u>\$ 140,542</u>	<u>\$ 5,346,082</u>

**CACHE COUNTY**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2005**

	Special Revenue				
	Health	Travel Council	Council on Aging	Recreation	Planning and Develop.
<b>REVENUES</b>					
Taxes	\$ 669,460	\$ 263,530	\$ -	\$ 812,229	\$ -
Intergovernmental	-	16,685	360,706	-	-
Charges for services	-	-	132,462	-	77,317
Miscellaneous	-	7,400	27,602	-	-
Total revenues	<u>669,460</u>	<u>287,615</u>	<u>520,770</u>	<u>812,229</u>	<u>77,317</u>
<b>EXPENDITURES</b>					
General government	-	-	-	-	152,680
Public safety	-	-	-	-	-
Health	632,520	-	614,203	-	-
Culture and recreation	-	369,914	-	715,091	-
Capital projects	-	-	-	-	-
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>632,520</u>	<u>369,914</u>	<u>614,203</u>	<u>715,091</u>	<u>152,680</u>
Excess (deficiency) of revenues over expenditures	<u>36,940</u>	<u>(82,299)</u>	<u>(93,433)</u>	<u>97,138</u>	<u>(75,363)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from the sale of assets	-	-	-	-	-
Transfers in					
General fund	-	-	52,631	-	70,788
Municipal services fund	-	-	-	-	-
Recreation fund	-	40,000	-	-	-
Library fund	-	-	-	-	-
RAPZ Tax fund	-	-	-	-	5,500
Community foundation fund	-	-	1,000	-	-
Transfers out					
General fund	-	-	-	(10,000)	-
Municipal services fund	-	-	-	-	-
Travel council fund	-	-	-	(40,000)	-
Council on aging fund	-	-	-	-	-
Planning and development fund	-	-	-	-	-
Library fund	-	-	-	-	-
Capital projects fund	-	-	-	(150,000)	-
Total other financing sources (uses)	<u>-</u>	<u>40,000</u>	<u>53,631</u>	<u>(200,000)</u>	<u>76,288</u>
Net change in fund balances	36,940	(42,299)	(39,802)	(102,862)	925
Fund balances - January 1	<u>396,002</u>	<u>242,817</u>	<u>110,713</u>	<u>1,156,445</u>	<u>60,486</u>
Fund balances - December 31	<u>\$ 432,942</u>	<u>\$ 200,518</u>	<u>\$ 70,911</u>	<u>\$ 1,053,583</u>	<u>\$ 61,411</u>

Special Revenue							Total
Library	Children's Justice Center	RAPZ Tax	Ambulance	Community Foundation	Capital Projects	Debt Service	Nonmajor Governmnt. Funds
\$ -	\$ -	\$ 1,140,095	\$ -	\$ -	\$ -	\$ -	\$ 2,885,314
26,525	98,425	-	474,722	-	-	-	977,063
3,525	-	-	-	-	-	-	213,304
-	-	-	-	263,789	-	11,104	309,895
<u>30,050</u>	<u>98,425</u>	<u>1,140,095</u>	<u>474,722</u>	<u>263,789</u>	<u>-</u>	<u>11,104</u>	<u>4,385,576</u>
-	-	-	-	42	-	-	152,722
-	98,500	-	422,617	27,502	-	-	548,619
-	-	-	-	-	-	-	1,246,723
52,529	-	916,518	-	-	-	-	2,054,052
-	-	-	-	-	1,743,656	-	1,743,656
-	-	-	-	-	-	770,358	770,358
-	-	-	-	-	-	747,220	747,220
<u>52,529</u>	<u>98,500</u>	<u>916,518</u>	<u>422,617</u>	<u>27,544</u>	<u>1,743,656</u>	<u>1,517,578</u>	<u>7,263,350</u>
<u>(22,479)</u>	<u>(75)</u>	<u>223,577</u>	<u>52,105</u>	<u>236,245</u>	<u>(1,743,656)</u>	<u>(1,506,474)</u>	<u>(2,877,774)</u>
-	-	-	-	-	708,700	-	708,700
17,100	1,052	-	-	-	338,535	1,525,531	2,005,637
-	-	-	-	-	215,000	-	215,000
-	-	-	-	-	150,000	-	190,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	5,500
1,750	-	-	-	-	131,703	-	134,453
-	-	-	-	-	-	-	(10,000)
-	-	(10,575)	-	-	-	-	(10,575)
-	-	-	-	-	-	-	(40,000)
-	-	-	-	(1,000)	-	-	(1,000)
-	-	(5,500)	-	-	-	-	(5,500)
-	-	-	-	(1,750)	-	-	(1,750)
-	-	-	-	(131,703)	-	-	(281,703)
<u>18,850</u>	<u>1,052</u>	<u>(16,075)</u>	<u>-</u>	<u>(134,453)</u>	<u>1,543,938</u>	<u>1,525,531</u>	<u>2,908,762</u>
<u>(3,629)</u>	<u>977</u>	<u>207,502</u>	<u>52,105</u>	<u>101,792</u>	<u>(199,718)</u>	<u>19,057</u>	<u>30,988</u>
<u>20,204</u>	<u>3,723</u>	<u>1,384,624</u>	<u>-</u>	<u>7,791</u>	<u>1,116,591</u>	<u>121,485</u>	<u>4,620,881</u>
<u>\$ 16,575</u>	<u>\$ 4,700</u>	<u>\$ 1,592,126</u>	<u>\$ 52,105</u>	<u>\$ 109,583</u>	<u>\$ 916,873</u>	<u>\$ 140,542</u>	<u>\$ 4,651,869</u>

**CACHE COUNTY**  
**Health Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	<b>2005</b>			<b>2004</b> <b>Actual</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance- Over/(Under)</b>	
<b>REVENUES</b>				
Taxes	\$ 662,484	\$ 669,460	\$ 6,976	\$ 658,277
Total revenues	<u>662,484</u>	<u>669,460</u>	<u>6,976</u>	<u>658,277</u>
<b>EXPENDITURES</b>				
Miscellaneous	3,000	3,000	-	-
Contribution to Bear River Health Dept	<u>629,520</u>	<u>629,520</u>	<u>-</u>	<u>610,000</u>
Total expenditures	<u>632,520</u>	<u>632,520</u>	<u>-</u>	<u>610,000</u>
Excess of revenues over expenditures	<u>29,964</u>	<u>36,940</u>	<u>6,976</u>	<u>48,277</u>
Net change in fund balances	<u>\$ 29,964</u>	<u>36,940</u>	<u>\$ 6,976</u>	<u>48,277</u>
Adjust to GAAP - Encumbrances, net change		-		-
Fund balances - January 1		<u>396,002</u>		<u>347,725</u>
Fund balances - December 31		<u>\$ 432,942</u>		<u>\$ 396,002</u>

**CACHE COUNTY**  
**Travel Council Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	2005		Variance- Over/(Under)	2004 Actual
	Budget	Actual		
<b>REVENUES</b>				
Taxes				
Transient room tax	\$ 242,000	\$ 263,530	\$ 21,530	\$ 269,006
Total taxes	<u>242,000</u>	<u>263,530</u>	<u>21,530</u>	<u>269,006</u>
Intergovernmental				
Federal and state grants	67,800	13,685	(54,115)	-
Local grants	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>-</u>
Total intergovernmental	<u>70,800</u>	<u>16,685</u>	<u>(54,115)</u>	<u>-</u>
Miscellaneous				
Total revenues	<u>320,800</u>	<u>287,615</u>	<u>(33,185)</u>	<u>281,834</u>
<b>EXPENDITURES</b>				
Salaries and benefits	101,270	90,686	10,584	76,653
Supplies	280,850	198,102	82,748	160,465
Travel	2,400	1,977	423	3,052
Contribution to American West Heritage Center	<u>67,500</u>	<u>67,500</u>	<u>-</u>	<u>67,500</u>
Total expenditures	<u>452,020</u>	<u>358,265</u>	<u>93,755</u>	<u>307,670</u>
Excess of revenues over expenditures	<u>(131,220)</u>	<u>(70,650)</u>	<u>60,570</u>	<u>(25,836)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
Recreation fund	<u>45,000</u>	<u>40,000</u>	<u>(5,000)</u>	<u>30,000</u>
Total other financing sources	<u>45,000</u>	<u>40,000</u>	<u>(5,000)</u>	<u>30,000</u>
Net change in fund balances	<u>\$ (86,220)</u>	<u>(30,650)</u>	<u>\$ 55,570</u>	<u>4,164</u>
Adjust to GAAP - Encumbrances, net change		(11,649)		(21,674)
Fund balances - January 1		<u>242,817</u>		<u>260,327</u>
Fund balances - December 31		<u>\$ 200,518</u>		<u>\$ 242,817</u>

**CACHE COUNTY**  
**Council On Aging Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	2005			2004 Actual
	Budget	Actual	Variance- Over/(Under)	
<b>REVENUES</b>				
Intergovernmental				
Federal and state grants	\$ 372,410	\$ 360,706	\$ (11,704)	\$ 285,272
Local funding	1,800	-	(1,800)	-
Total intergovernmental	<u>374,210</u>	<u>360,706</u>	<u>(13,504)</u>	<u>285,272</u>
Charges for services				
Nutrition donations	105,000	99,216	(5,784)	100,927
Tours and trips	24,000	9,350	(14,650)	1,583
Access transportation	5,000	3,387	(1,613)	3,970
Ceramics and crafts	4,000	6,395	2,395	4,815
Catering	21,850	14,114	(7,736)	8,052
Total charges for services	<u>159,850</u>	<u>132,462</u>	<u>(27,388)</u>	<u>119,347</u>
Miscellaneous				
United Way donation	12,000	13,337	1,337	10,851
Other	22,094	14,265	(7,829)	75,211
Total miscellaneous	<u>34,094</u>	<u>27,602</u>	<u>(6,492)</u>	<u>86,062</u>
Total revenues	<u>568,154</u>	<u>520,770</u>	<u>(47,384)</u>	<u>490,681</u>
<b>EXPENDITURES</b>				
Nutrition mandated				
Salaries and benefits	133,627	129,087	4,540	147,973
Supplies	53,551	47,275	6,276	32,692
Travel	12,867	12,559	308	14,160
Occupancy	18,600	20,649	(2,049)	14,218
Meals	100,000	97,348	2,652	102,867
Capital outlay	-	-	-	-
Total Nutrition	<u>318,645</u>	<u>306,918</u>	<u>11,727</u>	<u>311,910</u>
Center				
Salaries and benefits	60,432	61,777	(1,345)	54,695
Travel	6,800	5,657	1,143	5,438
Supplies	35,822	20,423	15,399	23,226
Occupancy	12,211	11,979	232	13,579
Meals	39	35	4	15
Capital outlay	71,890	54,418	17,472	7,610
Total Center	<u>187,194</u>	<u>154,289</u>	<u>32,905</u>	<u>104,563</u>
Access mandated				
Salaries and benefits	56,940	56,012	928	54,679
Supplies	2,500	2,496	4	3,131
Travel	5,330	4,433	897	4,655
Occupancy	11,083	11,891	(808)	10,633
Total Access mandated	<u>75,853</u>	<u>74,832</u>	<u>1,021</u>	<u>73,098</u>
Retired service volunteer program				
Salaries and benefits	28,510	26,453	2,057	33,621
Travel	4,287	2,052	2,235	2,141
Occupancy	700	224	476	332

(Continued)



**CACHE COUNTY**  
**Council On Aging Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	<b>2005</b>			<b>2004 Actual</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance- Over/(Under)</b>	
Volunteer insurance	984	984	-	918
Supplies	8,560	7,346	1,214	8,822
Volunteer travel	8,508	9,582	(1,074)	6,529
Total retired service volunteer program	<u>51,549</u>	<u>46,641</u>	<u>4,908</u>	<u>52,363</u>
Volunteer center				
Salaries and benefits	6,967	3,252	3,715	-
Total volunteer center	<u>6,967</u>	<u>3,252</u>	<u>3,715</u>	<u>-</u>
Catering				
Salaries and benefits	9,783	5,649	4,134	1,316
Travel	800	218	582	303
Occupancy	500	-	500	-
Supplies	4,425	3,442	983	350
Meals	10,400	9,231	1,169	5,563
Total catering	<u>25,908</u>	<u>18,540</u>	<u>7,368</u>	<u>7,532</u>
Total expenditures	<u>666,116</u>	<u>604,472</u>	<u>61,644</u>	<u>549,466</u>
Deficiency of revenues over expenditures	<u>(97,962)</u>	<u>(83,702)</u>	<u>14,260</u>	<u>(58,785)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
General fund	52,631	52,631	-	48,876
RAPZ Tax fund	10,000	-	(10,000)	10,000
Community foundation fund	-	1,000	1,000	-
Total other financing sources	<u>62,631</u>	<u>53,631</u>	<u>(9,000)</u>	<u>58,876</u>
Net change in fund balances	<u>\$ (35,331)</u>	<u>(30,071)</u>	<u>\$ 5,260</u>	<u>91</u>
Adjust to GAAP - Encumbrances, net change		(9,731)		11,411
Fund balances - January 1		110,713		99,211
Fund balances - December 31		<u>\$ 70,911</u>		<u>\$ 110,713</u>

**CACHE COUNTY**  
**Recreation Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	<b>2005</b>			<b>2004 Actual</b>
	<b>Budget</b>	<b>Actual</b>	<b>Variance- Over/(Under)</b>	
<b>REVENUES</b>				
Taxes				
Restaurant tax	\$ 737,591	\$ 812,229	\$ 74,638	\$ 737,591
Total taxes	<u>737,591</u>	<u>812,229</u>	<u>74,638</u>	<u>737,591</u>
Miscellaneous	-	-	-	25,923
Total revenues	<u>737,591</u>	<u>812,229</u>	<u>74,638</u>	<u>763,514</u>
<b>EXPENDITURES</b>				
Culture and recreation	<u>687,591</u>	<u>371,029</u>	<u>316,562</u>	<u>657,419</u>
Total expenditures	<u>687,591</u>	<u>371,029</u>	<u>316,562</u>	<u>657,419</u>
Excess (deficiency) of revenues over expenditures	<u>50,000</u>	<u>441,200</u>	<u>391,200</u>	<u>106,095</u>
<b>OTHER FINANCING (USES)</b>				
Transfers out				
General fund	(10,000)	(10,000)	-	(10,000)
Travel council fund	(40,000)	(40,000)	-	-
Capital projects fund	<u>(100,000)</u>	<u>(150,000)</u>	<u>(50,000)</u>	<u>(75,000)</u>
Total other financing uses	<u>(150,000)</u>	<u>(200,000)</u>	<u>(50,000)</u>	<u>(85,000)</u>
Net change in fund balances	<u>\$ (100,000)</u>	<u>241,200</u>	<u>\$ 341,200</u>	<u>21,095</u>
Adjust to GAAP - Encumbrances, net change		(344,062)		(31,833)
Fund balances - January 1		<u>1,156,445</u>		<u>1,167,183</u>
Fund balances - December 31		<u>\$ 1,053,583</u>		<u>\$ 1,156,445</u>

**CACHE COUNTY**  
**Planning and Development Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	2005			2004 Actual
	Budget	Actual	Variance- Over/(Under)	
<b>REVENUES</b>				
Intergovernmental				
Federal and state grants	\$ 3,772	\$ -	\$ (3,772)	\$ 15,347
Local grants	4,000	-	(4,000)	11,000
Total intergovernmental	<u>7,772</u>	<u>-</u>	<u>(7,772)</u>	<u>26,347</u>
Charges for services				
Entity user fee	70,788	73,098	2,310	37,835
Current services	6,847	4,219	(2,628)	7,219
Total charges for services	<u>77,635</u>	<u>77,317</u>	<u>(318)</u>	<u>45,054</u>
Total revenues	<u>85,407</u>	<u>77,317</u>	<u>(8,090)</u>	<u>71,401</u>
<b>EXPENDITURES</b>				
Salaries and benefits	124,866	107,613	17,253	119,398
Other expenditures	58,023	45,067	12,956	29,141
Capital outlay	-	-	-	-
Total expenditures	<u>182,889</u>	<u>152,680</u>	<u>30,209</u>	<u>148,539</u>
Deficiency of revenues over expenditures	<u>(97,482)</u>	<u>(75,363)</u>	<u>22,119</u>	<u>(77,138)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
General fund	70,788	70,788	-	68,144
RAPZ Tax fund	5,500	5,500	-	-
Total other financing sources	<u>76,288</u>	<u>76,288</u>	<u>-</u>	<u>68,144</u>
Net change in fund balances	<u>\$ (21,194)</u>	<u>925</u>	<u>\$ 22,119</u>	<u>(8,994)</u>
Adjust to GAAP - Encumbrances, net change		-		228
Fund balance - January 1		<u>60,486</u>		<u>69,252</u>
Fund balance - December 31		<u>\$ 61,411</u>		<u>\$ 60,486</u>

**CACHE COUNTY**  
**Library Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	2005			2004 Actual
	Budget	Actual	Variance- Over/(Under)	
<b>REVENUES</b>				
Intergovernmental				
Federal and state grants	\$ 9,782	\$ 9,782	\$ -	\$ 7,634
Local grants	16,743	16,743	-	17,823
Total intergovernmental	<u>26,525</u>	<u>26,525</u>	<u>-</u>	<u>25,457</u>
Charges for services				
Library fees	3,304	3,525	221	3,126
Total revenues	<u>29,829</u>	<u>30,050</u>	<u>221</u>	<u>28,583</u>
<b>EXPENDITURES</b>				
Salaries and benefits	20,574	19,022	1,552	18,691
Other expenditures	34,524	33,507	1,017	24,599
Total expenditures	<u>55,098</u>	<u>52,529</u>	<u>2,569</u>	<u>43,290</u>
Deficiency of revenues over expenditures	<u>(25,269)</u>	<u>(22,479)</u>	<u>2,790</u>	<u>(14,707)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
General fund	17,100	17,100	-	17,100
Community Foundation fund	1,750	1,750	-	-
Total other financing sources	<u>18,850</u>	<u>18,850</u>	<u>-</u>	<u>17,100</u>
Net change in fund balances	<u>\$ (6,419)</u>	<u>(3,629)</u>	<u>\$ 2,790</u>	<u>2,393</u>
Adjust to GAAP - Encumbrances, net change		-		-
Fund balances - January 1		<u>20,204</u>		<u>17,811</u>
Fund balances - December 31		<u>\$ 16,575</u>		<u>\$ 20,204</u>

**CACHE COUNTY**  
**Children's Justice Center Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	<u>2005</u>			<u>2004</u> <u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over/(Under)</u>	
<b>REVENUES</b>				
Intergovernmental				
Federal grants	\$ 7,364	\$ 7,323	\$ (41)	\$ 877
State grants	90,176	90,354	178	85,621
Contributions - private sources	748	748	-	-
Total revenues	<u>98,288</u>	<u>98,425</u>	<u>137</u>	<u>86,498</u>
<b>EXPENDITURES</b>				
Salaries and benefits	76,427	75,316	1,111	66,871
Other center expenditures	24,113	23,184	929	19,684
Total expenditures	<u>100,540</u>	<u>98,500</u>	<u>2,040</u>	<u>86,555</u>
Deficiency of revenues over expenditures	<u>(2,252)</u>	<u>(75)</u>	<u>2,177</u>	<u>(57)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
General fund	1,052	1,052	-	-
Total other financing sources	<u>1,052</u>	<u>1,052</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (1,200)</u>	<u>977</u>	<u>\$ 2,177</u>	<u>(57)</u>
Adjust to GAAP - Encumbrances, net change		-		-
Fund balances - January 1		<u>3,723</u>		<u>3,780</u>
Fund balances - December 31		<u>\$ 4,700</u>		<u>\$ 3,723</u>

**CACHE COUNTY**  
**RAPZ Tax Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	<u>2005</u>			<u>2004</u> <u>Actual</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over/(Under)</u>	
<b>REVENUES</b>				
Taxes				
Sales tax	\$ 1,080,117	\$ 1,140,095	\$ 59,978	\$ 1,080,118
Total revenues	<u>1,080,117</u>	<u>1,140,095</u>	<u>59,978</u>	<u>1,080,118</u>
<b>EXPENDITURES</b>				
Miscellaneous	<u>1,064,042</u>	<u>670,886</u>	<u>393,156</u>	<u>743,985</u>
Total expenditures	<u>1,064,042</u>	<u>670,886</u>	<u>393,156</u>	<u>743,985</u>
Excess of revenues over expenditures	<u>16,075</u>	<u>469,209</u>	<u>453,134</u>	<u>336,133</u>
<b>OTHER FINANCING (USES)</b>				
Transfers out				
Municipal services fund	(10,575)	(10,575)	-	-
Planning and development fund	<u>(5,500)</u>	<u>(5,500)</u>	<u>-</u>	<u>(27,084)</u>
Total other financing uses	<u>(16,075)</u>	<u>(16,075)</u>	<u>-</u>	<u>(27,084)</u>
Net change in fund balances	<u>\$ -</u>	<u>453,134</u>	<u>\$ 453,134</u>	<u>309,049</u>
Adjust to GAAP - Encumbrances, net change		(245,632)		294,143
Fund balances - January 1		<u>1,384,624</u>		<u>781,432</u>
Fund balances - December 31		<u>\$ 1,592,126</u>		<u>\$ 1,384,624</u>

**CACHE COUNTY**  
**Ambulance Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**

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	2005		
	Budget	Actual	Variance- Over/(Under)
<b>REVENUES</b>			
Intergovernmental	\$ 474,722	\$ 474,722	\$ -
Total revenues	474,722	474,722	-
<b>EXPENDITURES</b>			
Salaries and benefits	202,480	198,422	4,058
Other expenditures	257,242	209,195	48,047
Capital expenditures	15,000	15,000	-
Total expenditures	474,722	422,617	52,105
Excess of revenues over expenditures	-	52,105	52,105
Net change in fund balances	\$ -	52,105	\$ 52,105
Fund balances - January 1		-	
Fund balances - December 31		\$ 52,105	

**CACHE COUNTY**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2005**  
(With Comparative Totals for the Year Ended December 31, 2004)

	2005		Variance- Over/(Under)	2004 Actual
	Budget	Actual		
<b>REVENUES</b>				
Miscellaneous				
Interest	\$ -	\$ 11,104	\$ 11,104	\$ 2,867
Total revenues	<u>-</u>	<u>11,104</u>	<u>11,104</u>	<u>2,867</u>
<b>EXPENDITURES</b>				
Principal	765,317	770,358	(5,041)	785,152
Interest and fiscal charges	<u>760,214</u>	<u>747,220</u>	<u>12,994</u>	<u>779,425</u>
Total expenditures	<u>1,525,531</u>	<u>1,517,578</u>	<u>7,953</u>	<u>1,564,577</u>
Deficiency of revenues over expenditures	<u>(1,525,531)</u>	<u>(1,506,474)</u>	<u>19,057</u>	<u>(1,561,710)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in				
General fund	<u>1,525,531</u>	<u>1,525,531</u>	<u>-</u>	<u>1,570,879</u>
Total other financing sources	<u>1,525,531</u>	<u>1,525,531</u>	<u>-</u>	<u>1,570,879</u>
Net change infund balances	<u>\$ -</u>	<u>19,057</u>	<u>\$ 19,057</u>	<u>9,169</u>
Adjust to GAAP - Encumbrances, net change		-		-
Fund balances - January 1		<u>121,485</u>		<u>112,316</u>
Fund balances - December 31		<u>\$ 140,542</u>		<u>\$ 121,485</u>



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**CACHE COUNTY**  
**Combining Statement of Fiduciary Net Assets**  
**Agency Funds**  
**December 31, 2005**

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	<u>Fee Trust Fund</u>	<u>Health Department 125 Plan</u>	<u>Treasurer's Tax Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 9,281	\$ 14,566,188	\$ 14,575,469
Equity in investment pool	155,138	-	-	155,138
Accounts receivable	39,213	-	-	39,213
Taxes receivable	-	-	931,203	931,203
Total assets	<u>\$ 194,351</u>	<u>\$ 9,281</u>	<u>\$ 15,497,391</u>	<u>\$ 15,701,023</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ -	\$ -	\$ 14,961,266	\$ 14,961,266
Due to other employees	-	9,281	-	9,281
Over-collections payable	-	-	536,125	536,125
Other collections payable	194,351	-	-	194,351
Total liabilities	<u>\$ 194,351</u>	<u>\$ 9,281</u>	<u>\$ 15,497,391</u>	<u>\$ 15,701,023</u>

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**CACHE COUNTY**  
**Treasurer's Tax Fund**  
**Schedule of Taxes Charged, Collected and Disbursed – Current and Prior**  
**For the Year Ended December 31, 2005**

	Year End Real Prop. Value	Centrally Assessed Prop. Value	Real Prop. RDA Value	Total Real Property Assd. Value	Year End Personal Prop. Value	Personal Property RDA Value	Total Pers. Property Assd. Value	Total Adjusted Value	Real Property Tax Rate	Prior Year Pers. Prop. Tax Rate	Real Prop. Taxes Chgd.
<b>County Funds</b>											
General Fund	3,174,400,499	123,799,292	(94,622,139)	3,203,577,652	353,450,409	(61,613,526)	291,836,883	3,495,414,535	0.001883	0.001773	6,032,337
Health Funds	3,174,400,499	123,799,292	(94,622,139)	3,203,577,652	353,450,409	(61,613,526)	291,836,883	3,495,414,535	0.000165	0.000173	528,590
Multi-Co A & C	3,174,400,499	123,799,292	-	3,298,199,791	353,450,409	-	353,450,409	3,651,650,200	0.000173	0.000180	570,589
Assess & Coll County	3,174,400,499	123,799,292	-	3,298,199,791	353,450,409	-	353,450,409	3,651,650,200	0.000300	0.000151	989,460
<b>Total</b>	<b>3,174,400,499</b>	<b>123,799,292</b>	<b>(94,622,139)</b>	<b>3,203,577,652</b>	<b>353,450,409</b>	<b>(61,613,526)</b>	<b>291,836,883</b>	<b>3,495,414,535</b>	<b>0.002521</b>	<b>0.002277</b>	<b>8,120,976</b>
<b>Cities and Towns</b>											
Amalga	19,335,515	946,705	-	20,282,220	5,492,799	-	5,492,799	25,775,019	0.000502	0.000510	10,182
Clarkston	13,992,945	619,965	-	14,612,910	6,052	-	6,052	14,618,962	0.001472	0.001520	21,510
Cornish	7,272,110	1,453,904	-	8,726,014	6,588	-	6,588	8,732,602	0.002155	0.002179	18,805
Hyde Park	111,913,100	2,119,248	-	114,032,348	2,533,002	-	2,533,002	116,565,350	0.001100	0.001100	125,436
Hyrum	156,084,960	3,800,016	-	159,884,976	4,958,915	-	4,958,915	164,843,891	0.001050	0.001105	167,879
Lewiston	57,405,955	3,582,757	-	60,988,712	8,459,611	-	8,459,611	69,448,323	0.002215	0.002190	128,991
Logan	1,300,570,501	32,468,199	(84,679,854)	1,248,358,846	235,666,989	(55,825,019)	179,841,970	1,428,200,816	0.002274	0.002296	2,838,768
Mendon	32,844,657	806,638	-	33,651,295	136,635	-	136,635	33,787,930	0.001775	0.001848	59,731
Millville	48,537,295	1,350,399	-	49,887,694	987,895	-	987,895	50,875,589	0.000853	0.000890	42,554
Newton	17,933,340	609,329	-	18,542,669	155,222	-	155,222	18,697,891	0.001496	0.000780	27,740
Nibley	100,891,755	2,356,451	-	103,248,206	2,652,152	-	2,652,152	105,900,358	0.001570	0.001667	162,100
North Logan	330,686,295	4,163,730	-	334,850,025	22,475,578	-	22,475,578	357,325,603	0.001678	0.001779	561,878
Paradise	24,370,215	748,032	-	25,118,247	142,164	-	142,164	25,260,411	0.000893	0.000940	22,431
Providence	219,035,195	2,746,797	-	221,781,992	3,348,532	-	3,348,532	225,130,524	0.001154	0.001227	255,936
Richmond	51,985,970	3,292,456	-	55,278,426	3,222,968	-	3,222,968	58,501,394	0.001368	0.001439	75,621
River Heights	47,889,190	923,788	-	48,812,978	205,817	-	205,817	49,018,795	0.001550	0.001550	75,660
Smithfield	236,592,500	7,279,020	(9,942,284)	233,929,236	16,807,433	(5,788,507)	11,018,926	244,948,162	0.001701	0.001943	397,914
Trenton	12,971,915	2,398,861	-	15,370,776	646,247	-	646,247	16,017,023	0.000849	0.000887	13,050
Wellsville	87,077,935	2,825,807	-	89,903,742	2,032,313	-	2,032,313	91,936,055	0.001343	0.001413	120,741
<b>Total Cities and Towns</b>	<b>2,877,391,348</b>	<b>74,492,102</b>	<b>(94,622,138)</b>	<b>2,857,261,312</b>	<b>309,936,912</b>	<b>(61,613,526)</b>	<b>248,323,386</b>	<b>3,105,584,698</b>			<b>5,126,926</b>
<b>Irrigation, Drainage and Miscellaneous Districts</b>											
Drainage #3	-	-	-	-	-	-	-	-	1.000000	1.000000	1,610
Drainage #4	-	-	-	-	-	-	-	-	3.000000	3.000000	4,277
Drainage #5	-	-	-	-	-	-	-	-	0.500000	0.500000	1,065
Drainage #6	-	-	-	-	-	-	-	-	0.250000	0.250000	459
Wellsville Mendon	-	-	-	-	-	-	-	-	18.000000	17.000000	125,365
Noxious Weeds	-	-	-	-	-	-	-	-	1.000000	-	1,133
Logan City Garbage	-	-	-	-	-	-	-	-	1.000000	-	22,968
Penalty - attached	-	-	-	-	-	-	-	-	1.000000	-	550
Powder Mountain	633,425	123,606	-	757,031	1,458,892	-	1,458,892	2,215,923	0.000572	0.000721	433
Mosquito Abatement	32,861,805	1,757,935	-	34,619,740	-	-	-	34,619,740	0.000255	0.000264	8,828
Benson Culinary H20	18,599,025	1,474,236	-	20,073,261	-	-	-	20,073,261	-	-	4,277
Cache Mosquito Abatement	1,635,800,677	79,949,416	-	1,715,750,093	-	-	-	1,715,750,093	0.000073	-	125,250
Title Report	-	-	-	-	-	-	-	-	-	-	95
Greenbelt Rollback	-	-	-	-	-	-	-	-	-	-	142,115
Logan Special Improvement	-	-	-	-	-	-	-	-	-	-	28,450
<b>Total districts</b>	<b>1,687,894,932</b>	<b>83,305,193</b>	<b>-</b>	<b>1,771,200,125</b>	<b>1,458,892</b>	<b>-</b>	<b>1,458,892</b>	<b>1,772,659,017</b>			<b>466,875</b>
<b>Cemetery Districts</b>											
Avon Cemetery	27,489,680	684,453	-	28,174,133	1,482,460	-	1,482,460	29,656,593	0.000156	0.000177	4,395
Cornish Cemetery	8,684,135	3,079,825	-	11,763,960	6,588	-	6,588	11,770,548	0.000374	0.000380	4,400
Hyde Park Cemetery	163,030,845	3,209,632	-	166,240,477	2,533,002	-	2,533,002	168,773,479	0.000287	0.000286	44,386
Millville Nibley Cemetery	143,193,140	4,991,768	-	148,184,908	3,640,047	-	3,640,047	151,824,955	0.000120	0.000127	17,782
Newton Cemetery	26,428,000	5,121,867	-	31,549,867	155,222	-	155,222	31,705,089	0.000105	0.000108	3,313
Paradise Cemetery	49,438,650	4,543,230	-	53,981,880	142,164	-	142,164	54,124,044	0.000103	0.000107	5,560
Richmond Cemetery	90,928,425	7,202,742	-	98,131,167	19,974,490	-	19,974,490	118,105,657	0.000141	0.000147	13,836
<b>Total Cemetery</b>	<b>509,192,875</b>	<b>28,833,517</b>	<b>-</b>	<b>538,026,392</b>	<b>27,933,973</b>	<b>-</b>	<b>27,933,973</b>	<b>565,960,365</b>			<b>93,673</b>
<b>School Districts</b>											
Cache County Schools	1,894,526,327	91,338,042	(9,942,284)	1,975,922,085	117,783,421	(5,788,507)	111,994,914	2,087,916,999	0.004790	0.005195	9,464,667
Cache Statewide Schools	1,894,526,327	91,338,042	(9,942,284)	1,975,922,085	117,783,421	(5,788,507)	111,994,914	2,087,916,999	0.001720	0.001800	3,398,586
<b>Total Cache Co Schools</b>	<b>1,894,526,327</b>	<b>91,338,042</b>	<b>(9,942,284)</b>	<b>1,975,922,085</b>	<b>117,783,421</b>	<b>(5,788,507)</b>	<b>111,994,914</b>	<b>2,087,916,999</b>	<b>0.006510</b>	<b>0.006995</b>	<b>12,863,253</b>
Logan City Schools	1,279,874,171	32,461,250	(84,679,854)	1,227,655,567	235,666,989	(55,825,019)	179,841,970	1,407,497,537	0.005584	0.005504	6,855,229
Logan Statewide Schools	1,279,874,171	32,461,250	(84,679,854)	1,227,655,567	235,666,989	(55,825,019)	179,841,970	1,407,497,537	0.001720	0.001800	2,111,568
<b>Total Logan Schools</b>	<b>1,279,874,171</b>	<b>32,461,250</b>	<b>(84,679,854)</b>	<b>1,227,655,567</b>	<b>235,666,989</b>	<b>(55,825,019)</b>	<b>179,841,970</b>	<b>1,407,497,537</b>	<b>0.007304</b>	<b>0.007304</b>	<b>8,966,796</b>
<b>Total school districts</b>	<b>3,174,400,498</b>	<b>123,799,292</b>	<b>(94,622,138)</b>	<b>3,203,577,652</b>	<b>353,450,410</b>	<b>(61,613,526)</b>	<b>291,836,884</b>	<b>3,495,414,536</b>			<b>21,830,049</b>
<b>Redevelopment District (1)</b>											
Cache County	-	-	94,622,139	94,622,139	-	61,613,526	61,613,526	156,235,665	0.002048	0.001946	193,786
Logan City	-	-	84,679,854	84,679,854	-	55,825,019	55,825,019	140,504,873	0.002274	0.002296	192,562
Smithfield City	-	-	9,942,284	9,942,284	-	5,788,507	5,788,507	15,730,791	0.001701	0.001943	16,912
Cache County Schools	-	-	9,942,284	9,942,284	-	5,788,507	5,788,507	15,730,791	0.006510	0.006995	64,724
Logan City Schools	-	-	84,679,854	84,679,854	-	55,825,019	55,825,019	140,504,873	0.007304	0.007304	618,502
<b>Total Redevelopment District</b>	<b>-</b>	<b>-</b>	<b>283,866,415</b>	<b>283,866,415</b>	<b>-</b>	<b>184,840,578</b>	<b>184,840,578</b>	<b>468,706,993</b>			<b>1,086,486</b>
<b>Grand totals</b>											<b>\$ 36,724,984</b>

(1) The Logan River Redevelopment District received \$618,665 of taxes from new growth in the district.

The Logan Downtown Redevelopment District was reorganized and received \$0 of taxes from new growth in the district

The Smithfield Redevelopment District received \$165,000 of taxes from new growth in the district.

The Logan South Main Redevelopment District received \$218,514 of taxes from new growth in the district.

The Logan Northwest Redevelopment District received \$128,585 of taxes from new growth in the district.

North Main Street Redevelopment District received \$78,033 of taxes from new growth in the district.

North Retail Redevelopment District received \$317,617 of taxes from new growth.

Logan 600 West Economic Development District received \$239,474 of taxes from new growth in the district.

Incremental property valuation for the Redevelopment Districts was \$156,235,665. The property valuation of \$156,235,665 is a recalculation based upon taxes requested by the Districts.

**CACHE COUNTY**  
**Treasurer's Tax Fund**  
**Schedule of Taxes Charged, Collected and Disbursed – Current and Prior**  
**For the Year Ended December 31, 2005**

Personal Property Taxes Chgd.	Total Taxes Taxes Chgd.	Treasurer's Relief				Net Tax Collected	Percent Collected	Other Collections			
		Unpaid Taxes	Abatements	Other	Total Relief			Fee In Lieu	Misc. Collections	Delinquencies Taxes	Int./Penalty
517,427	6,549,764	180,603	43,336	18,928	242,867	6,306,897	96.29%	935,789	112,642	156,715	61,982
50,488	579,078	15,826	3,797	1,776	21,398	557,680	96.30%	91,309	3,392	16,453	627
63,621	634,210	16,593	3,981	2,290	22,864	611,345	96.39%	95,004	3,608	17,339	674
53,371	1,042,831	28,774	6,904	2,535	38,213	1,004,618	96.34%	79,698	8,436	14,206	526
<b>684,907</b>	<b>8,805,882</b>	<b>241,796</b>	<b>58,019</b>	<b>25,528</b>	<b>325,342</b>	<b>8,480,540</b>	<b>96.31%</b>	<b>1,201,800</b>	<b>128,079</b>	<b>204,713</b>	<b>63,809</b>
2,801	12,983	338	15	(301)	52	12,931	99.60%	1,591	(10)	42	2
9	21,519	273	388	3	664	20,855	96.91%	6,793	50	224	8
14	18,819	289	111	8	409	18,410	97.83%	1,485	(160)	458	9
2,786	128,222	4,544	1,093	(3)	5,635	122,587	95.61%	23,492	1,408	4,940	116
5,480	173,359	6,823	1,051	68	7,942	165,417	95.42%	48,137	(334)	5,228	153
18,527	147,518	2,143	1,396	(29)	3,510	144,007	97.62%	21,410	(933)	2,387	104
412,917	3,251,685	75,125	20,596	26,000	121,721	3,129,964	96.26%	427,594	(3,567)	75,534	2,794
253	59,984	772	441	6	1,219	58,765	97.97%	17,775	107	1,234	21
879	43,433	534	315	5	854	42,579	98.03%	9,741	557	850	28
121	27,861	785	302	3	1,090	26,771	96.09%	4,554	48	305	7
4,421	166,521	7,212	983	22	8,218	158,303	95.06%	27,138	6,246	3,494	76
39,984	601,862	14,399	1,960	1,048	17,408	584,455	97.11%	79,717	4,984	27,988	1,349
134	22,564	662	248	3	912	21,652	95.96%	9,280	(109)	1,177	31
4,109	260,045	5,231	2,716	(12)	7,935	252,110	96.95%	50,350	4,015	3,936	124
4,638	80,259	1,499	1,208	106	2,814	77,445	96.49%	21,054	(1,259)	1,255	36
319	75,979	1,770	820	50	2,639	73,340	96.53%	9,816	206	1,859	51
21,410	419,323	13,894	3,942	(157)	17,679	401,644	95.78%	99,684	(527)	18,855	647
573	13,623	1,211	159	5	1,374	12,249	89.91%	2,348	(228)	532	26
2,872	123,612	7,757	733	14	8,505	115,108	93.12%	36,066	1,205	2,725	111
<b>522,246</b>	<b>5,649,172</b>	<b>145,262</b>	<b>38,479</b>	<b>26,838</b>	<b>210,580</b>	<b>5,438,592</b>	<b>96.27%</b>	<b>898,025</b>	<b>11,698</b>	<b>153,021</b>	<b>5,694</b>
-	1,610	25	-	-	25	1,585	98.45%	-	-	-	-
-	4,277	95	-	-	95	4,182	97.78%	-	-	20	-
-	1,065	19	-	-	19	1,046	98.21%	-	-	25	-
-	459	5	-	-	5	454	98.91%	-	-	-	-
-	125,365	4,947	-	-	4,947	120,418	96.05%	-	-	10	-
-	1,133	3	-	-	3	1,130	99.71%	-	-	5,553	-
-	22,968	13,756	-	-	13,756	9,211	40.11%	-	-	15	-
-	550	-	-	-	-	550	100.00%	-	-	4,918	-
1,052	1,485	-	-	-	-	1,485	100.00%	-	-	-	-
-	8,828	220	79	2	300	8,528	96.60%	-	(3)	18	-
-	4,277	618	-	-	618	3,659	85.55%	52	13	169	10
-	125,250	4,152	829	39	5,020	120,229	95.99%	-	-	-	-
-	95	95	-	-	95	-	0.00%	-	2,072	-	-
-	142,115	-	-	-	-	142,115	100.00%	-	-	-	-
-	28,450	-	-	-	-	28,450	100.00%	-	-	-	-
<b>1,052</b>	<b>467,927</b>	<b>23,936</b>	<b>908</b>	<b>41</b>	<b>24,885</b>	<b>443,042</b>	<b>94.68%</b>	<b>52</b>	<b>2,082</b>	<b>10,729</b>	<b>10</b>
262	4,658	217	15	0	232	4,425	95.01%	273	88	398	21
3	4,402	53	19	6	78	4,324	98.23%	287	(46)	80	1
724	45,111	1,605	319	0	1,925	43,186	95.73%	6,119	147	2,062	64
462	18,244	724	115	3	841	17,403	95.39%	3,469	733	374	9
17	3,330	115	21	2	138	3,192	95.86%	644	33	56	1
15	5,575	272	29	1	302	5,274	94.59%	1,195	(27)	258	9
2,936	16,773	244	131	15	389	16,383	97.68%	2,178	(30)	179	5
<b>4,420</b>	<b>98,092</b>	<b>3,230</b>	<b>649</b>	<b>27</b>	<b>3,905</b>	<b>94,187</b>		<b>14,165</b>	<b>897</b>	<b>3,406</b>	<b>110</b>
581,814	10,046,480	312,734	67,001	(4,919)	374,816	9,671,664	96.27%	1,774,432	151,961	300,626	10,712
201,591	3,600,177	112,297	24,059	(1,667)	134,689	3,465,488	96.26%	614,818	38,041	108,235	4,054
<b>783,404</b>	<b>13,646,657</b>	<b>425,031</b>	<b>91,060</b>	<b>(6,586)</b>	<b>509,505</b>	<b>13,137,152</b>	<b>96.27%</b>	<b>2,389,250</b>	<b>190,002</b>	<b>408,861</b>	<b>14,766</b>
989,850	7,845,079	171,002	50,404	62,660	284,066	7,561,013	96.38%	1,025,033	(15,175)	187,243	7,212
323,716	2,435,283	52,673	15,526	20,153	88,352	2,346,932	96.37%	335,222	(12,970)	63,581	2,508
<b>1,313,566</b>	<b>10,280,362</b>	<b>223,675</b>	<b>65,929</b>	<b>82,813</b>	<b>372,418</b>	<b>9,907,944</b>	<b>96.38%</b>	<b>1,360,255</b>	<b>(28,145)</b>	<b>250,824</b>	<b>9,721</b>
<b>2,096,970</b>	<b>23,927,019</b>	<b>648,706</b>	<b>156,989</b>	<b>76,227</b>	<b>881,923</b>	<b>23,045,097</b>	<b>96.31%</b>	<b>3,749,505</b>	<b>161,857</b>	<b>659,684</b>	<b>24,487</b>
119,900	313,686	-	-	4,759	4,759	308,927	98.48%	-	-	-	-
128,174	320,736	-	-	5,593	5,593	315,144	98.26%	-	-	-	-
11,247	28,159	-	-	-	-	28,159	100.00%	-	-	-	-
40,491	105,215	-	-	-	-	105,215	100.00%	-	-	-	-
407,746	1,026,248	-	-	17,802	17,802	1,008,446	98.27%	-	-	-	-
707,558	1,794,044	-	-	28,154	28,154	1,765,890	98.43%	-	-	-	-
<b>\$ 4,017,153</b>	<b>\$ 40,742,136</b>	<b>\$ 1,062,930</b>	<b>\$ 255,043</b>	<b>\$ 156,815</b>	<b>\$ 1,474,788</b>	<b>\$ 39,267,348</b>	<b>96.38%</b>	<b>\$ 5,863,547</b>	<b>\$ 304,613</b>	<b>\$ 1,031,554</b>	<b>\$ 94,109</b>

## **Component Units**

**CACHE COUNTY**  
**Airport Authority**  
**Schedule of Revenues and Expenditures - Budget and Actual**  
**For the Year Ended December 31, 2005**

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	<b>Budget</b>	<b>Actual</b>	<b>Variance- Over (Under)</b>
<b>REVENUES</b>			
Intergovernmental			
Federal and state grants	\$ 3,099,013	\$ 484,864	\$ (2,614,149)
Local government contributions	134,708	134,708	-
Charges for services	318,782	63,427	(255,355)
Total revenues	3,552,503	682,999	(2,869,504)
<b>EXPENDITURES</b>			
Salaries and benefits	60,613	50,267	10,346
Other expenditures	709,915	123,257	586,658
Capital expenditures	2,781,975	508,654	2,273,321
Total expenditures	3,552,503	682,178	2,870,325
Excess of revenues over expenditures	\$ -	\$ 821	\$ 821

**CACHE COUNTY**  
**North Park Interlocal Cooperative**  
**Combining Statement of Net Assets**  
**December 31, 2005**

	<u>North Park Interlocal Cooperative</u>	<u>Bridgerland Community Ice Arena</u>	<u>Total</u>
<b>ASSETS</b>			
Cash	\$ -	\$ 97,238	\$ 97,238
Equity in investment pool	120,067	-	120,067
Taxes receivable	29,531	-	29,531
Accounts receivable	-	43,369	43,369
Pledges receivable, net	-	181,811	181,811
Due from other governments	-	-	-
Restricted investments	202,385	9,228	211,613
Inventory	-	29,291	29,291
Other assets	-	13,085	13,085
Noncurrent pledges receivable, net	-	255,981	255,981
Capital assets:			
Buildings and equipment	4,174,358	182,469	4,356,827
Less: accumulated depreciation	<u>(315,971)</u>	<u>(100,193)</u>	<u>(416,164)</u>
Total assets	<u>4,210,370</u>	<u>712,279</u>	<u>4,922,649</u>
<b>LIABILITIES</b>			
Accounts payable	600	121,792	122,392
Noncurrent liabilities:			
Due within one year	169,000	-	169,000
Due in more than one year	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>
Total liabilities	<u>1,419,600</u>	<u>121,792</u>	<u>1,541,392</u>
<b>NET ASSETS</b>			
Invested in net assets, net of related debt	2,439,387	82,276	2,521,663
Restricted for debt payment	202,385	-	202,385
Restricted for capital improvement	-	447,020	447,020
Unrestricted	<u>148,998</u>	<u>61,191</u>	<u>210,189</u>
Total net assets	<u>\$ 2,790,770</u>	<u>\$ 590,487</u>	<u>\$ 3,381,257</u>



**CACHE COUNTY**  
**North Park Interlocal Cooperative**  
**Combining Statement of Activities**  
**For the Year Ended December 31, 2005**

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	<u>North Park Interlocal Cooperative</u>	<u>Bridgerland Community Ice Arena</u>	<u>Total</u>
<b>Expenses</b>	\$ 185,879	\$ 961,662	\$ 1,147,541
<b>Program revenues:</b>			
Charges for services	-	382,144	382,144
Operating grants and contributions	92,853	118,850	211,703
Capital grants and contributions	<u>370,256</u>	<u>60,556</u>	<u>430,812</u>
Total revenues	<u>463,109</u>	<u>561,550</u>	<u>1,024,659</u>
Net (expenses) revenues	<u>277,230</u>	<u>(400,112)</u>	<u>(122,882)</u>
<b>General revenues:</b>			
Sales taxes	171,188	-	171,188
Interest	<u>16,200</u>	<u>4,086</u>	<u>20,286</u>
Total general revenues	<u>187,388</u>	<u>4,086</u>	<u>191,474</u>
Change in net assets	464,618	(396,026)	68,592
Net assets - beginning	<u>2,326,152</u>	<u>986,513</u>	<u>3,312,665</u>
Net assets - ending	<u>\$ 2,790,770</u>	<u>\$ 590,487</u>	<u>\$ 3,381,257</u>

**CACHE COUNTY**  
**North Park Interlocal Cooperative**  
**Schedule of Revenues and Expenditures - Budget and Actual**  
**For the Year Ended December 31, 2005**

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	<u>Budget</u>	<u>Actual</u>	<u>Variance- Over (Under)</u>
<b>REVENUES</b>			
Taxes	\$ 152,750	\$ 171,188	\$ 18,438
Contributions from Cache County	92,853	92,853	-
Interest income	2,501	16,200	13,699
Total revenues	<u>248,104</u>	<u>280,241</u>	<u>32,137</u>
<b>EXPENDITURES</b>			
Debt service:			
Principal	160,000	160,000	-
Interest	84,104	81,454	2,650
Miscellaneous	<u>4,000</u>	<u>4,600</u>	<u>(600)</u>
Total expenditures	<u>248,104</u>	<u>246,054</u>	<u>2,050</u>
 Excess of revenues over expenditures	 <u>\$ -</u>	 <u>\$ 34,187</u>	 <u>\$ 34,187</u>

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

**December 31, 2005**

**CACHE COUNTY**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2005**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA #</u>	<u>Pass-Through Grant #</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture (DOA)</b>			
<i>Direct Programs</i>			
Federal Forest Reserve	10.665	N/A	\$ 71,365
<i>Passed through the Bear River Association of Governments</i>			
Elderly Feeding Program, Cash-In-Lieu	10.550	FY 04-05	30,529
Elderly Feeding Program, Cash-In-Lieu	10.550	FY 05-06	<u>23,086</u>
<b>Total DOA</b>			<u>124,980</u>
<b>U.S. Department of Education (ED)</b>			
<i>Passed through Logan School District</i>			
Mentoring Program	84.184	FY 2005	<u>43,128</u>
<b>Total ED</b>			<u>43,128</u>
<b>U.S. Department of Health &amp; Human Services (HHS)</b>			
<i>Passed through the Bear River Association of Governments</i>			
Special Programs for Aging, Title III, Part B	93.044	FY 04-05	20,489
Special Programs for Aging, Title III, Part B	93.044	FY 05-06	18,290
Special Programs for Aging, Title III, Part C	93.045	FY 04-05	29,017
Special Programs for Aging, Title III, Part C	93.045	FY 05-06	26,423
Health Insurance Counseling	93.779	FY 04-05	1,334
Health Insurance Counseling	93.779	FY 05-06	1,334
Title XX Discretionary Fund	93.667	FY 05-06	4,500
<i>Passed through State Dept of Health</i>			
General Federal Block MHF	93.958	02-3004	51,650
General Federal Block MHF	93.958	05-2440	53,600
Federal Block Children MHX	93.958	02-3004	14,200
Federal Block Children MHX	93.958	05-2440	14,000
Polling Place Accessibility	93.617	FY 2005	<u>5,336</u>
<b>Total HHS</b>			<u>240,173</u>

(Continued)

**CACHE COUNTY**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2005**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA #</u>	<u>Pass-Through Grant #</u>	<u>Expenditures</u>
<b>U.S. Dept of Housing and Urban Development (HUD)</b>			
<i>Passed through State Department of Community and Economic Development</i>			
Habitat for Humanity	14.228	03-2044	15,761
Child & Family Support Center	14.228	03-2189	140,000
English Language Center	14.228	05-0017	23,627
<i>Passed through the City of Logan, UT</i>			
CDBG - Senior Center Improvements	14.218	FY05	<u>62,028</u>
<b>Total HUD</b>			<u>241,416</u>
<b>U.S. Department of Justice (DOJ)</b>			
<i>Passed through State Office of the Attorney General</i>			
State Criminal Alien Assistance Program	16.606	2006-AP-BX-0341	24,986
Emerging Technology Implementation	16.579	3D35	19,754
Victim Assistance Services Grant	16.575	04-VOCA-02	68,615
Victim Assistance Services Grant	16.575	05-VOCA-03	46,302
Violence Against Women Grant (S.T.O.P.)	16.588	04-VAWA-01	37,839
Violence Against Women Grant (Special Prosecutor)	16.588	04-VAWA-38	<u>33,232</u>
<b>Total DOJ</b>			<u>230,728</u>
<b>U.S. Department of Transportation (DOT)</b>			
<i>Direct Program</i>			
Airport Improvement Project #15	20.106	DOT-FA05NM-1089	353,909
Airport Improvement Project #16	20.106	DOT-FA05NM-1005	72,675
Small Community Air Service Development Pilot Program	20.930	OST-2004-17343-104	42,343
<i>Passed through the State Dept of Transportation</i>			
Logan Canyon Scenic Byway - Corridor	20.205	SB-UT03(002)	<u>13,685</u>
<b>Total DOT</b>			<u>482,612</u>

(Continued)

**CACHE COUNTY**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2005**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA #</u>	<u>Pass-Through Grant #</u>	<u>Expenditures</u>
<b>The Corporation for National and Community Service (CNCS)</b>			
<i>Direct Program</i>			
Retired Service Volunteer Program	94.002	03SRPUT001	44,512
<b>Total CNCS</b>			<u>44,512</u>
<b>National Endowment for the Humanities (NEH)</b>			
<i>Passed through State Library Program</i>			
Library Services & Technology Act	45.310	05-1920	7,500
Library Services & Technology Act	45.310	05-2365	2,282
<b>Total NEH</b>			<u>9,782</u>
<b>U.S. Department of Homeland Security (DHS)</b>			
<i>Passed through the State Department of Public Safety</i>			
2003 Homeland Security	97.004	FY 2003	74,636
2004 State Homeland Security	97.004	FY 2004	276,873
2005 State Homeland Security	97.067	FY 2005	173,665
Law Enforcement Terrorism Prevention	97.067	FY 2005	258,460
Emergency Management Performance Grant	97.067	FY 2005	13,500
2005 LEPC Hazardous Materials Planning Grant HMEP-USA 2005	20.703	FY 2005	2,500
2005 Citizen Corps Grant Allocation	97.067	CIT 5 - FY 05	4,328
<b>Total DHS</b>			<u>803,962</u>
<b>Total Federal Assistance</b>			<u>\$ 2,221,293</u>

**CACHE COUNTY**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2005**

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**Note 1 – Purpose of the Schedule**

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is required by the U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations*.

**Note 2 – Significant Accounting Policies**

Basis of Accounting

The information in the schedule is presented in accordance with OMB Circular A-133. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

CFDA Numbers

OMB Circular A-133 requires the Schedule to show the total expenditures for each of the entity's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Each program included in the CFDA is assigned a five-digit program identification number (CFDA number).

Major Programs

OMB Circular A-133 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.

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.

**Note 3 – Subrecipients**

The following amounts were passed through to Subrecipients:

CFDA # 14.228	\$179,388
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*Mark E. Low, CPA*  
*H. Paul Gibbons, CPA*

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

To the Cache County Council  
Logan, UT

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, as of and for the year ended December 31, 2005, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 12, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

Compliance

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



instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the County Council in a separate letter dated June 12, 2006.

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

A handwritten signature in blue ink that reads "Jones Simkins, P.C." with a stylized flourish at the end.

JONES SIMKINS, P.C.  
June 12, 2006



1011 West 400 North, Suite 100  
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Cache County Council  
Logan, UT

Compliance

We have audited the compliance of Cache County, Utah with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2005. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion of the County's compliance based on our audit.

The County's basic financial statements include the operations of Bear River Health Department, which expended \$5,129,431 in federal awards that is not included in the Schedule of Expenditures of Federal Awards during the year ended December 31, 2005. Our audit, described below, did not include the operations of Bear River Health Department because the audit of the Bear River Health Department in accordance with OMB Circular A-133 was performed separate from our audit of the County.

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

In our opinion, Cache County, Utah complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2005.

## Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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

A handwritten signature in blue ink that reads "Jones Simkins, P.C.".

JONES SIMKINS, P.C.  
June 12, 2006

**CACHE COUNTY**  
**Schedule of Findings and Questioned Costs**  
**For the Year Ended December 31, 2005**

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A. Summary of Auditors' Results:

1.	Type of Report issued	Unqualified
2.	Reportable Conditions in Internal Control	None
3.	Material Non-compliance discovered	None
4.	Reportable Conditions in Internal Control Over Major Programs	None
5.	Compliance Report Issued	Unqualified
6.	Reportable findings under A-133	None
7.	Federal programs tested as major programs	20.106 93.958
8.	Dollar threshold used to distinguish between Type A and Type B programs	\$ 300,000
9.	Auditee qualification as High or Low Risk	Low

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

None

C. Findings and Questioned Costs for Federal Awards

None

**CACHE COUNTY**  
**Summary Schedule of Prior Year Audit Findings**  
**(Client Submitted Document)**  
**For the Year Ended December 31, 2005**

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None required because there were no findings in the prior year.

**CACHE COUNTY**  
**Corrective Action Plan**  
**(Client Submitted Document)**  
**For the Year Ended December 31, 2005**

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None required because there were no findings in the current year



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
WITH STATE LEGAL COMPLIANCE REQUIREMENTS**

To the Cache County Council  
Logan, UT

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cache County, Utah for the year ended December 31, 2005 and have issued our report thereon dated June 12, 2006. As part of our audit, we have audited Cache County's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special tests and provisions applicable to each of its major State assistance programs as required by the State of Utah Legal Compliance Audit Guide for the year ended December 31, 2005. Cache County received the following major state assistance programs from the state of Utah:

General Health Service Contract (Department of Health)  
Tobacco Prevention and Control (Department of Health)  
Class B Road Funds (Department of Transportation)  
Liquor Law Enforcement Funds (Tax Commission)

Funds passed through to Bear River Mental Health, Inc.,  
a non-profit corporation which is a subrecipient of the County:

Mental Health Service Contract (Department of Human Services)

Cache County also received the following non-major grants which are not required to be audited for specific compliance requirements: (However, these programs were subject to testwork as part of the audit of Cache County's financial statements).

State Nutrition and Services (Department of Human Services)  
State Home Delivered Meals (Department of Human Services)  
Healthy Utah (Department of Health)  
State Transportation (Department of Transportation)  
Children's Justice Center (Attorney General)  
TB Medication (Department of Health)  
Retired Service Volunteer Program (Department of Human Services)  
State Services (Department of Human Services)  
LHD Environmental Services (Department of Health)

LHD Environmental Services (Department of Environmental Quality)  
Cancer Control (Department of Health)  
Case Management (Department of Health)  
CHEC (Department of Health)  
Tobacco Free Utah (Department of Health)  
Cloud Seeding (Department of Agriculture)  
US 89-91 South Cache County Transportation Study (Department of Transportation)  
Airport Improvement Project (Department of Transportation)  
Substance Abuse (Department of Human Services)

Our audit also included testwork on Cache County's compliance with the following general compliance requirements identified in the State of Utah Legal Compliance Audit Guide:

Public Debt  
Cash Management  
Purchasing Requirements  
Budgetary Compliance  
Truth in Taxation and Property Tax Limitations  
Liquor Law Enforcement  
B&C Road Funds  
Special Districts  
Other General Compliance Issues  
Uniform Building Code Standards  
Statement of Taxes Charged, Collected, and Disbursed  
Assessing and Collecting of Property Taxes  
Transient Room Tax  
Impact Fees and Other Development Fees  
Asset Forfeiture

The management of Cache County is responsible for Cache County's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which were reported to the County Council in a separate letter dated June 12, 2006. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.



In our opinion, Cache County, Utah, complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major State assistance programs for the year ended December 31, 2005.

A handwritten signature in blue ink that reads "Jones Simkins, P.C." The signature is written in a cursive style with a horizontal line underlining the name.

JONES SIMKINS, P.C.

June 12, 2006

