
CACHE COUNTY



FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2011

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DECEMBER 31, 2011

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FOR THE YEAR ENDED DECEMBER 31, 2011

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INDEPENDENT AUDITORS' REPORT

To the Cache County Council
Logan, Utah

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cache County, Utah (the County), as of and for the year ended December 31, 2011, 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 6 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of Cache County Emergency Medical Service Authority, which represent 8 percent, 6 percent, and 21 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 reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for Bridgerland Community Ice Arena and Cache County Emergency Medical Service Authority is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of Bridgerland Community Ice Arena were not audited in accordance with *Government Auditing Standards*. 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 and the report of other auditors provide 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 the County as of December 31, 2011, and the respective changes in financial position 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 August 10, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. 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 accompanying schedule of expenditures of transient room taxes and tourism, recreation, cultural and convention facilities taxes is presented for purposes of additional analysis as required by the Utah Code section 17-31-5.5(3) and is also not a required part of the basic financial statements. The supplementary information and the schedules described above are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



JONES SIMKINS, P.C.

August 10, 2012

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

INTRODUCTION

The following discussion and analysis is presented as an overview of the financial performance of Cache County for the year ended December 31, 2011. Please consider information presented here in context with the financial statements and the notes to the financial statements for a full understanding of the condition of the County.

FINANCIAL HIGHLIGHTS

- The County's net assets increased by approximately \$2.9 million or about 5.6 percent over the prior year. The portion of total net assets which represents the amount the County can use to meet ongoing, financial obligations is the unrestricted net assets. This amount was approximately \$9.7 million at the end of the year.
- During the year, the County had net program expenses of approximately \$21.2 million. This compares to last year, when net program expenses were also approximately 21.2 million. The total cost of the County's programs was about \$33.9 million and decreased approximately \$0.9 million, or about 2.6 percent, from the prior year.
- Combined fund balances of the County amounted to about \$30.5 million, an increase of approximately \$3.2 million or about 11.7 percent, from the prior year. Of this total, approximately \$20.6 million, or 67.7 percent, is subject to external restrictions on its use.
- Unassigned fund balance of the General Fund was approximately \$7.8 million, which amount was approximately 43.1 percent of the total expenditures of the fund.

USING THIS REPORT

This annual financial report consists of financial statements from two different perspectives. The Statement of Net Assets and the Statement of Activities, known as the government-wide financial statements, provide information to help assess a long-term view of the County's financial health. Fund financial statements are also provided to show how services are financed in the short-term as well as what financing is available for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds.

Government-wide Statements – Reporting the County as a Whole

These statements provide a broad overview with a long-term focus of the County's finances as a whole and are prepared using the accrual basis of accounting, similar to private sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level.

The government-wide statements report the County's net assets, the difference between total assets and total liabilities, and how they have changed from the prior year. Over time, increases or decreases in the County's net assets are an indicator of whether its financial health is improving or declining.

The County's activities are divided into two basic groups; governmental activities or component units.

Governmental Activities – The County's basic services are reported here and are principally supported by taxes and intergovernmental revenues such as state and federal grants. The activities include general government, public safety, streets and public improvements, health and welfare and culture and recreation.

Component Units – Some separate legal entities are included in the County's report because the County is financially accountable for them. The entities include the Logan-Cache Airport Authority, North Park Interlocal Cooperative, which includes the Bridgerland Community Ice Arena as its own component unit, Bear River Health Department, Cache County Emergency Medical Service Authority, and the Roads Special Service District.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

A third common division is business-type activities. These types of activities are intended to recover all, or almost all, of their costs through user fees and charges. The County does not have any business-type activities.

Fund Financial Statements

A fund is a group of accounts that the County uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. There are three broad classifications of fund types: governmental, proprietary, and fiduciary. All of the funds of the County can be classified as either a governmental fund or a fiduciary fund.

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

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

Notes to the Financial Statements

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

THE COUNTY AS A WHOLE

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 declining. Net assets are the difference between total assets and total liabilities. Total assets of the County amounted to \$70,452,867. More than half of those assets, \$36,018,753 or 51.1 percent, are capital assets used to provide services to residents of the County. Liabilities totaled \$15,421,668, of which \$12,797,779, or 83.0 percent, represents long-term liabilities. At the end of 2011, assets exceeded liabilities by \$55,031,199, an improvement of \$2,910,843 over the prior year.

CACHE COUNTY'S NET ASSETS			
GOVERNMENTAL ACTIVITIES			
	2011	2010	% Change
ASSETS			
Current and other assets	\$ 34,434,114	\$ 31,932,230	7.8%
Capital assets, net	<u>36,018,753</u>	<u>37,198,703</u>	<u>-3.2%</u>
Total assets	<u>70,452,867</u>	<u>69,130,933</u>	<u>1.9%</u>
LIABILITIES			
Current liabilities	2,623,889	3,382,279	-22.4%
Long-term liabilities	<u>12,797,779</u>	<u>13,628,298</u>	<u>-6.1%</u>
Total liabilities	<u>15,421,668</u>	<u>17,010,577</u>	<u>-9.3%</u>
NET ASSETS			
Invested in capital assets, net of related debt	24,749,314	25,000,180	-1.0%
Restricted	20,622,915	18,423,536	11.9%
Unrestricted	<u>9,658,970</u>	<u>8,696,640</u>	<u>11.1%</u>
Total net assets	<u>\$ 55,031,199</u>	<u>\$ 52,120,356</u>	<u>5.6%</u>

Just less than half of the County’s net assets, \$24,749,314 or 45.0 percent, reflect its investment in capital assets (e.g. land, construction in process, buildings and improvements, equipment, and infrastructure) less any related, outstanding

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

debt used to acquire the assets. The County uses these assets to provide services to its citizens and, consequently, these assets are not available for future spending.

An additional \$20,622,915, or 37.5 percent, represents the restricted net assets of the County. 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 net asset balance of \$9,658,970, or 17.6 percent, may be used to meet the general, ongoing financial obligations of the County.

Governmental Activities

As discussed previously, activities can commonly be divided into either governmental or business-type activities. However, none of the operations of the County meet the definition of business-type activities. Therefore, the entire increase in net assets of \$2,910,843 over the prior year is attributable to governmental activities.

In total, revenues for the County decreased \$260,598, or 0.7 percent, from the prior year. The primary reasons for the decrease are due to significant reductions in federal funding, offset in part by increases in property and sales tax revenues.

In 2010, the County experienced increased funding in Homeland Security grants and in grants for Social Services. In 2011 these grants were restored to levels similar to those experienced prior to the increases in 2010. The County also received a one-time grant related to fire safety in 2010 and therefore saw a reduction in 2011.

Further reductions were due to decreased funding in block grant programs and project completion. The Community Development Block Grant (CDBG) experienced a reduction.

These funds are passed through the County to other entities, with expenses matching revenues. So, the decreased funding had no effect on the County's net assets. The Energy Efficiency and Conservation Block Grant (EECBG) project, which consisted of implementing a solar thermal water heating system at the County Jail, was nearly complete at the end of 2010. Only a small amount was needed to complete the project in 2011. Therefore, funding for the project was significantly less in 2011 than the prior year. Total reductions in federal funding amounted to more than \$0.8 million.

Modest growth in both property taxes and sales taxes helped to offset the reduction of federal funding. Property tax revenue, the most significant tax revenue source, grew by \$399,324, or 3.0 percent, and totaled \$13,695,228. Sales tax revenue, the second most significant source of tax revenue, grew by \$198,908, or 2.1 percent, and totaled \$9,666,025.

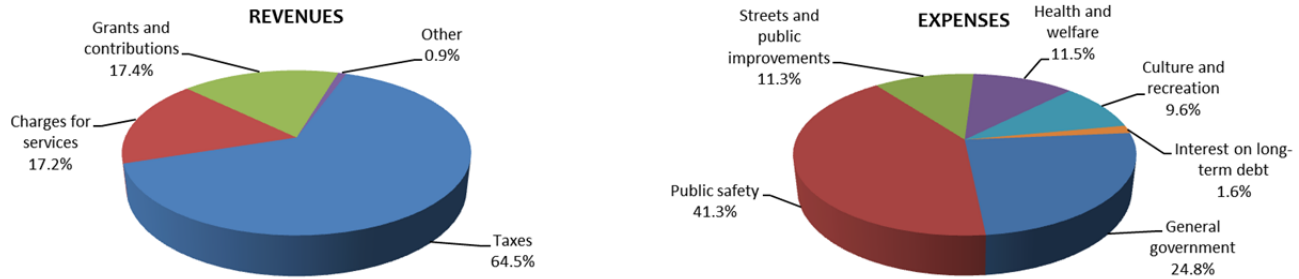
CHANGES IN CACHE COUNTY'S NET ASSETS			
GOVERNMENTAL ACTIVITIES			
	<u>2011</u>	<u>2010</u>	<u>% Change</u>
REVENUES			
Program revenues			
Charges for services	\$ 6,321,360	\$ 6,013,480	5.1%
Operating grants and contributions	6,180,560	7,001,532	-11.7%
Capital grants and contributions	244,014	547,460	-55.4%
General revenues			
Property taxes	13,695,228	13,295,904	3.0%
Sales taxes	10,038,991	9,810,246	2.3%
Other general revenues	<u>340,152</u>	<u>412,281</u>	<u>-17.5%</u>
Total revenues	<u>36,820,305</u>	<u>37,080,903</u>	<u>-0.7%</u>
EXPENSES			
General government	8,394,934	8,069,654	4.0%
Public safety	14,021,021	14,041,850	-0.1%
Streets and public improvements	3,824,254	4,800,434	-20.3%
Health and welfare	3,888,866	4,274,483	-9.0%
Culture and recreation	3,247,120	3,049,748	6.5%
Interest on long-term debt	<u>533,267</u>	<u>570,739</u>	<u>-6.6%</u>
Total expenses	<u>33,909,462</u>	<u>34,806,908</u>	<u>-2.6%</u>
Increase in net assets	2,910,843	2,273,995	28.0%
Net assets - January 1	<u>52,120,356</u>	<u>49,846,361</u>	<u>4.6%</u>
Net assets - December 31	<u>\$ 55,031,199</u>	<u>\$ 52,120,356</u>	<u>5.6%</u>

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

There was not a tax increase, nor were there any new taxes imposed. Both increases are due to economic recoveries which lead to new development and higher consumer spending compared to the prior year.

Combined property taxes, sales taxes, and other taxes the County collects create the majority of revenues for the County totaling \$23,734,219, or 64.5 percent of all revenues. Grants and contributions, totaling \$6,424,574 or 17.4 percent, always play an important role in financing the County's operational and capital needs. Charges for services were also a significant portion of total revenues at \$6,321,360 or 17.2 percent.

Total expenses decreased for the County by \$897,446, or 2.6 percent, over the prior year. The activity with the largest decrease was Streets and Public Improvements, experiencing a decrease of \$976,180, or 20.3 percent. In 2010 the County spent nearly \$2 million on new road construction. Additional projects are planned for future years, but 2011 saw construction costs of less than \$1 million. Funding for these road projects comes from a special road tax. Completed roads were not capitalized by the County as the roads improved are owned and maintained by other municipalities.



Public safety services generate the most significant expenses of the County amounting to \$14,021,021, or 41.3 percent of total expenses. The most costly programs within the County's public safety services are the Sheriff Patrol, the Support Services function, and the operation of the County jail. These costs are \$3,404,124, \$1,940,315, and \$6,221,713 respectively. Combined, these three programs account for 34.1 percent of the County's total expenses. These costs increased by 6.1 percent over the prior year.

The following table and graph shows to what extent the County's governmental activities relied on program-related revenues to cover program costs. In 2011, these activities covered \$12,745,934, or 37.6 percent, of total expense through charges for services, grants and contributions. Taxes and other general revenues covered the remaining 62.4 percent of expenses.

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

ACTIVITIES	Program Expenses	Less Program Revenues	Net Program Expenses		Program Revenues as a Percentage of Program Expenses	
	2011	2011	2011	2010	2011	2010
General government	\$ 8,394,934	\$ (2,638,454)	\$ 5,756,480	\$ 4,639,061	31.4%	42.5%
Public safety	14,021,021	(5,156,356)	8,864,665	8,737,788	36.8%	37.8%
Streets	3,824,254	(1,868,727)	1,955,527	3,421,580	48.9%	28.7%
Health and welfare	3,888,866	(2,611,815)	1,277,051	1,336,004	67.2%	68.7%
Culture and recreation	3,247,120	(470,582)	2,776,538	2,539,264	14.5%	16.7%
Interest on long-term debt	533,267	-	533,267	570,739	0.0%	0.0%
Total governmental activities	\$ 33,909,462	\$ (12,745,934)	\$ 21,163,528	\$ 21,244,436	37.6%	39.0%

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2011**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The investment in capital assets, net of accumulated depreciation, of the County for its governmental activities totaled \$36,018,753 at the end of the year. This investment in capital assets includes land, buildings and improvements, equipment, and infrastructure. The total net amount decreased from the prior year by \$1,179,950, or 3.2 percent. No individually significant additions to capital assets were made during the year. The decrease represents additional depreciation of approximately \$2.1 million, offset by capital expenditures of approximately \$0.9 million.

CACHE COUNTY'S CAPITAL ASSETS, NET GOVERNMENTAL ACTIVITIES			
	<u>2011</u>	<u>2010</u>	<u>% Change</u>
Land	\$ 2,477,015	\$ 2,477,015	0.0%
Buildings and improvements	18,545,472	19,072,252	-2.8%
Equipment	4,356,948	4,582,757	-4.9%
Infrastructure	<u>10,639,318</u>	<u>11,066,679</u>	<u>-3.9%</u>
Total capital assets, net	<u>\$ 36,018,753</u>	<u>\$ 37,198,703</u>	<u>-3.2%</u>

Long-term Debt

Bonded debt outstanding at the end of the year, consisting of revenue bonds, had a balance of \$11,269,439 compared to \$12,048,025 at the prior year end. No additional bonds were issued in 2011, so the reduction represents payment on existing debt. No capital leases were outstanding at the end of the year, as the County had made the last payment of \$150,498 prior to the end of the year. In addition to the revenue bonds, the County's long-term obligations include an accrual for compensated absences in the amount of \$1,528,340. The adjoining table presents changes to long-term obligations relative to the prior year.

CACHE COUNTY'S LONG-TERM DEBT GOVERNMENTAL ACTIVITIES			
	<u>2011</u>	<u>2010</u>	<u>% Change</u>
Sales tax revenue bonds, net of premiums and refundings	\$ 11,269,439	\$ 12,048,025	-6.5%
Capital lease	-	150,498	-100.0%
Compensated absences	<u>1,528,340</u>	<u>1,429,775</u>	<u>6.9%</u>
Total long-term debt	<u>\$ 12,797,779</u>	<u>\$ 13,628,298</u>	<u>-6.1%</u>

THE COUNTY'S FUNDS

As noted earlier, a fund is a group of accounts that the County uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist. The County uses fund accounting to ensure and demonstrate compliance with the Uniform Fiscal Procedures Act (Utah Code Title 17 Chapter 36). Other funds are established internally to maintain control over a particular activity, such as capital projects.

Governmental Funds

The focus of the governmental funds of the County is to provide information on near-term inflows, outflows and balances of 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, 2011, the combined fund balance of the governmental funds of the County was \$30,463,846, an increase of \$3,179,672, or 11.7 percent, in comparison with the prior year. Of that fund balance, \$7,477,246, or 24.5 percent, was unassigned and was available for appropriation by the County at its discretion. The remainder of the fund balance was either restricted or assigned and was available for spending subject to specific constraints, or in nonspendable form.

C A C H E C O U N T Y

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2011

The general fund is the principal operating fund of the County. As of December 31, 2011, the unassigned fund balance of the general fund was \$7,477,246. This amount represents 41.5 percent of the total expenditures of the general fund.

CACHE COUNTY'S FUND BALANCES GOVERNMENTAL FUNDS

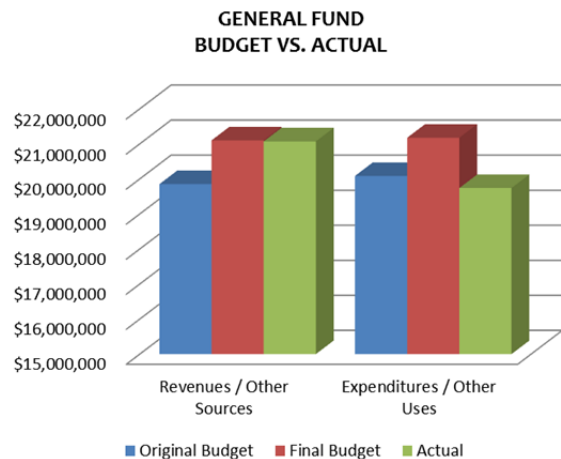
FUNDS	2011				Total	2010	% Change
	Nonspendable	Restricted	Assigned	Unassigned		Total	
General	\$ 288,881	\$ 850,000	\$ -	\$ 7,477,246	\$ 8,616,127	\$ 7,285,062	18.3%
Assessing and Collecting	-	3,495,154	-	-	3,495,154	3,006,470	16.3%
Municipal Services	-	5,037,886	-	-	5,037,886	5,212,086	-3.3%
Capital Projects	-	7,000,720	1,689,647	-	8,690,367	7,194,627	20.8%
Other (Nonmajor)	-	4,239,155	385,157	-	4,624,312	4,585,929	0.8%
Total fund balances	<u>\$ 288,881</u>	<u>\$ 20,622,915</u>	<u>\$ 2,074,804</u>	<u>\$ 7,477,246</u>	<u>\$ 30,463,846</u>	<u>\$ 27,284,174</u>	<u>11.7%</u>

General Fund Budgetary Highlights

The final adopted revenue budget increased by \$726,533 over the original budget. The most significant increase in budgeted revenues resulted from a change in estimates of property tax collection. The increase was \$442,231, or 60.9 percent of the total revenue budget increase. In addition, charges for services of general government and public safety services generated another increase of \$206,834, or 28.5 percent of the total budgetary increase.

Budgeted expenditures increased by \$1,079,125 over the original budget. Some of the most notable increases are as follows:

- The County purchased new accounting software and began implementing the program mid-year. The related increase to the budget was \$184,425, or 17.1 percent of the increase to the budget.
- Additional planned purchases of capital equipment and improvements to the County Jail facility, as well as increases in estimated fuel costs related to public safety services increased the budget by \$198,664, or 18.4 percent of the total.
- The single most significant increase was related to employee compensation. The wage budget changed by \$208,924 and the benefit budget changed by \$138,105, for a total of \$347,029, or 32.2 percent of the increase.



CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances for citizens, taxpayers, creditors and all others with an interest in the government's finances. Questions concerning any of the information in this report or requests for additional financial information can be addressed to the County Executive's office at 199 North Main, or the County Auditor's office at 179 North Main, Logan, Utah, 84321.

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BASIC FINANCIAL STATEMENTS

C A C H E C O U N T Y

**STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2011**

	<u>Primary Government</u>		<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Total</u>	
ASSETS			
Cash and cash equivalents.....	\$ 6,374,675	\$ 6,374,675	\$ 6,638,428
Equity in investment pool.....	18,403,987	18,403,987	191,550
Taxes receivable.....	3,190,943	3,190,943	-
Accounts receivable, net.....	41,536	41,536	1,805,855
Accrued interest.....	31,603	31,603	-
Pledges receivable, net.....	-	-	58,528
Due from other governments.....	1,568,644	1,568,644	162,813
Investments.....	4,463,466	4,463,466	-
Inventory.....	-	-	184,967
Restricted cash and investments.....	-	-	202
Other assets, net.....	359,260	359,260	284,276
Noncurrent pledges receivable, net.....	-	-	18,625
Capital assets:			
Land.....	2,477,015	2,477,015	2,010,469
Construction in process.....	-	-	74,234
Buildings, improvements and equipment..	41,074,630	41,074,630	26,926,957
Infrastructure.....	15,056,250	15,056,250	-
Accumulated depreciation.....	<u>(22,589,142)</u>	<u>(22,589,142)</u>	<u>(9,434,268)</u>
Total assets.....	<u>\$ 70,452,867</u>	<u>\$ 70,452,867</u>	<u>\$ 28,922,636</u>
LIABILITIES			
Accounts payable and accrued liabilities.....	\$ 1,603,805	\$ 1,603,805	\$ 504,907
Due to other governments.....	758,010	758,010	-
Deferred revenue.....	262,074	262,074	52,480
Long-term liabilities:			
Due within one year.....	1,974,000	1,974,000	395,640
Due in more than one year.....	<u>10,823,779</u>	<u>10,823,779</u>	<u>688,765</u>
Total liabilities.....	<u>15,421,668</u>	<u>15,421,668</u>	<u>1,641,792</u>
NET ASSETS			
Invested in capital assets, net of related debt.....	24,749,314	24,749,314	19,012,987
Restricted for:			
Air pollution control.....	69,422	69,422	-
Ambulance services.....	221,867	221,867	-
Capital projects.....	-	-	149,089
Debt service.....	-	-	202
Election equipment.....	850,000	850,000	-
Health services.....	778,418	778,418	-
Municipal services.....	1,362,057	1,362,057	-
Parks and recreation.....	3,391,633	3,391,633	-
Property tax administration.....	3,495,154	3,495,154	-
Streets and public improvements.....	10,444,909	10,444,909	-
Other purposes.....	9,455	9,455	304,969
Unrestricted.....	<u>9,658,970</u>	<u>9,658,970</u>	<u>7,813,597</u>
Total net assets.....	<u>\$ 55,031,199</u>	<u>\$ 55,031,199</u>	<u>\$ 27,280,844</u>

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

C A C H E C O U N T Y

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Governmental Activities	Total	
Primary government:							
Governmental activities:							
General government.....	\$ 8,394,934	\$ 1,228,451	\$ 1,165,989	\$ 244,014	\$ (5,756,480)	\$ (5,756,480)	\$ -
Public safety.....	14,021,021	4,172,581	983,775	-	(8,864,665)	(8,864,665)	-
Streets and public improvements...	3,824,254	458,468	1,410,259	-	(1,955,527)	(1,955,527)	-
Health and welfare.....	3,888,866	114,562	2,497,253	-	(1,277,051)	(1,277,051)	-
Culture and recreation.....	3,247,120	347,298	123,284	-	(2,776,538)	(2,776,538)	-
Interest on long-term debt.....	533,267	-	-	-	(533,267)	(533,267)	-
Total governmental activities.....	<u>33,909,462</u>	<u>6,321,360</u>	<u>6,180,560</u>	<u>244,014</u>	<u>(21,163,528)</u>	<u>(21,163,528)</u>	<u>-</u>
Total primary government.....	<u>\$ 33,909,462</u>	<u>\$ 6,321,360</u>	<u>\$ 6,180,560</u>	<u>\$ 244,014</u>	<u>(21,163,528)</u>	<u>(21,163,528)</u>	<u>-</u>
Component Units:							
Airport Authority.....	\$ 913,146	\$ 116,078	\$ 140,000	\$ 221,501	-	-	(435,567)
North Park Interlocal Cooperative.....	836,674	459,971	320,141	-	-	-	(56,562)
Bear River Health Department.....	8,917,299	2,241,169	6,762,380	291,500	-	-	377,750
CCEMS Authority.....	2,649,411	2,404,910	475,000	-	-	-	230,499
Roads Special Service District.....	230,534	-	249,540	-	-	-	19,006
Total component units.....	<u>\$ 13,547,064</u>	<u>\$ 5,222,128</u>	<u>\$ 7,947,061</u>	<u>\$ 513,001</u>	<u>-</u>	<u>-</u>	<u>135,126</u>
General revenues:							
Property taxes.....					13,695,228	13,695,228	-
Sales and use taxes.....					10,038,991	10,038,991	-
Interest and investment income.....					37,547	37,547	19,776
Loss on disposal of assets.....					(1,197)	(1,197)	(10,875)
Miscellaneous income.....					303,802	303,802	35,973
Total general revenues.....					<u>24,074,371</u>	<u>24,074,371</u>	<u>44,874</u>
Changes in net assets.....					2,910,843	2,910,843	180,000
Net assets - January 1.....					<u>52,120,356</u>	<u>52,120,356</u>	<u>27,100,844</u>
Net assets - December 31.....					<u>\$ 55,031,199</u>	<u>\$ 55,031,199</u>	<u>\$ 27,280,844</u>

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

C A C H E C O U N T Y

**BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2011**

	Special Revenue					Nonmajor Governmental Funds	Total Governmental Funds
	General	Assessing and Collecting	Municipal Services	Mental Health	Capital Projects		
ASSETS							
Cash and cash equivalents.....	\$ 4,562,848	\$ 1,421,800	\$ 15,437	\$ -	\$ -	\$ 374,590	\$ 6,374,675
Equity in investment pool.....	-	2,098,677	3,846,479	460,902	8,136,798	3,861,131	18,403,987
Interfund receivable - investment pool.....	-	-	762,846	-	-	-	762,846
Taxes receivable.....	1,670,905	270,000	132,293	-	553,569	564,176	3,190,943
Accounts receivable.....	40,493	-	827	-	-	216	41,536
Accrued interest.....	31,603	-	-	-	-	-	31,603
Due from other governments.....	717,814	11,670	410,290	297,108	-	131,762	1,568,644
Investments.....	4,463,466	-	-	-	-	-	4,463,466
Prepaid expenditures.....	288,881	-	-	-	-	-	288,881
Total assets.....	<u>\$ 11,776,010</u>	<u>\$ 3,802,147</u>	<u>\$ 5,168,172</u>	<u>\$ 758,010</u>	<u>\$ 8,690,367</u>	<u>\$ 4,931,875</u>	<u>\$ 35,126,581</u>
LIABILITIES							
Interfund payable - investment pool.....	\$ 735,620	\$ -	\$ -	\$ -	\$ -	\$ 27,226	\$ 762,846
Accounts payable and accrued liabilities.....	1,236,489	36,993	130,286	-	-	200,037	1,603,805
Due to other governments.....	-	-	-	758,010	-	-	758,010
Deferred revenues.....	<u>1,187,774</u>	<u>270,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,300</u>	<u>1,538,074</u>
Total liabilities.....	<u>3,159,883</u>	<u>306,993</u>	<u>130,286</u>	<u>758,010</u>	<u>-</u>	<u>307,563</u>	<u>4,662,735</u>
FUND BALANCES							
Nonspendable.....	288,881	-	-	-	-	-	288,881
Restricted for:							
Air pollution control.....	-	-	-	-	-	69,422	69,422
Ambulance services.....	-	-	-	-	-	221,867	221,867
Election equipment.....	850,000	-	-	-	-	-	850,000
Health services.....	-	-	-	-	-	778,418	778,418
Municipal services.....	-	-	1,362,057	-	-	-	1,362,057
Parks and recreation.....	-	-	231,640	-	-	3,159,993	3,391,633
Property tax administration.....	-	3,495,154	-	-	-	-	3,495,154
Streets and public improvements.....	-	-	3,444,189	-	7,000,720	-	10,444,909
Other purposes.....	-	-	-	-	-	9,455	9,455
Assigned to:							
Capital projects.....	-	-	-	-	1,689,647	-	1,689,647
Debt service.....	-	-	-	-	-	153,387	153,387
Health and welfare.....	-	-	-	-	-	227,674	227,674
Planning and development services.....	-	-	-	-	-	4,096	4,096
Unassigned.....	<u>7,477,246</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,477,246</u>
Total fund balances.....	<u>8,616,127</u>	<u>3,495,154</u>	<u>5,037,886</u>	<u>-</u>	<u>8,690,367</u>	<u>4,624,312</u>	<u>30,463,846</u>
Total liabilities and fund balances.....	<u>\$ 11,776,010</u>	<u>\$ 3,802,147</u>	<u>\$ 5,168,172</u>	<u>\$ 758,010</u>	<u>\$ 8,690,367</u>	<u>\$ 4,931,875</u>	<u>\$ 35,126,581</u>

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
AS OF DECEMBER 31, 2011**

Total Fund Balance - Governmental Funds..... \$ 30,463,846

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

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

Land.....	2,477,015	
Buildings, improvements and equipment.....	41,074,630	
Infrastructure.....	15,056,250	
Accumulated depreciation.....	<u>(22,589,142)</u>	
		36,018,753

Because the focus of governmental funds is on short-term financing, some revenues will not be available to pay for current-period expenditures and are therefore deferred in the funds. Conversely, the benefits of some expenditures of the current period will not be realized until future periods and are therefore deferred in the Statement of Net Assets.

Deferred revenues.....	1,276,000	
Deferred expenses.....	<u>70,379</u>	
		1,346,379

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

Bonds payable.....	(11,560,000)	
Unamortized bond premiums.....	(4,609)	
Deferred amount on refunding.....	295,170	
Compensated absences.....	<u>(1,528,340)</u>	
		<u>(12,797,779)</u>

Net Assets - Governmental Activities..... \$ 55,031,199

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

C A C H E C O U N T Y

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Special Revenue					Nonmajor Governmental Funds	Total Governmental Funds
	General	Assessing and Collecting	Municipal Services	Mental Health	Capital Projects		
REVENUES							
Taxes:							
Property.....	\$ 9,816,335	\$ 2,949,497	\$ 20,224	\$ -	\$ -	\$ 822,172	\$ 13,608,228
Sales and use.....	<u>3,874,868</u>	-	<u>731,702</u>	-	<u>2,842,923</u>	<u>2,589,498</u>	<u>10,038,991</u>
	13,691,203	2,949,497	751,926	-	2,842,923	3,411,670	23,647,219
Other revenues:							
Intergovernmental.....	1,022,057	-	2,021,955	2,169,103	45,297	1,080,209	6,338,621
Charges for services.....	4,870,187	377,275	514,743	-	-	193,656	5,955,861
Licenses and permits.....	22,905	-	215,963	-	-	-	238,868
Fines and forfeitures.....	126,631	-	-	-	-	-	126,631
Interest and investment income.....	16,138	2,283	18,496	-	-	630	37,547
Rental income.....	119,752	-	-	-	-	-	119,752
Public contributions.....	55,171	-	-	-	-	30,782	85,953
Miscellaneous revenues.....	<u>154,687</u>	<u>3,602</u>	<u>3,590</u>	-	-	<u>22,171</u>	<u>184,050</u>
Total revenues.....	<u>20,078,731</u>	<u>3,332,657</u>	<u>3,526,673</u>	<u>2,169,103</u>	<u>2,888,220</u>	<u>4,739,118</u>	<u>36,734,502</u>
EXPENDITURES							
General government.....	4,823,031	2,843,973	290,531	-	3,041	98,323	8,058,899
Public safety.....	11,955,549	-	873,422	-	31,245	660,376	13,520,592
Streets and public improvements.....	179,361	-	2,301,294	-	888,094	-	3,368,749
Health and welfare.....	292,095	-	-	2,169,103	-	1,405,399	3,866,597
Culture and recreation.....	756,225	-	22,719	-	-	2,472,283	3,251,227
Debt service principal.....	-	-	-	-	-	955,499	955,499
Debt service interest.....	-	-	-	-	-	<u>533,267</u>	<u>533,267</u>
Total expenditures.....	<u>18,006,261</u>	<u>2,843,973</u>	<u>3,487,966</u>	<u>2,169,103</u>	<u>922,380</u>	<u>6,125,147</u>	<u>33,554,830</u>
Revenues over (under) expenditures.....	2,072,470	488,684	38,707	-	1,965,840	(1,386,029)	3,179,672
OTHER FINANCING SOURCES (USES)							
Transfers in.....	990,960	-	237,093	-	-	1,882,927	3,110,980
Transfers out.....	<u>(1,732,365)</u>	-	<u>(450,000)</u>	-	<u>(470,100)</u>	<u>(458,515)</u>	<u>(3,110,980)</u>
Total other financing sources (uses).....	<u>(741,405)</u>	-	<u>(212,907)</u>	-	<u>(470,100)</u>	<u>1,424,412</u>	-
Net change in fund balances.....	1,331,065	488,684	(174,200)	-	1,495,740	38,383	3,179,672
Fund balances - January 1.....	<u>7,285,062</u>	<u>3,006,470</u>	<u>5,212,086</u>	-	<u>7,194,627</u>	<u>4,585,929</u>	<u>27,284,174</u>
Fund balances - December 31.....	<u>\$ 8,616,127</u>	<u>\$ 3,495,154</u>	<u>\$ 5,037,886</u>	<u>\$ -</u>	<u>\$ 8,690,367</u>	<u>\$ 4,624,312</u>	<u>\$ 30,463,846</u>

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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Net Changes in Fund Balances - Total Governmental Funds..... \$ 3,179,672

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

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

Capital outlay.....	956,649	
Depreciation expense.....	<u>(2,135,402)</u>	(1,178,753)

In the Statement of Activities, only the gain or loss on the sale of assets is reported, whereas in governmental funds, the proceeds from the sales increase financial resources. Changes in net assets differ from changes in fund balance by the book value of assets..... (1,197)

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

Payments of bond principal.....	805,000	
Payments of capital lease principal.....	<u>150,498</u>	955,498

Revenues in the Statement of Activities that do not provide current financial resources are deferred and not reported as revenues in governmental funds..... 87,000

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The activities consist of the following:

Amortization of bond premiums and deferred interest.....	(26,414)	
Deferred costs of bond issuance.....	(6,398)	
Increase in compensated absences liability.....	<u>(98,565)</u>	<u>(131,377)</u>

Change in Net Assets of Governmental Activities..... **\$ 2,910,843**

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

C A C H E C O U N T Y

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
AS OF DECEMBER 31, 2011

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents.....	\$ 26,710,578
Equity in investment pool.....	140,961
Taxes receivable.....	<u>824,889</u>
Total assets.....	<u>\$ 27,676,428</u>
LIABILITIES	
Due to other taxing units.....	\$ 26,834,536
Due to employees.....	12,017
Refunds payable.....	688,914
Other payables.....	<u>140,961</u>
Total liabilities.....	<u>\$ 27,676,428</u>

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

C A C H E C O U N T Y

**COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
AS OF DECEMBER 31, 2011**

	<u>Airport Authority</u>	<u>North Park Interlocal Cooperative</u>	<u>Bear River Health Department</u>	<u>CCEMS Authority</u>	<u>Roads Special Service District</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents.....	\$ -	\$ 241,279	\$ 5,243,571	\$ 1,107,544	\$ 46,034	\$ 6,638,428
Equity in investment pool.....	191,550	-	-	-	-	191,550
Accounts receivable, net.....	5,072	14,892	1,249,612	536,279	-	1,805,855
Pledges receivable, net.....	-	58,528	-	-	-	58,528
Due from other governments.....	162,813	-	-	-	-	162,813
Inventory.....	-	21,342	163,625	-	-	184,967
Restricted cash and investments.....	-	202	-	-	-	202
Other assets.....	-	284,276	-	-	-	284,276
Noncurrent pledges receivable, net.....	-	18,625	-	-	-	18,625
Capital assets:						
Land.....	1,289,262	-	721,207	-	-	2,010,469
Construction in process.....	-	-	74,234	-	-	74,234
Buildings, improvements and equipment.....	13,452,712	4,922,139	7,615,844	936,262	-	26,926,957
Accumulated depreciation.....	<u>(4,294,104)</u>	<u>(1,203,139)</u>	<u>(3,623,166)</u>	<u>(313,859)</u>	<u>-</u>	<u>(9,434,268)</u>
Total assets.....	<u>10,807,305</u>	<u>4,358,144</u>	<u>11,444,927</u>	<u>2,266,226</u>	<u>46,034</u>	<u>28,922,636</u>
LIABILITIES						
Accounts payable and accrued liabilities.....	2,107	24,636	453,401	24,763	-	504,907
Deferred revenue.....	52,480	-	-	-	-	52,480
Noncurrent liabilities:						
Due within one year.....	-	50,000	250,000	95,640	-	395,640
Due in more than one year.....	<u>-</u>	<u>-</u>	<u>270,000</u>	<u>418,765</u>	<u>-</u>	<u>688,765</u>
Total liabilities.....	<u>54,587</u>	<u>74,636</u>	<u>973,401</u>	<u>539,168</u>	<u>-</u>	<u>1,641,792</u>
NET ASSETS						
Invested in capital assets, net of related debt....	10,447,870	3,669,000	4,788,119	107,998	-	19,012,987
Restricted for:						
Capital projects.....	-	149,089	-	-	-	149,089
Debt service.....	-	202	-	-	-	202
Other purposes.....	-	304,969	-	-	-	304,969
Unrestricted.....	<u>304,848</u>	<u>160,248</u>	<u>5,683,407</u>	<u>1,619,060</u>	<u>46,034</u>	<u>7,813,597</u>
Total net assets.....	<u>\$ 10,752,718</u>	<u>\$ 4,283,508</u>	<u>\$ 10,471,526</u>	<u>\$ 1,727,058</u>	<u>\$ 46,034</u>	<u>\$ 27,280,844</u>

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

C A C H E C O U N T Y

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Airport Authority</u>	<u>North Park Interlocal Cooperative</u>	<u>Bear River Health Department</u>	<u>CCEMS Authority</u>	<u>Roads Special Service District</u>	<u>Total</u>
Expenses.....	\$ 913,146	\$ 836,674	\$ 8,917,299	\$ 2,649,411	\$ 230,534	\$ 13,547,064
Program revenues						
Charges for services.....	116,078	459,971	2,241,169	2,404,910	-	5,222,128
Operating grants and contributions.....	140,000	320,141	6,762,380	475,000	249,540	7,947,061
Capital grants and contributions.....	221,501	-	291,500	-	-	513,001
Total program revenues.....	<u>477,579</u>	<u>780,112</u>	<u>9,295,049</u>	<u>2,879,910</u>	<u>249,540</u>	<u>13,682,190</u>
Net revenues (expenses).....	<u>(435,567)</u>	<u>(56,562)</u>	<u>377,750</u>	<u>230,499</u>	<u>19,006</u>	<u>135,126</u>
General revenues						
Interest income.....	709	1,783	10,519	5,629	1,136	19,776
Loss on disposal of assets.....	-	-	(10,875)	-	-	(10,875)
Miscellaneous income.....	-	-	8,423	27,550	-	35,973
Total general revenues.....	<u>709</u>	<u>1,783</u>	<u>8,067</u>	<u>33,179</u>	<u>1,136</u>	<u>44,874</u>
Change in net assets.....	(434,858)	(54,779)	385,817	263,678	20,142	180,000
Net assets - beginning.....	<u>11,187,576</u>	<u>4,338,287</u>	<u>10,085,709</u>	<u>1,463,380</u>	<u>25,892</u>	<u>27,100,844</u>
Net assets - ending.....	<u>\$ 10,752,718</u>	<u>\$ 4,283,508</u>	<u>\$ 10,471,526</u>	<u>\$ 1,727,058</u>	<u>\$ 46,034</u>	<u>\$ 27,280,844</u>

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

**NOTES TO THE
FINANCIAL STATEMENTS**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

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

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

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

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

component unit may be a government organization, a nonprofit corporation, or a for-profit corporation.

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

Blended component units

Cache County Municipal Building Authority (MBA) – The MBA is a nonprofit corporation established to administer the sale of bonds and related construction and remodeling projects of the County. The Governing Board of the MBA is comprised of the County Council. This component unit is currently inactive.

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

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

Community Foundation – The Community Foundation is a nonprofit corporation established to receive contributions to benefit certain community projects. The officers of the Community Foundation are

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

members of the County Council, the County Auditor, and the County Executive. The Community Foundation is reported as a nonmajor governmental fund of the County. At the end of 2011 the Community Foundation was inactive, with residual, unrestricted cash transferred to the General fund.

Discretely Presented Component Units

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

North Park Interlocal Cooperative (NPIC) – NPIC was organized to facilitate the construction and operation of a recreational ice arena facility and to finance the costs. The cooperative members are Cache County, the City of Logan, the City of North Logan, and the City of Hyde Park. NPIC is a separate legal entity created in accordance with Utah Law. Cache County appoints 3 board members and each city appoints 2 board members. NPIC receives funding from an allocation of Restaurant Tax collections from Cache County and from dedicated sales tax collections from the other members and cities within the county limits. The County has entered into agreements 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. NPIC does not issue separate financial statements.

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

Bear River Health Department (BRHD) – BRHD was organized to provide public health services, as allowed by state law, to Cache County, Box Elder County, and

Rich County. BRHD is a separate legal entity created in accordance with Utah law and it issues separate financial statements which can be obtained at 655 East 1300 North, Logan, Utah, 84341.

Cache County Emergency Medical Service Authority (CCEMS) – CCEMS is a jointly governed program by contractual agreement of the Office of the Cache County EMS Coordinator and the ambulance program of the City of Logan Fire Department. CCEMS operates under a 7-member governing board with the following composition: 2 members of the City of Logan Municipal Council, 2 members of the Cache County Council, 1 member appointed by the City of Logan Municipal Council, the Cache County Executive, 1 member appointed by the other 6 members with a minimum of 4 votes approving the appointment. CCEMS provides ambulance services to Cache County residents. CCEMS issues separate financial statements which can be obtained at 199 North Main, Logan, Utah, 84321.

Cache County Roads Special Service District (RSSD) – RSSD has been organized as a separate corporate body under Utah law. Directors of the board are appointed by the County Council and RSSD receives mineral lease revenues from the State of Utah which are dedicated for the improvement of roads within the district. RSSD does not issue separate financial statements.

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

Interlocal Agreements

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

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

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.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

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

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

The Statement of Net 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 funds with each displayed as a separate column. All remaining

governmental funds are aggregated and reported as nonmajor funds.

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

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the component unit financial statements and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

Governmental Fund Financial Statements

Governmental funds are reported using the *current resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible in the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, franchise taxes, licenses, fees-in-lieu of taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Property taxes and fees-in-lieu of taxes associated with future periods are deferred. 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 related expenditures are made. Expenditures are generally recorded when a liability is incurred as under accrual accounting. However, debt service and compensated absences expenditures are recorded only when payment is due.

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

Major Funds

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

The County reports the following major governmental funds:

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

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

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

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

The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities or other capital assets.

Nonmajor Funds

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

Fiduciary Fund Financial Statements

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

Agency Funds – Agency funds are used to account for assets held by the County as an agent for other governmental units, other organizations, or individuals. These 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 fiscal years of the component units are the same as the primary government, except for BCIA, a component unit of NPIC, which has a fiscal year ending June 30.

D. Assets, 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 accounts separate from the investment pool of the County.

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

Equity in Investment Pool

Cash in all funds except the Treasurer's Tax Agency Fund, certain restricted bond funds, and certain discretely presented component units, is pooled into common accounts in order to maximize investment opportunities. Each fund whose monies are deposited

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

in the investment pool cash accounts has equity therein. An individual fund's equity in the pooled cash accounts is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Negative balances incurred in pooled cash at the end of the year are treated as interfund payables of the deficit fund and as interfund receivables in other funds with positive equity. Investments of the pool are stated at fair value.

Receivables

All trade and property tax receivables are shown net of any allowance for uncollectable amounts. Property taxes are due by November 30 of each year, after which the applicable property is subject to lien and penalties and interest are assessed. At December 31, 2011, all receivables of the County were considered to be fully collectible and no allowance was established. BRHD has estimated that \$225,000 of its accounts receivable were uncollectable. The uncollectable receivables result primarily from services for substance abuse counseling and treatment. The CCEMS Authority has estimated that \$180,000 of its accounts receivable were uncollectable. These uncollectable receivables result from ambulance services.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1 of each year. Taxes are levied on property owners in July and are payable by November 30. The County bills and collects property taxes for all taxing entities within the County through the Treasurer's Tax Fund (Agency Fund). Collections are periodically distributed to the taxing entities, with final settlement due March 31 of the subsequent year. The County records a receivable and deferred revenue for delinquent taxes, but no allowance for doubtful accounts is made as uncollected taxes are deemed to be substantially collectible or recoverable through foreclosure.

Inventory

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

Restricted Assets

Resources set aside for the repayment of the County's revenue bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Capital Assets

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

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

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

Buildings and other improvements	15 – 40 years
Machinery and equipment	3 – 15 years
Infrastructure	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 leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a liability of the governmental fund that will pay it.

Long-term Liabilities

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

reported as other assets and amortized over the term of the related debt.

In the fund financial statements governmental funds recognize bond premiums and discounts, as well as bond issuance costs incurred during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether withheld or not from the actual debt proceeds received, are reported as debt service 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 appropriations. Interfund receivables and payables are presented in the appropriate funds and are presented as "due from other funds" or "due to other funds."

Fund Balance Classification

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

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

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

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

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

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

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

E. Estimates

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE 2 – DEPOSITS AND INVESTMENTS

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

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

A. Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned. The County does not have a formal policy relating to custodial credit risk. As of December 31, 2011, \$26,077,922 of the County's bank balances of \$27,102,390 was uninsured and uncollateralized.

B. Investments

The Act authorizes investments in both negotiable and 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 Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), and Student Loan Marketing Association (Sallie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; and shares or certificates in a money market mutual fund as defined in the Act.

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.

The County's investments at December 31, 2011 are presented on the following page:

**NOTES TO THE FINANCIAL STATEMENTS
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<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
PTIF Investments - Govt Funds	\$ 7,864,396	\$ 7,864,396	\$ -	\$ -	\$ -
Corporate Notes - Govt Funds	4,463,466	3,503,244	960,222	-	-
PTIF Investments - Agency Funds	11,196,908	11,196,908	-	-	-
Total investments	<u>\$ 23,524,770</u>	<u>\$ 22,564,548</u>	<u>\$ 960,222</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's policy for managing its exposure to fair value loss is to comply with the Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers acceptances, fixed rate negotiable deposits and fixed rate corporate obligations to 270-365 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.

Credit Risk

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

The County's investment ratings at December 31, 2011 are presented below:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Quality Ratings</u>			
		<u>A1</u>	<u>A2</u>	<u>A3</u>	<u>Unrated</u>
PTIF Investments - Govt Funds	\$ 7,864,396	\$ -	\$ -	\$ -	\$ 7,864,396
Corporate Notes - Govt Funds	4,463,466	503,012	2,944,354	1,016,100	-
PTIF Investments - Agency Funds	11,196,908	-	-	-	11,196,908
Total investments	<u>\$ 23,524,770</u>	<u>\$ 503,012</u>	<u>\$ 2,944,354</u>	<u>\$ 1,016,100</u>	<u>\$ 19,061,304</u>

Concentration of Credit Risk

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

Most of the County's investments at December 31, 2011, were with the PTIF and therefore, are not categorized as to concentration of credit risk. The largest investment in corporate notes, issued by Citigroup Inc.,

is \$1,016,100, or 8.2 percent, which falls within the acceptable percentage range for a single issuer.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a formal policy relating to custodial credit risk.

At December 31, 2011, most of the County's investments were in the PTIF and therefore, not categorized as to custodial credit risk. The corporate

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

notes do have custodial credit risk exposure. The entire \$4,463,466 is held by the counterparty's trust department or agent in the County's name. These investments are not covered by depository insurance and are not collateralized.

C. Component Units

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

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of bank failure, the deposits of the component units may not be returned. The Component units do not have formal policies relating to custodial credit risk. As of December 31, 2011, \$4,274,112 of the bank balances of \$5,279,746 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, 2011, the only component units with investments were the Bear River Health Department and NPIC. All of the investments of both entities at that time were in the PTIF and have a maturity of less than one year.

NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At December 31, 2011, there were interfund balances of the investment pool between special revenue funds. The Municipal Services fund had a receivable of \$762,846. That amount was payable by the General fund in the amount of \$735,620 and the Children's Justice Center fund in the amount of \$27,226.

During the year, the County made interfund transfers as shown in the schedule below. The most significant portion of transfers between funds was that of the General fund to the Debt Service fund. That transfer was made to finance debt payments for the sales tax revenue bonds as well as the capital lease. Transfers out from the recreation and RAPZ Tax funds were to fund recreation improvements. Transfers out from the Capital Projects fund were to finance capital acquisitions in the General fund and the Council on Aging fund. The Planning and Development fund transferred RAPZ tax award funding to the Municipal Services fund for County trail improvement projects. Other transfers were to fund the normal operations of individual funds.

	Transfers out reported in:								Total Transfers In
	General	Municipal Services	Capital Projects	Council on Aging	Planning and Development	Recreation	RAPZ Tax	Community Foundation	
Transfers in reported in:									
Major Funds:									
General Fund.....	\$ -	\$ 450,000	\$ 420,100	\$ -	\$ -	\$ 80,444	\$ 37,884	\$ 2,532	\$ 990,960
Municipal Services Fund.....	14,005	-	-	261	153,530	57,276	12,021	-	237,093
Nonmajor Funds:									
Visitor's Bureau Fund.....	-	-	-	-	-	75,000	-	-	75,000
Council on Aging Fund.....	195,000	-	50,000	-	-	410	39,157	-	284,567
Planning and Development Fund....	41,742	-	-	-	-	-	-	-	41,742
Debt Service Fund.....	1,481,618	-	-	-	-	-	-	-	1,481,618
Total transfers out.....	<u>\$ 1,732,365</u>	<u>\$ 450,000</u>	<u>\$ 470,100</u>	<u>\$ 261</u>	<u>\$ 153,530</u>	<u>\$ 213,130</u>	<u>\$ 89,062</u>	<u>\$ 2,532</u>	<u>\$ 3,110,980</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 4 – CAPITAL ASSETS

Primary Government

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

	Balance 1/1/11	Additions	Deletions	Balance 12/31/11
<i>Capital assets, nondepreciable</i>				
Land.....	\$ 2,477,015	\$ -	\$ -	\$ 2,477,015
<i>Capital assets, depreciable</i>				
Buildings.....	22,206,028	45,193	-	22,251,221
Improvements.....	1,840,770	53,749	-	1,894,519
Equipment.....	16,348,768	755,090	(174,968)	16,928,890
Infrastructure.....	<u>14,953,633</u>	<u>102,617</u>	<u>-</u>	<u>15,056,250</u>
Totals.....	<u>55,349,199</u>	<u>956,649</u>	<u>(174,968)</u>	<u>56,130,880</u>
<i>Accumulated depreciation</i>				
Buildings.....	(4,354,233)	(550,667)	-	(4,904,900)
Improvements.....	(620,313)	(75,055)	-	(695,368)
Equipment.....	(11,766,011)	(979,702)	173,771	(12,571,942)
Infrastructure.....	<u>(3,886,954)</u>	<u>(529,978)</u>	<u>-</u>	<u>(4,416,932)</u>
Totals.....	<u>(20,627,511)</u>	<u>(2,135,402)</u>	<u>173,771</u>	<u>(22,589,142)</u>
Total capital assets, net.....	<u>\$ 37,198,703</u>	<u>\$ (1,178,753)</u>	<u>\$ (1,197)</u>	<u>\$ 36,018,753</u>

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

General government.....	\$ 420,895
Public safety.....	826,111
Streets and public improvements.....	768,797
Health and welfare.....	31,700
Culture and recreation.....	<u>87,899</u>
Total depreciation expense.....	<u>\$ 2,135,402</u>

Component Units

Changes in capital assets of component units are as follows:

	Balance 1/1/11	Additions	Deletions	Balance 12/31/11
Land.....	\$ 1,718,969	\$ 291,500	\$ -	\$ 2,010,469
Construction in process.....	57,371	16,863	-	74,234
Buildings and improvements.....	24,045,082	61,608	-	24,106,690
Equipment and machinery.....	3,006,763	188,659	(375,155)	2,820,267
Accumulated depreciation.....	<u>(8,423,704)</u>	<u>(1,374,844)</u>	<u>364,280</u>	<u>(9,434,268)</u>
Capital assets, net.....	<u>\$ 20,404,481</u>	<u>\$ (816,214)</u>	<u>\$ (10,875)</u>	<u>\$ 19,577,392</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 5 – LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2011, was as follows:

	<u>Balance 1/1/11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/11</u>	<u>Due Within One Year</u>
Primary Government					
Sales tax revenue bonds.....	\$ 12,365,000	\$ -	\$ (805,000)	\$ 11,560,000	\$ 845,000
Deferred amounts:					
Deferred interest.....	(322,003)	-	26,833	(295,170)	-
Bond Premium.....	5,028	-	(419)	4,609	-
Total bonds payable.....	12,048,025	-	(778,586)	11,269,439	845,000
Capital leases.....	150,498	-	(150,498)	-	-
Compensated absences.....	1,429,775	1,154,412	(1,055,847)	1,528,340	1,129,000
Total long-term liabilities.....	<u>\$ 13,628,298</u>	<u>\$ 1,154,412</u>	<u>\$ (1,984,931)</u>	<u>\$ 12,797,779</u>	<u>\$ 1,974,000</u>
Component Units					
Notes payable.....	\$ 100,000	\$ -	\$ (50,000)	\$ 50,000	\$ 50,000
Capital leases.....	606,677	-	(92,272)	514,405	95,640
Compensated absences.....	510,000	392,600	(382,600)	520,000	250,000
Total long-term liabilities.....	<u>\$ 1,216,677</u>	<u>\$ 392,600</u>	<u>\$ (524,872)</u>	<u>\$ 1,084,405</u>	<u>\$ 395,640</u>

B. Sales Tax Revenue Bonds

Primary Government

Sales tax revenue bonds payable at December 31, 2011, were as follows:

<u>Purpose</u>	<u>Series</u>	<u>Maturity Date</u>	<u>Interest Rate %</u>	<u>Original Amount</u>	<u>Balance</u>
Construction of the County jail and renovation of the historic courthouse.....	2002	12/15/22	3.50 - 5.00	\$ 13,835,000	\$ 2,015,000
Additions to County jail construction.....	2003	12/15/22	3.00 - 4.15	3,340,000	2,210,000
Advance refund a portion of the 2002 series.....	2007	12/15/22	4.00 - 4.50	7,580,000	<u>7,335,000</u>
Total sales tax revenue bonds outstanding.....					11,560,000
Add unamortized premium.....					4,609
Less deferred interest on refunding.....					<u>(295,170)</u>
Total sales tax revenue bonds payable.....					<u>\$ 11,269,439</u>

Proceeds from the 2002 sales tax revenue bonds were used in the acquisition, construction, and furnishing of the County Administration Building and the 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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

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.

Proceeds from the 2007 sales tax revenue bonds were used to advance refund a portion of the Series 2002 sales tax revenue bonds.

The advance refunding will save the County \$305,340 over the life of the bonds and resulted in a net present value benefit of \$230,303.

Sales Tax Revenue Bonds - Debt Service Requirements to Maturity

Year	Series 2002		Series 2003		Series 2007		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2012.....	\$ 640,000	\$ 97,550	\$ 165,000	\$ 92,838	\$ 40,000	\$ 294,710	\$ 845,000	\$ 485,098
2013.....	670,000	68,750	170,000	86,650	40,000	293,010	880,000	448,410
2014.....	705,000	35,250	175,000	79,850	40,000	291,310	920,000	406,410
2015.....	-	-	185,000	72,850	780,000	289,610	965,000	362,460
2016.....	-	-	190,000	65,172	815,000	258,410	1,005,000	323,582
2017.....	-	-	200,000	57,288	845,000	225,810	1,045,000	283,098
2018 - 2022....	-	-	1,125,000	152,387	4,775,000	591,955	5,900,000	744,342
Total.....	<u>\$ 2,015,000</u>	<u>\$ 201,550</u>	<u>\$ 2,210,000</u>	<u>\$ 607,035</u>	<u>\$ 7,335,000</u>	<u>\$ 2,244,815</u>	<u>\$ 11,560,000</u>	<u>\$ 3,053,400</u>

C. Note Payable

Component Units

In June of 2009, BCIA received a \$100,000, no interest, unsecured loan from a foundation to make capital improvements. The loan is to be repaid in two annual installments of \$50,000, due on July 30, 2011 and 2012. The Cache County Council has pledged \$100,000 in future RAPZ funds to BCIA to pay these installments.

Maturities of long-term debt are as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2012.....	\$ 50,000
Total	<u>\$ 50,000</u>

D. Capital Leases

Primary Government

The County entered into a capital lease agreement on May 23, 2007, in the amount of \$711,048 for the purchase of fire fighting vehicles and equipment. Lease payments are due annually on November 15, in the amount of \$156,544, until 2011, with an applicable interest rate of 3.92 percent. The final payment of \$156,544, including \$6,046 in interest, was made in 2011.

Component Units

The CCEMS Authority entered in to a capital lease on November 24, 2009, in the amount of \$695,700 for the purchase of ambulance vehicles and equipment. Lease payments are due annually on November 24, in the amount of \$114,416, until 2016, with an applicable interest rate of 3.65 percent. Total payments outstanding are \$572,078, including \$57,673 in interest. The present value of future payments is \$514,405. The cost of assets on the balance sheet recorded under capital leases and associated accumulated amortization are \$808,882 and \$148,342 respectively.

Year	<u>Debt Service Requirements to Maturity</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012.....	\$ 95,640	\$ 18,776	\$ 114,416
2013.....	99,131	15,285	114,416
2014.....	102,749	11,667	114,416
2015.....	106,500	7,916	114,416
2016.....	110,385	4,029	114,414
Total	<u>\$ 514,405</u>	<u>\$ 57,673</u>	<u>\$ 572,078</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 6 – PENSION PLANS

A. Defined Benefit Plans

Cache County contributes to the following cost sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (URS): 1) Utah Public Employees Contributory Retirement, 2) Utah Public Employees Noncontributory Retirement, 3) Utah Public Safety Retirement, and 4) Utah Firefighters Retirement. URS provides refunds, retirement benefits, and 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 the County:

- 1) *Public Employees Contributory and Noncontributory* – All County employees hired to a position expected to last longer than 9 months and that work 30 or more hours per week are eligible to participate. Employees attaining age 60 to 65 with 4 to 20 years of service credit, or any age with 30 or more years of service credit 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 per 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.
- 3) *Firefighters* – All employees employed in the recognized fire department of the County who work 40 or more hours per 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 vested at the time of contribution.

These URS systems are established and governed by respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Act provides for the administration of URS under the direction of the Utah State Retirement Board whose members are appointed by the Governor. URS issues a publicly available financial report that includes financial statements and required supplementary information for the Local Government Contributory Retirement System, the Local Government Noncontributory Retirement System, the Public Safety Retirement System, and the Firefighters Retirement System. A copy of the report may be obtained by writing to URS, 540 East 200 South, Salt Lake City, Utah, 84102-2099, or by calling 800-365-8772.

Plan members in the Local Government Contributory Retirement System are required to contribute 6.00 percent of their annual salary (paid by the County) and the County was required to contribute 9.36 percent to 9.76 percent of their annual covered salary. In the Local Government Noncontributory Retirement System, the County was required to contribute 13.37 percent to 13.77 percent of the eligible employees’ annual covered salary. In the Public Safety Noncontributory Retirement System, the County was required to contribute 26.13 percent to 27.07 percent of the eligible employees’ annual covered salary. In the Firefighters Retirement System plan members were required to contribute 15.05 percent of their annual covered salary (paid by the County) and the County was required to contribute 0.50 percent to 1.72 percent of their annual covered salary. The contribution requirements of URS are authorized by statute and specified by the board.

The County contributions to URS for the years ended December 31, 2011, 2010, and 2009 were as follows:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	2011	2010	2009
A. Local Governmental - Contributory			
Employer paid for employee contributions.....	\$ 7,394	\$ 7,069	\$ 7,043
Employer contributions.....	11,789	10,020	8,956
B. Local Governmental - Noncontributory			
Employer contributions.....	713,070	631,209	587,653
C. Public Safety - Contributory			
Employer paid for employee contributions.....	-	4,805	6,859
Employer contributions.....	-	5,142	6,611
D. Public Safety - Noncontributory			
Employer contributions.....	1,125,520	1,016,430	947,432
E. Firefighters			
Employer paid for employee contributions.....	16,775	9,554	6,812
Employer contributions.....	1,165	576	-

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 URS provides the County with the necessary retirement disclosures for this report.

B. 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 URS. Under the plan, eligible employees may elect to defer a portion of their salary, subject to Internal Revenue Service limits. Contributions of \$662,134, \$644,306, and \$668,373, were made to the 401(k) plan during the years ended

December 31, 2011, 2010, and 2009, respectively. Of this amount \$289,388, \$268,973, and \$294,270, was contributed by employees and \$372,746 \$375,333, and \$374,103, was contributed by the County on behalf of employees, respectively.

C. Component Units

Defined Benefit Plans

BRHD also participated in the Local Government Systems retirement plans administered by URS. BRHD's required contribution rates are the same as the County's rates. BRHD contributions to the system for the years ended December 31, 2011, 2010, and 2009 were as follows:

	2011	2010	2009
A. Local Governmental - Contributory			
Employer paid for employee contributions.....	\$ 1,744	\$ 1,724	\$ 1,600
Employer contributions.....	2,780	2,464	2,035
B. Local Governmental - Noncontributory			
Employer contributions.....	505,414	461,219	442,403

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

All contributions by BRHD were paid by the due dates or within 30 days thereafter and were equal to the required contributions for each year.

Defined Contribution Plan

BRHD maintains a qualified cash or deferred compensation plan under section 401(k) of the Internal Revenue Code that is administered by URS. Under the plan, eligible employees may elect to defer a portion of their salary, subject to Internal Revenue Service limits. Contributions of \$391,600, \$362,938, and \$419,070 were made to the 401(k) plan during the years ended December 31, 2011, 2010, and 2009, respectively. Of this amount, \$150,099, \$122,526, and \$177,060 was contributed by employees and \$241,501, \$240,412, and \$242,010 was contributed by BRHD on behalf of employees, respectively.

NOTE 7 – DEFERRED COMPENSATION PLAN

The County and BRHD offer employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The plans are available to all employees and are administered by the Utah Retirement Systems (URS). 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 BRHD and are held by URS as trustee of the plans. The County's and BRHD's involvement is limited to withholding the amounts elected by employees and remitting those amounts to URS.

NOTE 8 – PUBLIC ENTITY RISK POOL

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters. The County participates in the Utah Counties Insurance Pool (UCIP), a public entity risk pool, to manage its risk of loss. The County pays an annual 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 \$1,000,000 for each insured event. In addition, the County has purchased commercial insurance related to airport operations,

steam boiler usage, employee performance, and workers' compensation.

As of December 31, 2011, there were no outstanding unpaid claims in excess of insurance coverage. Also, the County had no claim settlements over the past three years that exceeded its insurance coverage.

NOTE 9 – COMMITMENTS & CONTINGENCIES

The County collects sales tax under the Restaurant Tax and RAPZ Tax programs enabled by state legislation and awards funds to various entities. Awards become payable by the County when the conditions of the award are met. At December 31, 2011, there were \$406,355 in Restaurant Tax funds and \$699,766 in RAPZ Tax funds that had been awarded but were not payable because applicable conditions had not been met.

The County has also committed future Restaurant Tax revenues to certain organizations. These amounts include \$76,375 next year to Logan City for payment of bonds financing the rehabilitation of the Eccles Theatre and \$278,559 to NPIC over the next 3 years for facility improvements.

NOTE 10 – INDUSTRIAL REVENUE BONDS

On October 25, 2006, the County issued Industrial Revenue Bonds on behalf of Sunshine Terrace Foundation, Inc. in the amount of \$5,000,000. Sunshine Terrace is responsible for all bond payments and neither the County nor its resources are liable for repayment. The bonds are scheduled to mature on December 1, 2026.

On December 22, 2006, the County issued \$3,000,000 of Industrial Revenue Bonds on behalf of Lower Foods, Inc. Lower Foods is responsible for all bond payments and neither the County nor its resources are liable for repayment. The bonds are scheduled to mature on December 1, 2026.

NOTE 11 – RELATED PARTY TRANSACTIONS

Primary Government

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

Airport Authority – The County provided operating funds of \$70,000 based on the budget adopted by the Airport Authority and the agreement with Logan City.

BRHD – The County assessed and collected property taxes in its Health fund. The County transferred the appropriated amount of property taxes to BRHD to provide operating funds totaling \$732,450. The County also paid funds to BRHD related to specific health services totaling \$91,490.

CCEMS – The County provided operating funds of \$475,000 based on the budget adopted by CCEMS and the agreement with Logan City. The County also received contract payments for services provided to CCEMS totaling \$560,732.

RSSD – The County's Municipal Services fund performed road construction and maintenance services for RSSD, for which RSSD paid a total of \$229,735.

Component Units

Airport Authority – Logan City provided operating funds of \$70,000 based on the budget adopted by the Airport Authority and the agreement with Cache County.

CCEMS – Logan City received contract payments for services provided to CCEMS totaling \$1,610,100.

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REQUIRED SUPPLEMENTARY INFORMATION

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>			<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property.....	\$ 9,306,120	\$ 9,748,351	\$ 9,816,335	\$ 67,984
Sales and use.....	<u>3,857,541</u>	<u>3,810,560</u>	<u>3,874,868</u>	<u>64,308</u>
	13,163,661	13,558,911	13,691,203	132,292
Other revenues:				
Intergovernmental revenues.....	1,029,108	1,131,386	1,022,057	(109,329)
Charges for services.....	4,578,225	4,786,059	4,870,187	84,128
Licenses and permits.....	28,000	28,000	22,905	(5,095)
Fines and forfeitures.....	120,000	120,000	126,631	6,631
Interest and investment income.....	145,000	145,000	16,138	(128,862)
Rental income.....	176,000	176,000	119,752	(56,248)
Public contributions.....	47,500	56,871	55,171	(1,700)
Miscellaneous revenues.....	<u>93,500</u>	<u>106,300</u>	<u>154,687</u>	<u>48,387</u>
Total revenues.....	<u>19,380,994</u>	<u>20,108,527</u>	<u>20,078,731</u>	<u>(29,796)</u>
EXPENDITURES				
General government:				
Council.....	99,345	102,135	96,800	5,335
Water development.....	259,297	335,827	153,019	182,808
Public legal assistance.....	344,980	354,980	354,900	80
Executive.....	208,704	215,986	206,826	9,160
Human resources.....	192,069	198,448	176,833	21,615
Geographic information systems.....	71,456	71,456	49,113	22,343
Information technology.....	95,619	99,813	72,432	27,381
Auditor.....	172,717	272,868	249,279	23,589
Clerk.....	150,127	153,697	149,978	3,719
Treasurer.....	19,964	21,063	14,877	6,186
Recorder.....	171,973	174,337	143,764	30,573
Attorney.....	995,977	1,105,278	1,068,537	36,741
Surveyor.....	165,756	178,166	173,262	4,904
Victim services.....	265,491	279,271	264,554	14,717
Elections.....	147,934	148,644	140,121	8,523
Economic development.....	35,000	35,000	35,000	-
USU Ag extension services.....	142,181	142,181	140,801	1,380
Agricultural promotion.....	56,650	68,400	48,512	19,888
Miscellaneous and general.....	621,157	699,305	586,016	113,289
Contributions to other units.....	<u>757,000</u>	<u>757,000</u>	<u>698,407</u>	<u>58,593</u>
	4,973,397	5,413,855	4,823,031	590,824
Public safety:				
Sheriff patrol.....	3,010,241	3,114,919	3,057,924	56,995
Support services.....	1,927,423	1,949,844	1,940,315	9,529
Search and rescue.....	59,500	63,500	55,028	8,472
Mounted posse.....	27,900	31,756	25,816	5,940
Liquor law enforcement.....	51,066	55,346	29,184	26,162
Fire safety.....	425,738	449,899	402,186	47,713
County jail.....	6,438,647	6,662,528	6,221,713	440,815
Emergency management.....	<u>237,919</u>	<u>281,529</u>	<u>223,383</u>	<u>58,146</u>
	12,178,434	12,609,321	11,955,549	653,772

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Streets and public improvements:				
Flood mitigation.....	-	40,000	11,200	28,800
Weed eradication.....	<u>174,725</u>	<u>176,795</u>	<u>168,161</u>	<u>8,634</u>
	174,725	216,795	179,361	37,434
Health and welfare:				
Mental health services.....	185,000	185,000	163,605	21,395
Health services.....	63,490	63,490	63,490	-
Welfare services.....	<u>67,500</u>	<u>67,500</u>	<u>65,000</u>	<u>2,500</u>
	315,990	315,990	292,095	23,895
Culture and recreation:				
Fairgrounds.....	340,363	418,953	369,239	49,714
TV translator station.....	15,700	37,000	33,658	3,342
Library services.....	138,720	139,520	132,642	6,878
Fair and rodeo.....	182,463	213,123	199,646	13,477
Demolition derbies.....	<u>46,000</u>	<u>46,000</u>	<u>21,040</u>	<u>24,960</u>
	<u>723,246</u>	<u>854,596</u>	<u>756,225</u>	<u>98,371</u>
Total expenditures.....	<u>18,365,792</u>	<u>19,410,557</u>	<u>18,006,261</u>	<u>1,404,296</u>
Revenues over expenditures.....	<u>1,015,202</u>	<u>697,970</u>	<u>2,072,470</u>	<u>1,374,500</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Municipal services fund.....	450,000	450,000	450,000	-
Capital projects fund.....	-	420,100	420,100	-
Recreation fund.....	-	80,444	80,444	-
RAPZ tax fund.....	16,884	37,884	37,884	-
Community foundation fund.....	<u>-</u>	<u>2,532</u>	<u>2,532</u>	<u>-</u>
Total transfers in.....	466,884	990,960	990,960	-
Transfers out:				
Municipal services fund.....	-	(11,788)	(14,005)	(2,217)
Council on aging fund.....	(195,000)	(195,000)	(195,000)	-
Planning and development fund.....	(41,742)	(41,742)	(41,742)	-
Debt service fund.....	<u>(1,481,618)</u>	<u>(1,481,618)</u>	<u>(1,481,618)</u>	<u>-</u>
Total transfers out.....	<u>(1,718,360)</u>	<u>(1,730,148)</u>	<u>(1,732,365)</u>	<u>(2,217)</u>
Total other financing sources (uses).....	<u>(1,251,476)</u>	<u>(739,188)</u>	<u>(741,405)</u>	<u>(2,217)</u>
Net change in fund balances.....	(236,274)	(41,218)	1,331,065	1,372,283
Fund balances - January 1.....	<u>7,285,062</u>	<u>7,285,062</u>	<u>7,285,062</u>	<u>-</u>
Fund balances - December 31.....	<u>7,048,788</u>	<u>7,243,844</u>	<u>8,616,127</u>	<u>1,372,283</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
ASSESSING AND COLLECTING FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property.....	\$ 2,539,990	\$ 2,782,572	\$ 2,949,497	\$ 166,925
Other revenues:				
Charges for services.....	375,000	375,000	377,275	2,275
Interest income.....	-	-	2,283	2,283
Miscellaneous revenues.....	-	3,500	3,602	102
Total revenues.....	<u>2,914,990</u>	<u>3,161,072</u>	<u>3,332,657</u>	<u>171,585</u>
EXPENDITURES				
General government:				
Council.....	11,039	11,349	10,981	368
Executive.....	36,830	38,115	37,507	608
Human resources.....	33,895	35,020	31,737	3,283
Geographic information systems.....	166,732	166,732	123,249	43,483
Information technology.....	541,844	565,610	465,271	100,339
Auditor.....	147,130	232,444	217,481	14,963
Treasurer.....	229,580	242,226	233,405	8,821
Recorder.....	114,649	116,225	99,425	16,800
Attorney.....	98,503	109,313	108,001	1,312
Assessor.....	1,406,610	1,578,708	1,240,751	337,957
Miscellaneous and general.....	109,957	121,076	109,210	11,866
Contributions to other units.....	-	166,955	166,955	-
Total expenditures.....	<u>2,896,769</u>	<u>3,383,773</u>	<u>2,843,973</u>	<u>539,800</u>
Revenues over (under) expenditures.....	<u>18,221</u>	<u>(222,701)</u>	<u>488,684</u>	<u>711,385</u>
Net change in fund balances.....	18,221	(222,701)	488,684	711,385
Fund balances - January 1.....	<u>3,006,470</u>	<u>3,006,470</u>	<u>3,006,470</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 3,024,691</u>	<u>\$ 2,783,769</u>	<u>\$ 3,495,154</u>	<u>\$ 711,385</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
MUNICIPAL SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property.....	\$ 23,000	\$ 23,000	\$ 20,224	\$ (2,776)
Sales and use.....	<u>792,000</u>	<u>792,000</u>	<u>731,702</u>	<u>(60,298)</u>
	815,000	815,000	751,926	(63,074)
Other revenues:				
Intergovernmental.....	1,865,435	2,022,435	2,021,955	(480)
Charges for services.....	726,830	745,015	514,743	(230,272)
Licenses and permits.....	248,500	248,500	215,963	(32,537)
Interest income.....	40,000	40,000	18,496	(21,504)
Miscellaneous revenues.....	<u>500</u>	<u>1,100</u>	<u>3,590</u>	<u>2,490</u>
Total revenues.....	<u>3,696,265</u>	<u>3,872,050</u>	<u>3,526,673</u>	<u>(345,377)</u>
EXPENDITURES				
General government:				
Zoning administration.....	231,151	237,151	237,402	(251)
Sanitation and waste collection.....	36,000	51,000	38,129	12,871
Miscellaneous expenditures.....	<u>17,500</u>	<u>17,500</u>	<u>15,000</u>	<u>2,500</u>
	284,651	305,651	290,531	15,120
Public safety:				
Sheriff patrol.....	334,471	346,102	346,200	(98)
Fire safety.....	145,952	146,160	143,194	2,966
Building inspection.....	342,474	352,384	351,098	1,286
Animal control.....	<u>32,853</u>	<u>35,103</u>	<u>32,930</u>	<u>2,173</u>
	855,750	879,749	873,422	6,327
Streets and public improvements:				
Road projects.....	2,937,972	3,142,814	2,295,703	847,111
Weed eradication.....	<u>-</u>	<u>-</u>	<u>5,591</u>	<u>(5,591)</u>
	2,937,972	3,142,814	2,301,294	841,520
Culture and recreation:				
Recreation projects.....	-	35,572	100	35,472
Parks and trails.....	129,979	385,243	7,387	377,856
Eccles Ice Center support.....	-	14,732	14,732	-
Library services.....	<u>1,000</u>	<u>1,000</u>	<u>500</u>	<u>500</u>
	<u>130,979</u>	<u>436,547</u>	<u>22,719</u>	<u>413,828</u>
Total expenditures.....	<u>4,209,352</u>	<u>4,764,761</u>	<u>3,487,966</u>	<u>1,276,795</u>
Revenues over (under) expenditures.....	<u>(513,087)</u>	<u>(892,711)</u>	<u>38,707</u>	<u>931,418</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
MUNICIPAL SERVICES FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General fund.....	-	11,788	14,005	2,217
Council on aging fund.....	-	-	261	261
Planning and development fund.....	129,979	153,530	153,530	-
Recreation fund.....	-	57,276	57,276	-
RAPZ tax fund.....	-	<u>12,021</u>	<u>12,021</u>	-
Total transfers in.....	129,979	234,615	237,093	2,478
Transfers out:				
General fund.....	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	-
Total transfers out.....	<u>(450,000)</u>	<u>(450,000)</u>	<u>(450,000)</u>	-
Total other financing sources (uses).....	<u>(320,021)</u>	<u>(215,385)</u>	<u>(212,907)</u>	2,478
Net change in fund balances.....	(833,108)	(1,108,096)	(174,200)	933,896
Fund balances - January 1.....	<u>5,212,086</u>	<u>5,212,086</u>	<u>5,212,086</u>	-
Fund balances - December 31.....	<u>\$ 4,378,978</u>	<u>\$ 4,103,990</u>	<u>\$ 5,037,886</u>	<u>\$ 933,896</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
MENTAL HEALTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Intergovernmental.....	\$ 2,195,000	\$ 2,500,000	\$ 2,169,103	\$ (330,897)
Total revenues.....	<u>2,195,000</u>	<u>2,500,000</u>	<u>2,169,103</u>	<u>(330,897)</u>
EXPENDITURES				
Health and welfare:				
Mental health services.....	<u>2,195,000</u>	<u>2,500,000</u>	<u>2,169,103</u>	<u>330,897</u>
Total expenditures.....	<u>2,195,000</u>	<u>2,500,000</u>	<u>2,169,103</u>	<u>330,897</u>
Revenues over expenditures.....	-	-	-	-
Net change in fund balances.....	-	-	-	-
Fund balances - January 1.....	-	-	-	-
Fund balances - December 31.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

1. On or before November 1, the County Executive prepares a tentative budget for the next budget year, with the assistance of the County Auditor and Finance Director.
2. A public hearing is then held on the adoption of the budget.
3. After the public hearing the County Council makes final adjustments to the tentative budget.

4. On or before December 15, the County Council adopts the budget by resolution.
5. Department heads may transfer unexpended budgeted amounts within their departments with approval of the County Council.
6. The County Council may transfer unexpended budgeted amounts from one department to another in the same fund by resolution.
7. Budget appropriations may be increased only after a public hearing has been held and followed by resolution of the County Council.

NOTE 2 – BUDGETED FUND BALANCE

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

NOTE 3 – ENCUMBRANCES

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

SUPPLEMENTARY INFORMATION

C A C H E C O U N T Y

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF DECEMBER 31, 2011**

	Special Revenue										Total Nonmajor Governmental Funds
	Health	Visitor's Bureau	Council on Aging	Recreation	Planning and Development	Children's Justice Center	RAPZ Tax	Ambulance	Community Foundation	Debt Service	
ASSETS											
Cash and cash equivalents.....	\$ 374,150	\$ 225	\$ 90	\$ -	\$ 25	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 374,590
Equity in investment pool.....	473,690	516,344	173,515	699,181	6,452	-	1,566,786	271,776	-	153,387	3,861,131
Taxes receivable.....	79,000	47,025	-	215,505	-	-	222,646	-	-	-	564,176
Accounts receivable.....	-	-	-	-	216	-	-	-	-	-	216
Due from other governments.....	-	14,157	81,030	-	-	36,575	-	-	-	-	131,762
Total assets.....	<u>\$ 926,840</u>	<u>\$ 577,751</u>	<u>\$ 254,635</u>	<u>\$ 914,686</u>	<u>\$ 6,693</u>	<u>\$ 36,675</u>	<u>\$ 1,789,432</u>	<u>\$ 271,776</u>	<u>\$ -</u>	<u>\$ 153,387</u>	<u>\$ 4,931,875</u>
LIABILITIES											
Interfund payable - investment pool.....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,226	\$ -	\$ -	\$ -	\$ -	\$ 27,226
Accounts payable and accrued liabilities...	-	16,161	21,536	-	2,597	4,119	105,715	49,909	-	-	200,037
Deferred revenues.....	79,000	-	1,300	-	-	-	-	-	-	-	80,300
Total liabilities.....	<u>79,000</u>	<u>16,161</u>	<u>22,836</u>	<u>-</u>	<u>2,597</u>	<u>31,345</u>	<u>105,715</u>	<u>49,909</u>	<u>-</u>	<u>-</u>	<u>307,563</u>
FUND BALANCE											
Restricted for:											
Air pollution control.....	69,422	-	-	-	-	-	-	-	-	-	69,422
Ambulance services.....	-	-	-	-	-	-	-	221,867	-	-	221,867
Health services.....	778,418	-	-	-	-	-	-	-	-	-	778,418
Parks and recreation.....	-	561,590	-	914,686	-	-	1,683,717	-	-	-	3,159,993
Other purposes.....	-	-	4,125	-	-	5,330	-	-	-	-	9,455
Assigned to:											
Debt service.....	-	-	-	-	-	-	-	-	-	153,387	153,387
Health and welfare.....	-	-	227,674	-	-	-	-	-	-	-	227,674
Planning and development services.....	-	-	-	-	4,096	-	-	-	-	-	4,096
Total fund balances.....	<u>847,840</u>	<u>561,590</u>	<u>231,799</u>	<u>914,686</u>	<u>4,096</u>	<u>5,330</u>	<u>1,683,717</u>	<u>221,867</u>	<u>-</u>	<u>153,387</u>	<u>4,624,312</u>
Total liabilities and fund balances.....	<u>\$ 926,840</u>	<u>\$ 577,751</u>	<u>\$ 254,635</u>	<u>\$ 914,686</u>	<u>\$ 6,693</u>	<u>\$ 36,675</u>	<u>\$ 1,789,432</u>	<u>\$ 271,776</u>	<u>\$ -</u>	<u>\$ 153,387</u>	<u>\$ 4,931,875</u>

C A C H E C O U N T Y

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	Special Revenue									Total Nonmajor Governmental Funds	
	Health	Visitor's Bureau	Council on Aging	Recreation	Planning and Development	Children's Justice Center	RAPZ Tax	Ambulance	Community Foundation		Debt Service
REVENUES											
Taxes:											
Property.....	\$ 822,172	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 822,172
Sales and use.....	-	370,402	-	1,077,789	-	-	1,141,307	-	-	-	2,589,498
	<u>822,172</u>	<u>370,402</u>	<u>-</u>	<u>1,077,789</u>	<u>-</u>	<u>-</u>	<u>1,141,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,411,670</u>
Other revenues:											
Intergovernmental.....	-	73,713	301,493	-	-	142,966	-	562,037	-	-	1,080,209
Charges for services.....	-	32,925	114,562	-	46,169	-	-	-	-	-	193,656
Interest income.....	628	-	-	-	-	-	-	-	2	-	630
Public contributions.....	-	4,125	26,657	-	-	-	-	-	-	-	30,782
Miscellaneous revenues.....	-	7,997	7,336	-	105	-	-	426	6,307	-	22,171
Total revenues.....	<u>822,800</u>	<u>489,162</u>	<u>450,048</u>	<u>1,077,789</u>	<u>46,274</u>	<u>142,966</u>	<u>1,141,307</u>	<u>562,463</u>	<u>6,309</u>	<u>-</u>	<u>4,739,118</u>
EXPENDITURES											
General government.....	-	-	-	-	88,370	-	-	-	9,953	-	98,323
Public safety.....	-	-	-	-	-	140,502	-	519,874	-	-	660,376
Health and welfare.....	760,450	-	644,949	-	-	-	-	-	-	-	1,405,399
Culture and recreation.....	-	483,816	-	980,687	-	-	1,007,780	-	-	-	2,472,283
Debt service principal.....	-	-	-	-	-	-	-	-	-	955,499	955,499
Debt service interest.....	-	-	-	-	-	-	-	-	-	533,267	533,267
Total expenditures.....	<u>760,450</u>	<u>483,816</u>	<u>644,949</u>	<u>980,687</u>	<u>88,370</u>	<u>140,502</u>	<u>1,007,780</u>	<u>519,874</u>	<u>9,953</u>	<u>1,488,766</u>	<u>6,125,147</u>
Revenues over (under) expenditures.....	62,350	5,346	(194,901)	97,102	(42,096)	2,464	133,527	42,589	(3,644)	(1,488,766)	(1,386,029)
OTHER FINANCING SOURCES (USES)											
Transfers in.....	-	75,000	284,567	-	41,742	-	-	-	-	1,481,618	1,882,927
Transfers out.....	-	-	(261)	(213,130)	(153,530)	-	(89,062)	-	(2,532)	-	(458,515)
Total other financing sources (uses).....	<u>-</u>	<u>75,000</u>	<u>284,306</u>	<u>(213,130)</u>	<u>(111,788)</u>	<u>-</u>	<u>(89,062)</u>	<u>-</u>	<u>(2,532)</u>	<u>1,481,618</u>	<u>1,424,412</u>
Net change in fund balances.....	62,350	80,346	89,405	(116,028)	(153,884)	2,464	44,465	42,589	(6,176)	(7,148)	38,383
Fund balances - January 1.....	785,490	481,244	142,394	1,030,714	157,980	2,866	1,639,252	179,278	6,176	160,535	4,585,929
Fund balances - December 31.....	<u>\$ 847,840</u>	<u>\$ 561,590</u>	<u>\$ 231,799</u>	<u>\$ 914,686</u>	<u>\$ 4,096</u>	<u>\$ 5,330</u>	<u>\$ 1,683,717</u>	<u>\$ 221,867</u>	<u>\$ -</u>	<u>\$ 153,387</u>	<u>\$ 4,624,312</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
HEALTH FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Property.....	\$ 785,456	\$ 814,172	\$ 822,172	\$ 8,000
Other revenues:				
Interest income.....	-	-	628	628
Total revenues.....	<u>785,456</u>	<u>814,172</u>	<u>822,800</u>	<u>8,628</u>
EXPENDITURES				
Health and welfare:				
Air pollution control.....	<u>28,000</u>	<u>28,000</u>	<u>28,000</u>	-
Bear River Health Department.....	<u>732,450</u>	<u>732,450</u>	<u>732,450</u>	-
Total expenditures.....	<u>760,450</u>	<u>760,450</u>	<u>760,450</u>	-
Revenues over expenditures.....	<u>25,006</u>	<u>53,722</u>	<u>62,350</u>	<u>8,628</u>
Net change in fund balances.....	25,006	53,722	62,350	8,628
Fund balances - January 1.....	<u>785,490</u>	<u>785,490</u>	<u>785,490</u>	-
Fund balances - December 31.....	<u>\$ 810,496</u>	<u>\$ 839,212</u>	<u>\$ 847,840</u>	<u>\$ 8,628</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
VISITOR'S BUREAU FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>			Variance With Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes:				
Sales and use.....	\$ 336,000	\$ 336,000	\$ 370,402	\$ 34,402
Other revenues:				
Intergovernmental.....	66,336	102,368	73,713	(28,655)
Charges for services.....	30,000	30,000	32,925	2,925
Public contributions.....	7,500	9,750	4,125	(5,625)
Miscellaneous revenues.....	<u>200</u>	<u>3,100</u>	<u>7,997</u>	<u>4,897</u>
Total revenues.....	<u>440,036</u>	<u>481,218</u>	<u>489,162</u>	<u>7,944</u>
EXPENDITURES				
Culture and recreation:				
Cache Valley Visitor's Bureau.....	<u>465,911</u>	<u>584,313</u>	<u>483,816</u>	<u>100,497</u>
Total expenditures.....	<u>465,911</u>	<u>584,313</u>	<u>483,816</u>	<u>100,497</u>
Revenues over (under) expenditures.....	<u>(25,875)</u>	<u>(103,095)</u>	<u>5,346</u>	<u>108,441</u>
OTHER FINANCING SOURCES				
Transfers in:				
Recreation fund.....	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total other financing sources.....	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net change in fund balances.....	(25,875)	(28,095)	80,346	108,441
Fund balances - January 1.....	<u>481,244</u>	<u>481,244</u>	<u>481,244</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 455,369</u>	<u>\$ 453,149</u>	<u>\$ 561,590</u>	<u>\$ 108,441</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
COUNCIL ON AGING FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Intergovernmental.....	\$ 353,198	\$ 359,725	\$ 301,493	\$ (58,232)
Charges for services.....	115,000	115,000	114,562	(438)
Public contributions.....	13,745	24,745	26,657	1,912
Miscellaneous revenues.....	<u>6,300</u>	<u>6,300</u>	<u>7,336</u>	<u>1,036</u>
Total revenues.....	<u>488,243</u>	<u>505,770</u>	<u>450,048</u>	<u>(55,722)</u>
EXPENDITURES				
Health and welfare:				
Nutrition.....	379,061	410,345	359,430	50,915
Senior center.....	151,519	207,956	110,676	97,280
Retired service volunteer program.....	64,687	61,668	47,251	14,417
Access.....	84,937	90,410	83,984	6,426
County administrative support.....	<u>45,434</u>	<u>46,254</u>	<u>43,608</u>	<u>2,646</u>
Total expenditures.....	<u>725,638</u>	<u>816,633</u>	<u>644,949</u>	<u>171,684</u>
Revenues under expenditures.....	<u>(237,395)</u>	<u>(310,863)</u>	<u>(194,901)</u>	<u>115,962</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General fund.....	195,000	195,000	195,000	-
Capital projects fund.....	50,000	50,000	50,000	-
Recreation fund.....	-	410	410	-
RAPZ tax fund.....	<u>-</u>	<u>39,157</u>	<u>39,157</u>	<u>-</u>
Total transfers in.....	<u>245,000</u>	<u>284,567</u>	<u>284,567</u>	<u>-</u>
Transfers out:				
Municipal services fund.....	<u>-</u>	<u>-</u>	<u>(261)</u>	<u>(261)</u>
Total transfers out.....	<u>-</u>	<u>-</u>	<u>(261)</u>	<u>(261)</u>
Total other financing sources (uses)...	<u>245,000</u>	<u>284,567</u>	<u>284,306</u>	<u>(261)</u>
Net change in fund balances.....	7,605	(26,296)	89,405	115,701
Fund balances - January 1.....	<u>142,394</u>	<u>142,394</u>	<u>142,394</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 149,999</u>	<u>\$ 116,098</u>	<u>\$ 231,799</u>	<u>\$ 115,701</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
RECREATION FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales and use.....	\$ 943,522	\$ 943,522	\$ 1,077,789	\$ 134,267
Total revenues.....	<u>943,522</u>	<u>943,522</u>	<u>1,077,789</u>	<u>134,267</u>
EXPENDITURES				
Culture and recreation:				
Recreation and tourism promotion.....	<u>943,522</u>	<u>1,645,722</u>	<u>980,687</u>	<u>665,035</u>
Total expenditures.....	<u>943,522</u>	<u>1,645,722</u>	<u>980,687</u>	<u>665,035</u>
Revenues over (under) expenditures.....	<u>-</u>	<u>(702,200)</u>	<u>97,102</u>	<u>799,302</u>
OTHER FINANCING USES				
Transfers out:				
General fund.....	-	(80,444)	(80,444)	-
Municipal services fund.....	-	(57,276)	(57,276)	-
Visitor's Bureau fund.....	-	(75,000)	(75,000)	-
Council on aging fund.....	<u>-</u>	<u>(410)</u>	<u>(410)</u>	<u>-</u>
Total other financing uses.....	<u>-</u>	<u>(213,130)</u>	<u>(213,130)</u>	<u>-</u>
Net change in fund balances.....	-	(915,330)	(116,028)	799,302
Fund balances - January 1.....	<u>1,030,714</u>	<u>1,030,714</u>	<u>1,030,714</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 1,030,714</u>	<u>\$ 115,384</u>	<u>\$ 914,686</u>	<u>\$ 799,302</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
PLANNING AND DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Charges for services.....	\$ 45,838	\$ 45,838	\$ 46,169	\$ 331
Miscellaneous revenues.....	-	-	105	105
Total revenues.....	<u>45,838</u>	<u>45,838</u>	<u>46,274</u>	<u>436</u>
EXPENDITURES				
General government:				
Planning and development services.....	<u>82,858</u>	<u>89,068</u>	<u>88,370</u>	<u>698</u>
Total expenditures.....	<u>82,858</u>	<u>89,068</u>	<u>88,370</u>	<u>698</u>
Revenues under expenditures.....	<u>(37,020)</u>	<u>(43,230)</u>	<u>(42,096)</u>	<u>1,134</u>
OTHER FINANCING SOURCES (USES)				
Transfers in:				
General fund.....	<u>41,742</u>	<u>41,742</u>	<u>41,742</u>	-
Total transfers in.....	<u>41,742</u>	<u>41,742</u>	<u>41,742</u>	-
Transfers out:				
Municipal services fund.....	<u>(129,979)</u>	<u>(153,530)</u>	<u>(153,530)</u>	-
Total transfers out.....	<u>(129,979)</u>	<u>(153,530)</u>	<u>(153,530)</u>	-
Total other financing sources (uses)...	<u>(88,237)</u>	<u>(111,788)</u>	<u>(111,788)</u>	-
Net change in fund balances.....	(125,257)	(155,018)	(153,884)	1,134
Fund balances - January 1.....	<u>157,980</u>	<u>157,980</u>	<u>157,980</u>	-
Fund balances - December 31.....	<u>\$ 32,723</u>	<u>\$ 2,962</u>	<u>\$ 4,096</u>	<u>\$ 1,134</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
CHILDREN'S JUSTICE CENTER FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Intergovernmental.....	\$ 155,999	\$ 172,538	\$ 142,966	\$ (29,572)
Total revenues.....	<u>155,999</u>	<u>172,538</u>	<u>142,966</u>	<u>(29,572)</u>
EXPENDITURES				
Public safety:				
Children's services.....	<u>153,360</u>	<u>171,939</u>	<u>140,502</u>	<u>31,437</u>
Total expenditures.....	<u>153,360</u>	<u>171,939</u>	<u>140,502</u>	<u>31,437</u>
Revenues over expenditures.....	<u>2,639</u>	<u>599</u>	<u>2,464</u>	<u>1,865</u>
Net change in fund balances.....	2,639	599	2,464	1,865
Fund balances - January 1.....	<u>2,866</u>	<u>2,866</u>	<u>2,866</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 5,505</u>	<u>\$ 3,465</u>	<u>\$ 5,330</u>	<u>\$ 1,865</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
RAPZ TAX FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Sales and use.....	\$ 1,149,163	\$ 1,149,163	\$ 1,141,307	\$ (7,856)
Total revenues.....	<u>1,149,163</u>	<u>1,149,163</u>	<u>1,141,307</u>	<u>(7,856)</u>
EXPENDITURES				
Culture and recreation:				
Programs and projects.....	<u>1,108,722</u>	<u>1,690,334</u>	<u>1,007,780</u>	<u>682,554</u>
Total expenditures.....	<u>1,108,722</u>	<u>1,690,334</u>	<u>1,007,780</u>	<u>682,554</u>
Revenues over (under) expenditures.....	<u>40,441</u>	<u>(541,171)</u>	<u>133,527</u>	<u>674,698</u>
OTHER FINANCING USES				
Transfers out:				
General fund.....	(16,884)	(37,884)	(37,884)	-
Municipal services fund.....	-	(12,021)	(12,021)	-
Council on aging fund.....	-	(39,157)	(39,157)	-
Total other financing uses.....	<u>(16,884)</u>	<u>(89,062)</u>	<u>(89,062)</u>	<u>-</u>
Net change in fund balances.....	23,557	(630,233)	44,465	674,698
Fund balances - January 1.....	<u>1,639,252</u>	<u>1,639,252</u>	<u>1,639,252</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 1,662,809</u>	<u>\$ 1,009,019</u>	<u>\$ 1,683,717</u>	<u>\$ 674,698</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
AMBULANCE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Intergovernmental.....	\$ 557,210	\$ 561,747	\$ 562,037	\$ 290
Miscellaneous income.....	-	-	426	426
Total revenues.....	<u>557,210</u>	<u>561,747</u>	<u>562,463</u>	<u>716</u>
EXPENDITURES				
Public safety:				
Ambulance services.....	<u>551,871</u>	<u>556,488</u>	<u>519,874</u>	<u>36,614</u>
Total expenditures.....	<u>551,871</u>	<u>556,488</u>	<u>519,874</u>	<u>36,614</u>
Revenues over expenditures.....	<u>5,339</u>	<u>5,259</u>	<u>42,589</u>	<u>37,330</u>
Net change in fund balances.....	5,339	5,259	42,589	37,330
Fund balances - January 1.....	<u>179,278</u>	<u>179,278</u>	<u>179,278</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 184,617</u>	<u>\$ 184,537</u>	<u>\$ 221,867</u>	<u>\$ 37,330</u>

C A C H E C O U N T Y

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Other revenues:				
Interest income.....	\$ -	\$ -	\$ -	\$ -
Total revenues.....	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Debt service:				
Principal.....	955,499	955,499	955,499	-
Interest	<u>533,269</u>	<u>533,269</u>	<u>533,267</u>	<u>2</u>
Total expenditures.....	<u>1,488,768</u>	<u>1,488,768</u>	<u>1,488,766</u>	<u>2</u>
Revenues under expenditures.....	<u>(1,488,768)</u>	<u>(1,488,768)</u>	<u>(1,488,766)</u>	<u>2</u>
OTHER FINANCING SOURCES				
Transfers in:				
General fund.....	<u>1,481,618</u>	<u>1,481,618</u>	<u>1,481,618</u>	<u>-</u>
Total other financing sources.....	<u>1,481,618</u>	<u>1,481,618</u>	<u>1,481,618</u>	<u>-</u>
Net change in fund balances.....	(7,150)	(7,150)	(7,148)	2
Fund balances - January 1.....	<u>160,535</u>	<u>160,535</u>	<u>160,535</u>	<u>-</u>
Fund balances - December 31.....	<u>\$ 153,385</u>	<u>\$ 153,385</u>	<u>\$ 153,387</u>	<u>\$ 2</u>

C A C H E C O U N T Y

**COMBINING SCHEDULE OF FIDUCIARY NET ASSETS
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

	<u>Fee Trust Fund</u>	<u>Health Department 125 Plan</u>	<u>Treasurer's Tax Fund</u>	<u>Total Agency Funds</u>
ASSETS				
Cash and cash equivalents.....	\$ -	\$ 12,017	\$ 26,698,561	\$ 26,710,578
Equity in investment pool.....	140,961	-	-	140,961
Taxes receivable.....	-	-	824,889	824,889
Total assets.....	<u>\$ 140,961</u>	<u>\$ 12,017</u>	<u>\$ 27,523,450</u>	<u>\$ 27,676,428</u>
LIABILITIES				
Due to other taxing units.....	\$ -	\$ -	\$ 26,834,536	\$ 26,834,536
Due to employees.....	-	12,017	-	12,017
Refunds payable.....	-	-	688,914	688,914
Other payables.....	140,961	-	-	140,961
Total liabilities.....	<u>\$ 140,961</u>	<u>\$ 12,017</u>	<u>\$ 27,523,450</u>	<u>\$ 27,676,428</u>

C A C H E C O U N T Y

TREASURER'S TAX FUND SCHEDULE OF TAXES CHARGED, COLLECTED, AND DISBURSED FOR THE YEAR ENDED DECEMBER 31, 2011

1	2	3	4	5	6	7	8	CURRENT YEAR TAXES		
								9	10	11
Taxing Entities	Year-End Real Property Value	Year-End Centrally Assessed Property Value	Total Real and Centrally Assessed RDA Value	Total Adjusted Real and Centrally Assessed Value (2 + 3 - 4)	Year-End Personal Property Value	Personal Property RDA Value	Total Adjusted Personal Property Value (6 - 7)	Total Adjusted Value (5 + 8)	Current Year Real & Centrally Assessed Prop. Tax Rate	Prior Year Personal Property Tax Rate
County Funds										
Cache County General Fund	4,825,721,000	279,452,440	204,977,053	4,900,196,387	403,009,884	75,450,123	327,559,761	5,227,756,148	0.001697	0.001672
Cache County Health	4,825,721,000	279,452,440	204,977,053	4,900,196,387	403,009,884	75,450,123	327,559,761	5,227,756,148	0.000144	0.000142
Multi-County Assessing/Coll	4,825,721,000	279,452,440	-	5,105,173,440	403,009,884	-	403,009,884	5,508,183,324	0.000172	0.000162
County Assessing/Collecting	4,825,721,000	279,452,440	-	5,105,173,440	403,009,884	-	403,009,884	5,508,183,324	0.000322	0.000318
Cities and Towns										
Amalga	26,675,930	1,074,770	-	27,750,700	8,847,900	-	8,847,900	36,598,600	0.000649	0.000639
Clarkston	18,151,525	729,170	-	18,880,695	44,390	-	44,390	18,925,085	0.001828	0.001769
Cornish	9,936,695	3,396,750	-	13,333,445	12,929	-	12,929	13,346,374	0.002070	0.002029
Hyde Park	207,494,130	2,955,290	-	210,449,420	5,296,795	-	5,296,795	215,746,215	0.001047	0.001012
Hyrum	229,438,490	2,961,595	-	232,400,085	15,326,245	-	15,326,245	247,726,330	0.001702	0.001658
Lewiston	74,853,920	4,578,480	-	79,432,400	9,518,750	-	9,518,750	88,951,150	0.002273	0.002152
Logan	1,835,732,050	32,269,850	189,230,365	1,678,771,535	254,274,038	68,662,312	185,621,726	1,864,393,261	0.002321	0.002296
Mendon	45,365,755	963,320	-	46,329,075	287,433	-	287,433	46,616,508	0.001757	0.001684
Millville	76,084,135	1,868,950	-	77,953,085	1,438,987	-	1,438,987	79,392,072	0.000695	0.000678
Newton	24,951,900	719,685	-	25,671,585	370,408	-	370,408	26,041,993	0.001281	0.001236
Nibley	201,201,980	4,883,940	-	206,085,920	3,365,509	-	3,365,509	209,451,429	0.001667	0.001587
North Logan	537,269,740	7,905,275	-	545,175,015	26,916,324	-	26,916,324	572,091,339	0.001765	0.001759
Paradise	36,105,815	1,098,965	-	37,204,780	407,045	-	407,045	37,611,825	0.001085	0.001052
Providence	353,235,920	5,351,900	-	358,587,820	7,246,212	-	7,246,212	365,834,032	0.001430	0.001124
Richmond	84,952,520	3,757,175	-	88,709,695	5,204,160	-	5,204,160	93,913,855	0.001111	0.001102
River Heights	63,950,805	969,830	-	64,920,635	418,892	-	418,892	65,339,527	0.001333	0.001284
Smithfield	376,892,045	8,952,175	15,746,688	370,097,532	18,540,182	6,797,811	11,742,371	381,839,903	0.001671	0.001364
Trenton	17,778,515	2,920,280	-	20,698,795	541,885	-	541,885	21,240,680	0.000754	0.000751
Wellsville	130,927,310	4,562,730	-	135,490,040	1,076,845	-	1,076,845	136,566,885	0.001187	0.001154
Special Districts										
Drainage #3	-	-	-	-	-	-	-	-	1.000000	1.000000
Drainage #4	-	-	-	-	-	-	-	-	3.000000	3.000000
Drainage #5	-	-	-	-	-	-	-	-	1.000000	1.000000
Drainage #6	-	-	-	-	-	-	-	-	0.500000	0.500000
Wellsville / Mendon Water	-	-	-	-	-	-	-	-	19.000000	19.000000
Noxious Weeds	-	-	-	-	-	-	-	-	1.000000	1.000000
Garbage	-	-	-	-	-	-	-	-	1.000000	1.000000
Greenbelt Rollback	-	-	-	-	-	-	-	-	1.000000	1.000000
Logan Special Improve #1	-	-	-	-	-	-	-	-	1.000000	1.000000
Logan Special Improve #2	-	-	-	-	-	-	-	-	1.000000	1.000000
Logan Business Improvement	-	-	-	-	-	-	-	-	1.000000	1.000000
Logan Temple Improvement	-	-	-	-	-	-	-	-	1.000000	1.000000
Logan 600 W 100 S Improve.	-	-	-	-	-	-	-	-	1.000000	1.000000
State Assessed Revision	-	-	-	-	-	-	-	-	1.000000	1.000000
Penalty	-	-	-	-	-	-	-	-	1.000000	1.000000
Delinquent Benson Culinary	-	-	-	-	-	-	-	-	1.000000	1.000000
Powder Mountain	2,009,290	46,550	-	2,055,840	4,631,736	-	4,631,736	6,687,576	0.000453	0.000413
Cache Mosquito Abatement	2,851,341,865	243,048,165	15,746,688	3,078,643,342	147,909,909	6,797,811	141,112,098	3,219,755,440	0.000088	0.000085
Mosquito Abatement	38,590,465	2,065,630	-	40,656,095	-	-	40,656,095	0.000249	0.000243	
Benson Culinary H2O	26,825,395	1,837,535	-	28,662,930	46,085	-	46,085	28,709,015	0.000000	0.000000
Cache Valley Transit District	3,986,187,120	76,093,375	-	4,062,280,495	347,546,094	-	347,546,094	4,409,826,589	0.000000	0.000000
Cemetery Districts										
Avon Cemetery	57,064,545	65,131,745	-	122,196,290	4,652,901	-	4,652,901	126,849,191	0.000130	0.000135
Cornish Cemetery	11,848,805	16,378,085	-	28,226,890	12,929	-	12,929	28,239,819	0.000356	0.000356
Hyde Park Cemetery	304,214,705	5,007,115	-	309,221,820	6,045,075	-	6,045,075	315,266,895	0.000211	0.000205
Millville/Nibley Cemetery	250,635,045	8,058,795	-	258,694,440	4,804,496	-	4,804,496	263,498,936	0.000103	0.000097
Newton Cemetery	381,146,345	12,371,710	-	505,518,055	370,408	-	370,408	508,888,463	0.000098	0.000094
Paradise Cemetery	75,083,445	31,644,950	-	106,728,395	407,045	-	407,045	107,135,440	0.000096	0.000094
Richmond Cemetery	147,191,405	10,706,725	-	157,898,130	17,132,795	-	17,132,795	175,030,925	0.000129	0.000128
School Districts										
Cache County Schools	3,054,904,700	247,630,110	32,962,025	3,269,572,785	152,568,450	4,521,243	148,047,207	3,417,619,992	0.005381	0.004969
Cache Statewide Schools	3,054,904,700	247,630,110	32,962,025	3,269,572,785	152,568,450	4,521,243	148,047,207	3,417,619,992	0.001591	0.001495
Logan City Schools	1,770,816,300	31,822,330	172,015,028	1,630,623,602	250,441,434	70,928,880	179,512,554	1,810,136,156	0.006694	0.006373
Logan Statewide Schools	1,770,816,300	31,822,330	172,015,028	1,630,623,602	250,441,434	70,928,880	179,512,554	1,810,136,156	0.001591	0.001495
Redevelopment Districts										
Cache County	-	-	(204,977,053)	204,977,053	-	(68,870,291)	68,870,291	273,847,344	0.001841	0.001814
Logan City	-	-	(189,230,365)	189,230,365	-	(62,072,479)	62,072,479	251,302,844	0.002321	0.002296
Smithfield City	-	-	(15,746,688)	15,746,688	-	(29,303,569)	29,303,569	45,050,257	0.001671	0.001364
Logan City Schools	-	-	(172,015,028)	172,015,028	-	(64,349,048)	64,349,048	236,364,076	0.008285	0.007868
Cache County Schools	-	-	(32,962,025)	32,962,025	-	(4,521,243)	4,521,243	37,483,268	0.006972	0.006464
Cache Mosquito Abatement	-	-	(15,746,688)	15,746,688	-	(4,521,243)	4,521,243	20,267,931	0.000088	0.000085
TOTALS										

12 Real & Centrally Assessed Prop. Taxes Charged (5 x 10)	13 Personal Property Taxes Charged (8 x 11)	14 Total Taxes Charged (12 + 13)	15-18 Treasurer's Relief				19 Taxes Collected (14 - 18)	20 Annual Collection Rate (19 + 14)	21 Fee-in-lieu	22 Misc. Collections	23-24 Delinquencies	
			Unpaid Taxes	Abatements	Other	Total Relief (15 + 16 + 17)					Tax	Interest / Penalty
8,315,633	547,680	8,863,313	384,253	60,648	9,633	454,534	8,408,779	94.87%	855,757	102,241	322,900	108,956
705,628	46,513	752,141	32,606	5,146	818	38,570	713,571	94.87%	72,679	8,681	27,526	880
878,090	65,288	943,378	38,946	6,147	955	46,048	897,330	95.12%	82,887	10,329	29,234	876
1,643,866	128,157	1,772,023	72,911	11,508	1,830	86,249	1,685,774	95.13%	162,759	19,996	60,640	1,905
18,010	5,654	23,664	437	15	4	456	23,208	98.07%	1,861	134	485	24
34,514	79	34,593	862	598	5	1,465	33,128	95.77%	6,637	(52)	242	7
27,600	26	27,626	527	116	34	677	26,949	97.55%	2,182	577	380	7
220,341	5,360	225,701	11,382	1,901	19	13,302	212,399	94.11%	24,925	4,678	4,737	147
395,545	25,411	420,956	17,677	4,428	279	22,384	398,572	94.68%	57,843	2,361	20,453	561
180,550	20,484	201,034	4,918	1,413	239	6,570	194,464	96.73%	18,909	1,317	3,420	52
3,896,429	426,187	4,322,616	197,293	29,595	9,496	236,384	4,086,232	94.53%	352,402	30,494	156,485	5,268
81,400	484	81,884	1,423	1,139	26	2,588	79,296	96.84%	13,269	4,829	2,641	127
54,177	976	55,153	821	328	7	1,156	53,997	97.90%	7,927	347	913	16
32,885	458	33,343	829	704	4	1,537	31,806	95.39%	5,594	156	970	28
343,545	5,341	348,886	28,563	2,305	99	30,967	317,919	91.12%	38,169	2,198	14,529	350
962,234	47,346	1,009,580	44,628	4,074	427	49,129	960,451	95.13%	73,949	22,885	48,098	1,231
40,367	428	40,795	1,726	806	67	2,599	38,196	93.63%	7,647	215	402	12
512,781	8,145	520,926	35,123	4,122	27	39,272	481,654	92.46%	50,859	3,578	12,487	345
98,556	5,735	104,291	3,021	1,235	59	4,315	99,976	95.86%	13,999	1,517	2,123	71
86,539	538	87,077	1,716	908	5	2,629	84,448	96.98%	12,242	495	1,060	25
618,433	16,017	634,450	19,973	6,891	383	27,247	607,203	95.71%	72,923	2,870	26,822	1,125
15,607	407	16,014	388	66	21	475	15,539	97.03%	1,937	236	302	27
160,827	1,243	162,070	3,574	1,466	17	5,057	157,013	96.88%	30,113	1,816	6,287	213
1,563	-	1,563	10	-	-	10	1,553	99.36%	-	-	-	-
4,821	-	4,821	80	-	-	80	4,741	98.34%	-	-	77	-
1,695	-	1,695	15	-	-	15	1,680	99.12%	-	-	10	-
5,550	-	5,550	184	-	-	184	5,366	96.68%	-	-	184	-
137,916	-	137,916	3,241	-	-	3,241	134,675	97.65%	-	-	2,795	-
889	-	889	-	-	-	889	889	100.00%	-	-	-	-
38,129	-	38,129	26,957	-	-	26,957	11,172	29.30%	-	-	8,432	-
69,630	-	69,630	-	-	-	-	69,630	100.00%	-	-	-	-
21,671	-	21,671	4,698	-	-	4,698	16,973	78.32%	-	-	-	-
17,160	-	17,160	-	-	-	-	17,160	100.00%	-	-	-	-
23,468	-	23,468	5,896	-	-	5,896	17,572	74.88%	-	-	540	-
7,063	-	7,063	-	-	-	7,063	7,063	100.00%	-	-	-	-
3,481	-	3,481	482	-	-	482	2,999	86.16%	-	-	-	-
8	-	8	-	-	-	-	8	100.00%	-	-	-	-
211	-	211	11	-	-	11	200	94.79%	-	-	-	-
6,920	-	6,920	2,002	-	-	2,002	4,918	71.07%	-	-	-	-
931	1,913	2,844	73	-	-	73	2,771	97.43%	-	15	719	4
270,921	11,995	282,916	12,071	1,881	133	14,085	268,831	95.02%	28,797	3,736	9,673	284
10,123	-	10,123	343	47	2	392	9,731	96.13%	596	351	208	7
-	-	-	-	-	-	-	-	0.00%	-	-	-	-
-	-	-	-	-	-	-	-	0.00%	-	-	-	-
15,886	628	16,514	1,008	18	1	1,027	15,487	93.78%	199	53	1,020	16
10,049	5	10,054	91	20	41	152	9,902	98.49%	424	130	67	1
65,246	1,239	66,485	3,468	483	6	3,957	62,528	94.05%	6,691	1,029	1,832	46
26,646	466	27,112	1,014	170	8	1,192	25,920	95.60%	3,419	167	813	18
4,951	35	4,986	117	61	6	184	4,802	96.31%	501	114	178	7
10,246	38	10,284	386	71	7	464	9,820	95.49%	916	69	277	15
20,369	2,193	22,562	751	147	9	907	21,655	95.98%	2,138	314	423	12
17,593,571	735,647	18,329,218	807,997	124,676	8,598	941,271	17,387,947	94.86%	1,785,293	256,340	648,774	19,317
5,201,890	221,331	5,423,221	238,900	36,863	2,558	278,321	5,144,900	94.87%	537,124	76,434	191,525	5,582
10,915,394	1,144,034	12,059,428	510,576	84,135	26,549	621,260	11,438,168	94.85%	972,196	70,927	388,487	13,762
2,594,322	268,371	2,862,693	121,351	19,997	6,266	147,614	2,715,079	94.84%	228,108	16,666	90,003	3,142
377,363	124,931	502,294	-	-	-	-	502,294	100.00%	-	-	-	-
439,204	142,518	581,722	-	-	-	-	581,722	100.00%	-	-	-	-
26,313	39,970	66,283	-	-	-	-	66,283	100.00%	-	-	-	-
1,425,145	506,298	1,931,443	-	-	-	-	1,931,443	100.00%	-	-	-	-
229,811	29,225	259,036	-	-	-	-	259,036	100.00%	-	-	-	-
1,386	384	1,770	-	-	-	-	1,770	100.00%	-	-	-	-
\$ 58,903,501	\$ 4,589,178	\$ 63,492,679	\$ 2,645,319	\$ 414,128	\$ 68,638	\$ 3,128,085	\$ 60,364,594	95.07%	\$ 5,533,871	\$ 648,243	\$ 2,089,173	\$ 164,466

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COMPONENT UNITS

C A C H E C O U N T Y

**COMBINING STATEMENT OF NET ASSETS
NORTH PARK INTERLOCAL COOPERATIVE
AS OF DECEMBER 31, 2011**

	2011		
	North Park Interlocal Cooperative	Bridgerland Community Ice Arena	Total
ASSETS			
Cash and cash equivalents.....	\$ 131	\$ 241,148	\$ 241,279
Accounts receivable, net.....	-	14,892	14,892
Pledges receivable, net.....	-	58,528	58,528
Restricted cash and investments.....	202	-	202
Inventory.....	-	21,342	21,342
Other assets.....	-	284,276	284,276
Noncurrent pledges receivable, net.....	-	18,625	18,625
Capital assets:			
Buildings, improvements and equipment.....	4,516,695	405,444	4,922,139
Accumulated depreciation.....	<u>(967,635)</u>	<u>(235,504)</u>	<u>(1,203,139)</u>
Total assets.....	<u>3,549,393</u>	<u>808,751</u>	<u>4,358,144</u>
LIABILITIES			
Accounts payable and accrued liabilities.....	<u>-</u>	<u>24,636</u>	<u>24,636</u>
Noncurrent liabilities:			
Due within one year.....	-	50,000	50,000
Due in more than one year.....	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities.....	<u>-</u>	<u>74,636</u>	<u>74,636</u>
NET ASSETS			
Invested in capital assets, net of related debt....	3,549,060	119,940	3,669,000
Restricted for:			
Capital projects.....	-	149,089	149,089
Debt service.....	202	-	202
Other purposes.....	-	304,969	304,969
Unrestricted.....	<u>131</u>	<u>160,117</u>	<u>160,248</u>
Total net assets.....	<u>\$ 3,549,393</u>	<u>\$ 734,115</u>	<u>\$ 4,283,508</u>

C A C H E C O U N T Y

COMBINING STATEMENT OF ACTIVITIES
 NORTH PARK INTERLOCAL COOPERATIVE
 FOR THE YEAR ENDED DECEMBER 31, 2011

	2011		
	North Park Interlocal Cooperative	Bridgerland Community Ice Arena	Total
Expenses.....	\$ 135,882	\$ 700,792	\$ 836,674
Program revenues			
Charges for services.....	-	459,971	459,971
Operating grants and contributions.....	-	320,141	320,141
Total program revenues.....	-	780,112	780,112
Net revenues (expenses).....	(135,882)	79,320	(56,562)
General revenues			
Interest income.....	42	1,741	1,783
Total general revenues.....	42	1,741	1,783
Change in net assets.....	(135,840)	81,061	(54,779)
Net assets - beginning.....	3,685,233	653,054	4,338,287
Net assets - ending.....	\$ 3,549,393	\$ 734,115	\$ 4,283,508

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CACHE COUNTY
SINGLE AUDIT REPORTS

C A C H E C O U N T Y

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
U.S. Department of Agriculture (USDA)			
<i>Direct Program</i>			
Secure Rural School-Title I	10.665	FY2011	37,839
Secure Rural Schools-Title III	10.665	FY2011	226,735
NRCS Canal Project	10.923	10-16-01	56,853
<i>Passed through Bear River Association of Governments</i>			
Elderly Feeding Program, Cash-In-Lieu	10.550	FY 10-11	2,855
<i>Passed through Utah Department of Health</i>			
Special Supplemental Food Program for Women, Infants and Children:			
Food Vouchers 2011	10.557	C7	2,112,524
Food Vouchers 2012	10.557	C7	711,204
Administrative Costs 2011	10.557	C7	751,789
Administrative Costs 2012	10.557	C7	231,821
Summer Food 2012	10.559	C6-IV	200
Total USDA			4,131,820
U.S. Environmental Protection Agency (EPA)			
<i>Direct Program</i>			
DEQ Drinking Water 2011	66.468	050580	5,655
DEQ Drinking Water 2012	66.468	120203	5,655
DEQ Environmental Services 2011	66.605	050580	3,000
DEQ Environmental Services 2012	66.605	120203	3,000
Total EPA			17,310
U.S. Department of Health & Human Services (HHS)			
<i>Passed through Bear River Association of Governments</i>			
<i>Aging Cluster</i>			
Special Programs for Aging, Title III, Part B	93.044	FY 10-11	15,075
Special Programs for Aging, Title III, Part B	93.044	FY 11-12	30,318
Special Programs for Aging, CMM Title III, Part C1	93.045	FY 10-11	15,142
Special Programs for Aging, CMM Title III, Part C1	93.045	FY 11-12	38,855
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 10-11	18,725
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 11-12	44,807
Special Programs for Aging, IIID PHP	93.045	FY 11-12	1,000
Health Insurance Counseling	93.779	FY 10-11	3,917
Title XX Discretionary Fund	93.667	FY 10-11	4,600

C A C H E C O U N T Y

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
<i>Passed through State Department of Health</i>			
General Federal Block MHF	93.958	092576	106,995
Federal Block Children MHX	93.958	092576	27,976
<i>Passed through Utah Department of Health and Human Services</i>			
HAI 2012	93.521	111801	9,258
NAACHO 2010	93.008	MRC 10 473	5,000
NAACHO 2011	93.008	MRC 11 2333	5,000
NAACHO 2012	93.008	MRC 11 158	5,000
H1N1	93.069	101119	83,568
Bioterrorism Grant 2011	93.069	C8	194,626
Bioterrorism Grant 2012	93.069	C8	135,090
Regional EPI 2011	93.069	C8	26,733
Regional EPI 2012	93.069	C8	34,315
TB Elimination 2010	93.116	C5-I	3,942
Immunization 2011	93.268	C5-V	49,021
Immunization 2012	93.268	C5-V	24,257
Immunization ARRA	93.712	C5-V	25,811
Drug Free Communities 2011	93.276	IH79SP015878-02	84,411
Drug Free Communities 2012	93.276	IH79SP015878-03	19,530
Arthritis 2011	93.283	C3-IX	5,000
Arthritis 2012	93.283	C3-IX	5,000
Cancer Control 2011	93.283	C3-I	25,834
Cancer Control 2012	93.283	C3-I	24,592
Tobacco Control Core Capacity Building 2011	93.283	C3-V	27,455
Tobacco Control Core Capacity Building 2012	93.283	C3-V	19,346
TB Special Populations 2011	93.566	C5-IV	20,000
Case Management 2011	93.778	CI-II	61,414
Case Management 2012	93.778	CI-II	66,443
CHEC 2011	93.778	CI-I	22,365
CHEC 2012	93.778	CI-I	18,238
State Medical Reserve Corp. 2011	93.889	C8	8,719
State Medical Reserve Corp. 2012	93.889	C8	7,141
Regional Healthcare Preparedness 2011	93.889	C8	115,905
Regional Healthcare Preparedness 2012	93.889	C8	131,725
AIDS/HIV 2011	93.940	C5-III	1,300
AIDS/HIV 2012	93.940	C5-III	4,881

C A C H E C O U N T Y

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
Substance Abuse - SAPT Block Grant 2011	93-959	092177	203,713
Substance Abuse - SAPT Block Grant 2012	93-959	092177	513,624
STD Basic 2011	93-977	C5-II	4,200
Diabetes 2011	93-988	C3-VI	3,873
Diabetes 2012	93-988	C3-VI	4,048
Injury Prevention 2011	93-991	C3-III	6,872
Injury Prevention 2012	93-991	C3-III	14,850
Preventative Block Grant (Cardio) 2011	93-991	C3-II	7,080
Preventative Block Grant (Cardio) 2012	93-991	C3-II	13,184
Home Visitation 2011	93-994	C4-I	9,328
Home Visitation 2012	93-994	C4-I	9,600
Maternal & Child Health 2011	93-994	C4-I	47,099
Maternal & Child Health 2012	93-994	C4-I	47,099
MCH Community Injury 2011	93-994	C3-III	19,205
MCH Community Injury 2012	93-994	C3-III	14,027
Prep 2012	93-994	C4-I	7,607
Total HHS			2,503,739
U.S. Dept of Housing and Urban Development (HUD)			
<i>Passed through State Department of Community and Economic Development</i>			
Community Development Block Grant	14.228	10-2467	99,576
Community Development Block Grant	14.228	10-2545	48,026
Total HUD			147,602
U.S. Department of Energy (DOE)			
<i>Direct Program</i>			
Energy Efficiency & Conservation Block Grant (EECBG)	81.128	DE-RW0000101	45,297
Total DOE			45,297
U.S. Department of Justice (DOJ)			
<i>Passed through State Office of the Attorney General</i>			
State Criminal Alien Assistance Program	16.606	2011-AP-BX	41,619
Bulletproof Vest Partnership Program	16.607	DOJ 2009	7,674
Victim Assistance Services Grant	16.575	10-VOCA-04	55,297
Victim Assistance Services Grant	16.575	11-VOCA-04	55,066

C A C H E C O U N T Y

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
Victim Assistance Services Grant	16.575	11-VOCA-05	8,865
Violence Against Women Grant	16.588	10-VAWA-05	22,156
Violence Against Women Grant	16.588	10-VAWA-03	28,115
Violence Against Women Grant	16.588	10-VAWA-04	62,206
ARRA VAWA Recovery	16.588	10WREC15/02	25,905
Edward Byrne Law Enforcement Assistance Grant	16.738	JAG #10a-110	12,664
<i>Passed through the State Department of Justice</i> Substance Abuse - Drug Court 2012	16.585	120185	67,076
Total DOJ			386,643
U.S. Department of Transportation (DOT)			
<i>Direct Program</i>			
Airport Improvement Project #22 S Taxi Lane	20.106	DOT-FA11NM-1066	159,893
<i>Passed through State Department of Transportation</i> Logan Canyon Scenic Byway - Projects	20.205	098288, 098289, 058377	15,937
<i>Passed through State Office of Highway Safety</i>			
Safe Community 2011	20.600	CP110204	26,084
Safe Community 2012	20.600	CP120204	15,182
<i>Passed through State Division of Homeland Security</i> 2010 LEPC Hazardous Materials Planning Grant	20.703	SFM-2008-LEPC-CC	3,168
Total DOT			220,264
The Corporation for National and Community Service (CNCS)			
<i>Direct Program</i>			
Retired Service Volunteer Program	94.002	09SRPUT001	36,265
Total CNCS			36,265

C A C H E C O U N T Y

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
U.S. Department of Homeland Security (DHS)			
<i>Passed through State Department of Public Safety</i>			
2010 HS Grant-State HS Program Grant Allocation	97.067	ODP-FY10	19,671
2011 FEMA Stafford Act - Disaster Public Assistance	97.036	4011 DRUTF	32,137
Emergency Management Performance Grant	97.042	2011 EMPG	27,477
Emergency Management Performance Grant	97.042	2010 EMPG	4,508
Total DHS			83,793
GRAND TOTAL			\$ 7,572,733

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 1 – PURPOSE OF THE SCHEDULE

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements designed to provide expenditure information for each federal program in which the County participated. The schedule is required by 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

A. Basis of Accounting

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

B. CFDA Numbers

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

C. Major Programs

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.

D. Indirect Costs

The Schedule includes a portion of costs associated with general activities that are allocated to federal financial assistance programs using direct labor as a basis of allocation.

E. WIC Checks

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



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

To the Cache County Council
Logan, Utah

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cache County, Utah (the County), as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 10, 2012. 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. Other auditors audited the financial statements of Bridgerland Community Ice Arena (a component unit of North Park Interlocal Cooperative), and Cache County Emergency Medical Service Authority, as described in our report on the County's financial statements. The financial statements of Bridgerland Community Ice Arena were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of the County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses

and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be a material weakness and other deficiencies that we consider to be a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 11-01 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 11-02 to be a significant deficiency.

Compliance and Other Matters

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 other matters that we reported to management of the County in a separate letter dated August 10, 2012.

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the County Council, others within the entity, and 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.



JONES SIMKINS, P.C.
August 10, 2012



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133

To the Cache County Council
Logan, Utah

Compliance

We have audited Cache County, Utah's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. 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 on the County's compliance based on our audit.

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 of the County's compliance with those requirements.

In our opinion, the County, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the 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 the requirements that could have a direct and material effect on a major federal program to determine the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

This report is intended solely for the information and use of management, the County Council, others within the entity, 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.



JONES SIMKINS, P.C.
August 10, 2012

CACHE COUNTY
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011

A. Summary of Audit Findings:

1.	Type of report issued	Unqualified
2.	Internal control over financial reporting: Material weaknesses identified:	Yes – One
	Significant deficiencies identified that were not considered to be material weaknesses:	Yes – One
3.	Non-compliance material to financial statements noted:	No
4.	Internal control over major programs: Material weaknesses identified:	No
	Significant deficiencies identified that were not considered to be material weaknesses:	None reported
5.	Type of auditors’ report issued on compliance for major programs:	Unqualified
6.	Any audit findings disclosed that are required to be reported in accordance with section 510(d) of Circular A-133:	None
7.	Federal programs tested as major programs	WIC 10.557 Violence Against Women Formula Grants 16.588 Public Health Emergency Response 93.069
8.	Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
9.	Auditee qualification as high or low risk	High

CACHE COUNTY
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011

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

Finding 11-01

Criteria: Internal control standards adopted by the Government Accountability Office (GAO) expect that management or employees, in the normal course of performing their assigned functions, will prevent or detect misstatements in account balances prior to their being reported in the financial statements.

Condition: Controls over financial close and reporting are insufficient to prevent misstatements in the presentation of the financial statements. Auditor-proposed adjustments were made to the balances of revenues and associated receivables, expenditures and associated payables, deferred revenues, and fund balance.

Cause: Insufficient monitoring of centralized accounting personnel by management and difficulties experienced as part of the transition to new accounting software.

Effect: The County has a material weakness in internal controls with respect to the accurate recording, reporting, and disclosure of transactions and balances in accordance with Generally Accepted Accounting Principles.

Recommendation: Management should re-establish its financial reporting and year-end financial closing controls as the County completes its software project.

CACHE COUNTY
Schedule of Findings and Questioned Costs
Year Ended December 31, 2011

Finding 11-02

Criteria: Internal control standards adopted by the GAO expect that the individuals charged with governance of an organization establish an effective control environment, assess internal control risks, establish appropriate control activities, document and communicate controls and procedures, and monitor compliance with policies and procedures.

Condition: The County's internal control system is not designed in accordance with the expectations of the GAO.

Cause: The County has elected not to meet all of the internal control expectations established by the GAO.

Effect: The County has a significant deficiency in the design of its internal control processes.

Recommendation: Those charged with governance should continue to evaluate the cost and benefit of improving controls in accordance with GAO expectations.

- C. Findings and questioned costs related to federal awards required to be reported in accordance with OMB Circular A-133.

None

CACHE COUNTY
Summary Schedule of Prior Year Audit Findings
Year Ended December 31, 2011

There were no audit findings in the prior year related to federal awards.

CACHE COUNTY
Corrective Action Plan
(Client Submitted Document)
Year Ended December 31, 2011

Cache County respectfully submits the following response for the findings 11-01 and 11-02 identified in the December 31, 2011 audit:

Response to finding 11-01

Management will review and document its processes of internal control with respect to recording, reporting and disclosure of transactions and balances for presentation in the annual financial statements. Procedures for special situations, including changes in software and other notable changes to processes will also be reviewed. Where necessary, additional controls will be designed and implemented to support timely prevention or detection of errors.

Response to finding 11-02

The County will evaluate the effectiveness of its audit committee and other control activities and processes according to the expectations of the GAO and implement additional controls where practical and cost beneficial.



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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
 WITH STATE LEGAL COMPLIANCE REQUIREMENTS

To the Cache County Council
 Logan, Utah

We have audited Cache County, Utah's (the County) compliance with general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended December 31, 2011. The general compliance requirements applicable to the County are identified as follows:

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

The County received the following major assistance programs from the State of Utah:

- Class B Road Funds (Department of Transportation)
- Liquor Law Enforcement Funds (Tax Commission)
- Mental Health Contracts (Department of Human Services; funds passed through to Bear River Mental Health, Inc., a non-profit corporation which is a subrecipient of the County)

The County also received the following nonmajor 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 the County's financial statements.)

- Children's Justice Center (Attorney General)
- Internet Crimes Against Children (Attorney General)

Emergency Management Program (Department of Public Safety)
State Airport Agreement (Department of Transportation)
Airport Improvement Project (Department of Transportation)
State Transportation (Department of Transportation)
State Services (Department of Human Services)
State Home Delivered Meals (Department of Human Services)
State Nutrition (Department of Human Services)

Compliance with the requirements referred to above is the responsibility of the County's management. 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the major assistance programs or general compliance requirements identified above. 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 of the County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended December 31, 2011.

This report is intended solely for the information and use of the County, the Office of the Utah State Auditor, awarding entities, and other specified parties as applicable and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



JONES SIMKINS, P.C.
August 10, 2012

**SCHEDULE OF EXPENDITURES OF TRANSIENT ROOM TAXES
AND TOURISM, RECREATION, CULTURAL, AND CONVENTION FACILITIES TAXES
FOR THE YEAR ENDED DECEMBER 31, 2011**

Transient Room Tax	
Establishing and promoting:	
Recreation.....	\$ -
Tourism.....	318,996
Film production.....	-
Conventions.....	-
Acquiring, leasing, constructing, furnishing, or operating:	
Convention meeting rooms.....	-
Exhibit halls.....	-
Visitor information centers.....	51,406
Museums.....	-
Related facilities.....	-
Acquiring or leasing land required for or related to:	
Convention meeting rooms.....	-
Exhibit halls.....	-
Visitor information centers.....	-
Museums.....	-
Related facilities.....	-
Mitigation costs.....	
Payment of principal, interest, and premiums on bonds.....	-
Total Transient Room Tax Expenditures.....	<u>\$ 370,402</u>
 Tourism, Recreation, Cultural, and Convention (TRCC) Facilities Taxes	
Financing tourism promotion.....	\$ 243,683
Development, operation, and maintenance of:	
Tourist facilities.....	-
Recreation facilities.....	737,004
Cultural facilities.....	-
Total TRCC Facilities Tax Expenditures.....	<u>\$ 980,687</u>
 Reserves and Pledges	
Reserves on bonds related to TRT funds.....	\$ -
Pledges as security for evidences of indebtedness related to TRCC.....	-
Total Pledges of TRT and TRCC Taxes.....	<u>\$ -</u>