

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

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**City of Logan, Utah  
Fiscal Year Ended, June 30, 2022**

# City of Logan

Annual Comprehensive Financial Report

For the Year Ended June 30, 2022

With Independent Auditor's Report



Prepared by  
City of Logan Finance Department



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## Letter of Transmittal

October 28, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Logan:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards by a firm of licensed Certified Public Accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the City of Logan (City) for the fiscal year ended June 30, 2022.

This report consists of management’s representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report.

To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the City’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert to the best of our knowledge and belief, that this financial report is complete and reliable in all material respects.

The City’s financial statements have been audited by Keddington & Christensen, LLC, a firm of licensed Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City, for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used and significant estimates made by management. The independent auditor’s report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City is part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports can be found as listed in the table of contents.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). MD&A complements this letter of transmittal and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

## Profile of the Government

The City of Logan, Utah was incorporated on January 17, 1866, and is classified as a city of the second class as defined in Title 10 of the Utah Code. The City is located in the northern part of the state. The City currently occupies a land area of 17 square miles and serves a population of 54,436. The City is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City has operated under the mayor-council optional form of government since 1978, having been the first in the state to adopt this form of government. Policy-making and legislative authority are vested in the City Council consisting of five council members. The City Council is responsible for passing ordinances, adopting the budget, appointing committees, and confirming appointments for department heads. The Mayor is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the City, and appointing the heads of the various divisions and departments.

The City Council and Mayor are elected on a non-partisan basis. Both the City Council and Mayor serve four-year terms on a staggered basis. Elections are held every two years with three council seats open during one election and the mayor and two council seats open during the other. All council members and the Mayor are elected at-large.

The City provides many services to residents including construction and maintenance of highways and streets, police, fire, library, cemetery, golf course, water and sewer, electric, sanitation, stormwater management, emergency medical services, and other recreational and cultural services.

Logan is the largest city in Cache County. The valley is known for its beautiful summers and wonderful, cold winters. Bordered on all sides by mountains, Logan offers much to outdoor enthusiasts. Logan is minutes from fishing, mountain biking, hiking, kayaking, and skiing. The City is also host to many cultural activities and festivals.

Utah State University (USU) is located on Logan's east bench. USU is the State's land-grant and space-grant institution.

## Factors Affecting Financial Condition

The City benefits from a varied technological, manufacturing, and industrial base that adds to the relative stability of employment. Logan is the central city to approximately 137,000 inhabitants residing in Logan and the surrounding communities of Cache County.

The City vigilantly encourages and fosters public and private investment in Logan. The City has also taken an active role in the revitalization of the historic downtown.

## Long-Term Financial Planning

The City continues to plan for the future to preserve the quality of life enjoyed by Logan residents and the service levels they have come to expect. The City continues to focus on increasing its investment in capital projects and the replacement of aging infrastructure. Management of the City believes that this will be one of the most critical funding needs for the future.

The City has also established target reserves for each fund to plan for unforeseen events and emergency situations.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely and efficient preparation of this report could not have been accomplished without the dedicated service of the entire staff of the Finance Department. I appreciate K&C, Certified Public Accountants, for the assistance and guidance they have provided to us. I also thank the members of the City Council, the Mayor, and other City personnel for their interest and support.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'R. Anderson', with a stylized flourish at the end.

Richard P. Anderson CPA, CFE, CGFM, CPFO  
Director of Finance



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

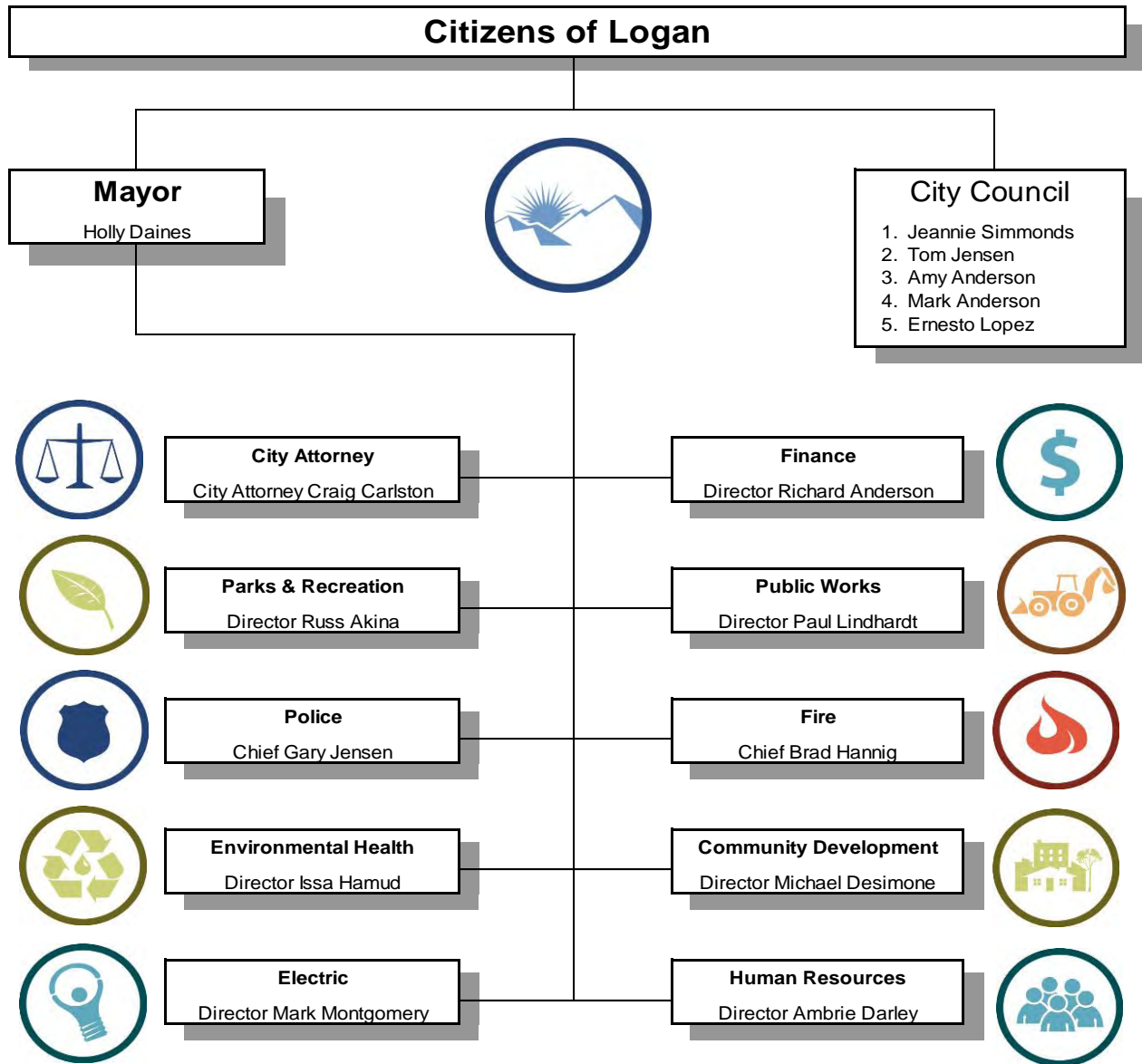
**City of Logan  
Utah**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morrill*

Executive Director/CEO



# Financial Section







CERTIFIED PUBLIC  
ACCOUNTANTS

Gary K. Keddington, CPA  
Marcus K. Arbuckle, CPA  
Steven M. Rowley, CPA

## INDEPENDENT AUDITOR'S REPORT

To the Mayor, City Council, and Audit Committee  
Logan City, Utah

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Logan, Utah (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Logan, Utah, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13-19, budgetary comparison information on pages 66-68, and pension schedules on pages 69-72 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Change in Accounting Principle***

As described in Note 19 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*K&C, CPAs*

K&C, Certified Public Accountants  
Salt Lake City, Utah  
October 28, 2022

The City of Logan's management presents to the readers of its financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the additional information provided in the letter of transmittal, which can be found on page four of this report.

## Financial Highlights

The assets and deferred outflows of resources of the City of Logan (City) exceeded liabilities and deferred inflows of resources at the close of the current fiscal year by \$603,916,996 (net position). Of this amount, \$195,916,341 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.

Net position increased by \$68,217,285.

The City's governmental funds reported a combined ending fund balance of \$98,974,150, an increase of \$21,087,092 in comparison to the prior year. The general fund reported fund balance of \$29,322,646, of which \$16,259,190 is categorized as unassigned.

The City's total bonded debt decreased by \$5,220,000.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains information in addition to the basic financial statements that will help the reader gain a more in-depth understanding of the City.

## Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's financial position, similar to consolidated financial statements in a private-sector business. These statements consist of the statement of net position and the statement of activities.

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

The statement of activities presents information on how net position changed during the current fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement may result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused personal leave).

Both of the government-wide financial statements distinguish between activities that are primarily supported by taxes and intergovernmental revenues (governmental activities) and activities that are primarily financed by user charges and fees (business-type activities). The governmental activities for the City include general government, public safety, public works, parks, recreation, and culture, and debt service interest and fiscal charges. Business-type activities include the golf course, water and sewer, sewer treatment, electric, environmental health, storm water management, and emergency medical services.

The government-wide financial statements can be found immediately following this discussion and analysis.

## Fund Financial Statements

A fund is a separate set of accounts used to control resources that have been segregated for a specific purpose. The City uses fund accounting to demonstrate compliance with legal and finance-related requirements.

## Governmental Funds

Governmental funds are used to account for essentially the same activities reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of financial resources and the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the reader may be able to better understand the long-term impact of near-term financing decisions. Reconciliations from the governmental fund statements to the government-wide statements are provided to aid in the comparison.

The City maintains 10 individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, library, redevelopment agency, and capital projects funds, which are considered to be major funds. Information for the other governmental funds is combined into a single, aggregated column. Individual presentations for each of the nonmajor governmental funds are provided in the form of combining statements in the supplementary information section of this report as listed in the table of contents.

The City adopts annual appropriated budgets for its general, library, redevelopment agency, and capital projects funds. Budgetary comparison schedules are provided to demonstrate compliance with budgetary requirements. These schedules can be found in the required supplementary information section of this report as listed in the table of contents.

The basic governmental fund financial statements can be found as listed in the table of contents.

## Proprietary Funds

The City utilizes two different types of proprietary funds: Enterprise funds and internal service funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its golf course, water and sewer, sewer treatment, electric, environmental health, storm water management, and emergency medical services operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. Internal service funds are used to account for information technology, risk management, and health management operations. Because information technology, risk management, and health management support primarily governmental rather than business-type activities, these funds have been included within governmental activities in the government-wide financial statements.

Proprietary funds present the same type of information as the government-wide financial statements, except in greater detail. The proprietary fund financial statements provide separate information for the golf course, water and sewer, sewer treatment, electric, environmental health, storm water management, and emergency medical services funds, which are considered to be major funds. Internal service funds are presented as a single, aggregated presentation in the proprietary fund financial statements. Individual presentations for each of the internal service funds are provided in the form of combining statements in the supplementary information section of this report as listed in the table of contents.

The basic proprietary fund financial statements can be found as listed in the table of contents.

## Notes to the Financial Statements

The notes to the financial statements provide information that is essential to a full understanding of the information provided in the government-wide and fund financial statements. The notes to the financial statements can be found as listed in the table of contents.

City of Logan's Net Position

	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 127,025,643	\$ 101,998,633	\$ 142,790,530	\$ 146,554,144	\$ 269,816,173	\$ 248,552,777
Capital assets	132,481,063	116,793,282	346,238,308	322,474,679	478,719,371	439,267,961
Total assets	259,506,706	218,791,915	489,028,838	469,028,823	748,535,544	687,820,738
Total deferred outflows of resources	3,318,555	2,901,582	1,837,867	1,448,312	5,156,422	4,349,894
Current liabilities	10,823,630	13,684,064	14,932,330	20,339,495	25,755,960	34,023,559
Noncurrent liabilities	432,503	4,080,815	98,906,087	103,205,938	99,338,590	107,286,753
Total liabilities	11,256,133	17,764,879	113,838,417	123,545,433	125,094,550	141,310,312
Total deferred inflows of resources	18,291,104	11,858,871	6,389,316	3,301,738	24,680,420	15,160,609
Net position:						
Net investment in capital assets	132,481,063	116,793,282	248,026,553	219,531,004	380,507,616	336,324,286
Restricted	791,897	20,495,504	8,392,695	24,298,268	9,184,592	44,793,772
Unrestricted	100,005,064	54,780,961	114,219,724	99,800,692	214,224,788	154,581,653
Total net position	\$ 233,278,024	\$ 192,069,747	\$ 370,638,972	\$ 343,629,964	\$ 603,916,996	\$ 535,699,711

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$603,916,996 at the close of the current fiscal year.

The largest portion of the City’s net position is invested in capital assets (e.g., land, buildings, infrastructure, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens who live, work, pass through, or benefit in other ways from the City. By their nature, these assets are not available for future spending. Although the City’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt typically must be provided from other sources, since the assets themselves are not typically used to liquidate these liabilities.

An additional part of net position is assets that are subject to external restrictions on how they may be expended (e.g., debt service, capital projects, etc.). The remaining unrestricted net position can be used to meet the City’s ongoing obligations to its citizens and creditors.

	City of Logan's Changes in Net Position					
	Governmental		Business-Type		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 10,101,864	\$ 7,884,373	\$ 95,319,142	\$ 88,120,618	\$ 105,421,006	\$ 96,004,991
Operating grants and contributions	5,953,318	5,570,855	133,200	-	6,086,518	5,570,855
Capital grants and contributions	10,200,949	11,788,539	5,050,638	6,075,951	15,251,587	17,864,490
General revenues:						
Property tax	5,376,748	5,203,494	-	-	5,376,748	5,203,494
Sales tax	23,603,791	20,996,691	-	-	23,603,791	20,996,691
Franchise tax	6,806,812	6,080,603	-	-	6,806,812	6,080,603
Grants and contributions not restricted to specific programs	10,397,905	3,576,364	-	-	10,397,905	3,576,364
Other	1,287,445	2,321,619	380,306	424,893	1,667,751	2,746,512
Total revenues	<u>73,728,832</u>	<u>63,422,538</u>	<u>100,883,286</u>	<u>94,621,462</u>	<u>174,612,118</u>	<u>158,044,000</u>
Expenses:						
General government	8,485,905	9,287,873	-	-	8,485,905	9,287,873
Public safety	15,952,817	16,425,419	-	-	15,952,817	16,425,419
Public works	7,296,884	5,857,380	-	-	7,296,884	5,857,380
Parks, recreation, and culture	6,591,662	6,109,041	-	-	6,591,662	6,109,041
Interest and fiscal charges	67,600	-	-	-	67,600	-
Golf course	-	-	1,341,876	1,286,314	1,341,876	1,286,314
Water and sewer	-	-	7,749,545	7,658,926	7,749,545	7,658,926
Sewer treatment	-	-	4,198,561	2,743,381	4,198,561	2,743,381
Electric	-	-	34,308,772	30,480,234	34,308,772	30,480,234
Environmental health	-	-	15,779,168	15,239,868	15,779,168	15,239,868
Storm water management	-	-	1,654,414	1,722,135	1,654,414	1,722,135
Emergency medical services	-	-	2,967,629	1,002,222	2,967,629	1,002,222
Total expenses	<u>38,394,868</u>	<u>37,679,713</u>	<u>67,999,965</u>	<u>60,133,080</u>	<u>106,394,833</u>	<u>97,812,793</u>
Increase (decrease) in net position, before transfers and special item	35,333,964	25,742,825	32,883,321	34,488,382	68,217,285	60,231,207
Special item	-	-	-	2,199,211	-	2,199,211
Transfers	5,874,313	5,575,301	(5,874,313)	(5,575,301)	-	-
Increase (decrease) in net position	41,208,277	31,318,126	27,009,008	31,112,292	68,217,285	62,430,418
Net position, beginning	192,069,747	160,751,621	343,629,964	312,517,672	535,699,711	473,269,293
Net position, ending	<u>\$ 233,278,024</u>	<u>\$ 192,069,747</u>	<u>\$ 370,638,972</u>	<u>\$ 343,629,964</u>	<u>\$ 603,916,996</u>	<u>\$ 535,699,711</u>

## Governmental Activities

Governmental activities net position increased by \$41,208,277 for the current fiscal year. Key elements of this increase are as follows:

- Net investment in capital assets increased by approximately \$15,685,000. This increase is composed of new investment in capital assets as well as the retirement of outstanding debt on existing assets, net of depreciation.
- Restricted net position decreased by approximately \$1,395,000, due to restricted resources being used to complete capital projects.
- Unrestricted net position increased by approximately \$26,915,000, due to a conservative approach to budgeting and spending.

## Business-Type Activities

Business-type activities net position increased by \$27,009,008 for the current fiscal year. Key elements of this increase are as follows:

- The golf course fund net position increased by approximately \$300,000 due to increased revenue at the golf course.
- The water and sewer fund net position increased by approximately \$10,010,000 due to conservative management and budgeting, and a planned increase in reserves to help fund future capital projects.

- The sewer treatment fund net position increased by approximately \$8,605,000. This increase is due to a planned investment in a mechanical sewer treatment plant.
- The electric fund net position increased by approximately \$2,270,000. This increase is due to assets that are being invested in capital projects.
- The environmental health fund net position increased by approximately \$2,350,000.
- The storm water management fund net position increased by approximately \$1,100,000.
- The emergency medical services fund net position increased by approximately \$2,185,000. This was the first full year of operations for this fund.

## Financial Analysis of the City of Logan's Funds

As noted earlier, the City uses fund accounting to demonstrate compliance with legal or finance-related requirements.

### Governmental Funds

The focus of the City's governmental funds is to provide information on the near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. Nonspendable fund balance includes amounts that cannot be spent for legal or practical reasons. Examples include long-term notes receivable and inventory. Restricted fund balance includes amounts restricted to specific purposes by external parties such as amounts restricted for debt service. Committed fund balance includes amounts that have been set aside by the City Council for a specific purpose prior to the end of the fiscal year. Assigned fund balance includes amounts that have been set aside by the City Council for a specific purpose, but subsequent to the end of the fiscal year. Unassigned fund balance includes all remaining amounts.

As of the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$98,974,150, with an increase of \$21,087,092 compared to the prior fiscal year. Of the total balance, \$8,680 is nonspendable, \$19,100,344 is restricted, \$64,761,689 is committed, \$1,137,411 is assigned, and \$13,966,026 is unassigned.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, the general fund reported a fund balance of \$29,322,646, of which \$8,680 is nonspendable, \$11,917,365 is restricted, \$1,137,411 is assigned, and \$16,259,190 is unassigned.

Fund balance of the general fund increased by \$7,095,472 due to careful management of financial resources and the timing of capital projects.

Fund balance of the library fund decreased by \$6,578,091 due to the transfer of resources to the capital projects fund to be used for the construction of the new library.

Fund balance of the redevelopment agency fund decreased by \$4,234,264 due to the transfer of resources to the capital projects fund to be used for the construction of the new library.

Fund balance of the capital projects fund increased by \$21,475,562 due to the transfer in of resources to be used for various capital projects.

## Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position in the City's major proprietary funds totaled the following: (1) \$1,112,188 in the golf course fund, (2) \$30,163,862 in the water and sewer fund, (3) \$14,792,038 in the sewer treatment fund, (4) \$36,564,346 in the electric fund, (5) \$18,405,714 in the environmental health fund, (6) \$5,498,434 in the storm water management fund, and (7) \$4,626,053 in the emergency medical services fund. The finances of these funds were discussed earlier as part of the business-type activities.

## General Fund Budgetary Highlights

Differences between the general fund's original budget and the final amended budget amounted to a total increase in appropriations of \$32,551,577 or 60.51 percent. A significant part of the increase in appropriations is briefly summarized as follows:

- The City appropriated approximately \$20,775,000 for grants received from various entities.
- The City appropriated approximately \$10,000,000 of reserves for transfer to the capital projects fund.

Other increases in appropriations were for miscellaneous items.

Significant differences between the final budget and actual results are as follows:

- Administrative fee revenue and associated expenditures are budgeted for in the general fund for centralized administrative services; however, revenues and expenditures are eliminated in the general fund and corresponding expenses are recorded in the specific funds.
- Reimbursement grants in the intergovernmental revenue category were not fully completed during the current fiscal year. It is anticipated that these grants will be completed during the next fiscal year. This variance affects not only intergovernmental revenue but also the respective departmental expenditures, most notably in community development and public works.
- The City has a practice of budgeting conservatively. It is anticipated that some revenue sources will exceed conservative estimates. Therefore, the City also budgets for contingent transfers to capital project funds that may or may not be realized.

## Capital Asset and Debt Administration

The City's investment in capital assets for its governmental and business-type activities amounts to \$380,507,616 (net of related debt). This investment in capital assets includes land, buildings, infrastructure, and equipment.

Major capital events during the current fiscal year include the following:

- The City completed construction of a mechanical sewer treatment plant. Approximately \$14,325,000 was spent on this project during the year.
- The City continued construction of the 600 South 100 West project. Approximately \$5,280,000 was spent on this project during the year.
- The City continued construction of the North Logan Sewer Trunk Line. Approximately \$3,255,000 was spent on this project during the year.

	City of Logan's Capital Assets					
	Governmental		Business-Type		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 42,871,876	\$ 36,923,088	\$ 10,581,443	\$ 10,581,443	\$ 53,453,319	\$ 47,504,531
Work in progress	12,479,535	3,600,253	14,503,239	133,634,773	26,982,774	137,235,026
Buildings	6,229,671	7,041,983	11,579,969	12,758,518	17,809,640	19,800,501
Infrastructure	62,623,836	61,040,480	278,866,995	133,834,916	341,490,831	194,875,396
Equipment	8,276,145	8,187,478	30,706,662	31,665,029	38,982,807	39,852,507
Total	\$ 132,481,063	\$ 116,793,282	\$ 346,238,308	\$ 322,474,679	\$ 478,719,371	\$ 439,267,961

Additional information regarding the City’s capital assets can be found in the notes to the financial statements in the note entitled Capital Assets.

At the end of the current fiscal year, the City had principal outstanding on bonds, notes, and leases of \$98,211,755.

	City of Logan's Outstanding Debt Bonds, Notes and Leases					
	Governmental		Business-Type		Total	
	2022	2021	2022	2021	2022	2021
Revenue bonds	\$ -	\$ -	\$ 97,297,000	\$ 102,517,000	\$ 97,297,000	\$ 102,517,000
Notes	-	-	387,036	426,675	387,036	426,675
Leases	-	-	527,719	-	527,719	-
Total	\$ -	\$ -	\$ 98,211,755	\$ 102,943,675	\$ 98,211,755	\$ 102,943,675

As rated by Moody’s Investor Service, the City carries an underlying general obligation bond rating of Aa2.

Additional information on the City’s long-term debt can be found in the notes to the financial statements in the note entitled Long-Term Liabilities.

## Economic Factors and Next Year’s Budgets and Rates

The City continues to approach budgeting for revenues conservatively with a focus on long-term sustainability.

## Requests for Information

This financial report is designed to provide a general overview of the City’s finances. Questions regarding any of the information contained in this report, or requests for additional financial information, should be addressed to the Office of the Finance Director, 290 North 100 West, Logan, Utah 84321.



# Basic Financial Statements



**City of Logan**  
**Statement of Net Position**  
**June 30, 2022**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 99,613,821	\$ 101,835,350	\$ 201,449,171
Investments	6,479,028	4,319,353	10,798,381
Accounts receivable (net of allowance)	315,125	12,615,325	12,930,450
Property tax receivable	5,025,298	-	5,025,298
Due from other governmental units	12,680,732	9,000	12,689,732
Prepaid assets	-	208,866	208,866
Inventory	8,680	2,103,461	2,112,141
Internal balances	(6,591,088)	6,591,088	-
Restricted assets:			
Cash and cash equivalents	-	6,928,652	6,928,652
Total current assets	<u>117,531,596</u>	<u>134,611,095</u>	<u>252,142,691</u>
Noncurrent assets:			
Prepaid assets	-	2,240,000	2,240,000
Accounts receivable (net of allowance)	721,687	-	721,687
Net pension asset	8,772,360	5,939,435	14,711,795
Capital assets not being depreciated:			
Land	42,871,876	10,581,443	53,453,319
Work in progress	12,479,535	14,503,239	26,982,774
Capital assets, net of accumulated depreciation:			
Buildings	6,229,671	11,579,969	17,809,640
Infrastructure	62,623,836	278,866,995	341,490,831
Equipment	8,276,145	30,706,662	38,982,807
Total noncurrent assets	<u>141,975,110</u>	<u>354,417,743</u>	<u>496,392,853</u>
Total assets	<u>259,506,706</u>	<u>489,028,838</u>	<u>748,535,544</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	3,318,555	1,837,867	5,156,422
Total deferred outflows of resources	<u>3,318,555</u>	<u>1,837,867</u>	<u>5,156,422</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	9,230,601	7,781,996	17,012,597
Unearned revenue	21,231	24,702	45,933
Compensated absences	1,571,798	887,943	2,459,741
Interest payable	-	860,659	860,659
Leases payable	-	57,369	57,369
Notes payable	-	39,661	39,661
Bonds payable	-	5,280,000	5,280,000
Total current liabilities	<u>10,823,630</u>	<u>14,932,330</u>	<u>25,755,960</u>
Noncurrent liabilities:			
Compensated absences	432,503	367,084	799,587
Leases payable	-	470,350	470,350
Notes payable	-	347,375	347,375
Bonds payable	-	92,017,000	92,017,000
Landfill closure/post-closure costs	-	5,704,278	5,704,278
Total noncurrent liabilities	<u>432,503</u>	<u>98,906,087</u>	<u>99,338,590</u>
Total liabilities	<u>11,256,133</u>	<u>113,838,417</u>	<u>125,094,550</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenue	5,025,298	-	5,025,298
Deferred lease revenue	573,479	-	573,479
Deferred inflows related to pensions	12,692,327	6,389,316	19,081,643
Total deferred inflows of resources	<u>18,291,104</u>	<u>6,389,316</u>	<u>24,680,420</u>
<b>NET POSITION</b>			
Net investment in capital assets	132,481,063	248,026,553	380,507,616
Restricted for:			
Debt service	-	1,797,817	1,797,817
Capital activities	791,897	6,594,878	7,386,775
Streets	-	-	-
Redevelopment	-	-	-
Other	-	-	-
Unrestricted	100,005,064	114,219,724	214,224,788
Total net position	<u>\$ 233,278,024</u>	<u>\$ 370,638,972</u>	<u>\$ 603,916,996</u>

The accompanying notes are an integral part of this statement.

**City of Logan**  
**Statement of Activities**  
**For the Year Ended June 30, 2022**

Function/Programs	Program Revenues				Net Revenues (Expenses) and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 8,485,905	\$ 3,897,275	\$ 39,992	\$ -	\$ (4,548,638)	\$ -	\$ (4,548,638)
Public safety	15,952,817	3,204,366	858,409	9,306	(11,880,736)	-	(11,880,736)
Public works	7,296,884	288,183	3,858,746	9,372,200	6,222,245	-	6,222,245
Parks, recreation, and culture	6,591,662	2,712,040	1,196,171	819,443	(1,864,008)	-	(1,864,008)
Debt service - interest and fiscal charges	67,600	-	-	-	(67,600)	-	(67,600)
Total governmental activities	<u>38,394,868</u>	<u>10,101,864</u>	<u>5,953,318</u>	<u>10,200,949</u>	<u>(12,138,737)</u>	<u>-</u>	<u>(12,138,737)</u>
Business-type activities:							
Golf course	1,341,876	1,486,291	-	5,948	-	150,363	150,363
Water and sewer	7,749,545	16,302,363	9,000	2,439,108	-	11,000,926	11,000,926
Sewer treatment	4,198,561	11,488,176	-	1,859,536	-	9,149,151	9,149,151
Electric	34,308,772	39,047,399	-	387,487	-	5,126,114	5,126,114
Environmental health	15,779,168	20,188,636	-	-	-	4,409,468	4,409,468
Storm water management	1,654,414	2,134,898	-	211,500	-	691,984	691,984
Emergency medical services	2,967,629	4,671,379	124,200	147,059	-	1,975,009	1,975,009
Total business-type activities	<u>67,999,965</u>	<u>95,319,142</u>	<u>133,200</u>	<u>5,050,638</u>	<u>-</u>	<u>32,503,015</u>	<u>32,503,015</u>
Total primary government	<u>\$ 106,394,833</u>	<u>\$ 105,421,006</u>	<u>\$ 6,086,518</u>	<u>\$ 15,251,587</u>	<u>(12,138,737)</u>	<u>32,503,015</u>	<u>20,364,278</u>
General revenues:							
Property tax					5,376,748	-	5,376,748
Sales tax					23,603,791	-	23,603,791
Franchise tax					6,806,812	-	6,806,812
Grants and contributions not restricted to specific programs					10,397,905	-	10,397,905
Unrestricted investment earnings					269,379	380,306	649,685
Miscellaneous					1,018,066	-	1,018,066
Transfers					5,874,313	(5,874,313)	-
Total general revenues, and transfers					<u>53,347,014</u>	<u>(5,494,007)</u>	<u>47,853,007</u>
Change in net position					41,208,277	27,009,008	68,217,285
Net position, beginning					192,069,747	343,629,964	535,699,711
Net position, ending					<u>\$ 233,278,024</u>	<u>\$ 370,638,972</u>	<u>\$ 603,916,996</u>

The accompanying notes are an integral part of this statement.

**City of Logan  
Balance Sheet  
Governmental Funds  
June 30, 2022**

	General	Library	Redevelopment Agency	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 15,976,500	\$ 1,763,954	\$ 7,347,910	\$ 52,256,216	\$ 14,558,327	\$ 91,902,907
Investments	6,479,028	-	-	-	-	6,479,028
Accounts receivable (net of allowance)	704,199	-	-	-	332,613	1,036,812
Property tax receivable	2,500,285	2,258,754	266,259	-	-	5,025,298
Due from other funds	246,185	-	-	-	-	246,185
Due from other governmental units	12,289,601	67,363	197,000	-	126,768	12,680,732
Inventory	8,680	-	-	-	-	8,680
Total assets	<u>38,204,478</u>	<u>4,090,071</u>	<u>7,811,169</u>	<u>52,256,216</u>	<u>15,017,708</u>	<u>117,379,642</u>
<b>LIABILITIES</b>						
Accounts payable	5,786,837	344,297	415,374	2,040,018	197,818	8,784,344
Due to other funds	-	3,780,184	-	-	-	3,780,184
Unearned revenue	21,231	-	-	-	-	21,231
Total liabilities	<u>5,808,068</u>	<u>4,124,481</u>	<u>415,374</u>	<u>2,040,018</u>	<u>197,818</u>	<u>12,585,759</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue unavailable	-	-	-	-	220,956	220,956
Deferred lease revenue	573,479	-	-	-	-	573,479
Deferred property tax revenue	2,500,285	2,258,754	266,259	-	-	5,025,298
Total deferred inflows of resources	<u>3,073,764</u>	<u>2,258,754</u>	<u>266,259</u>	<u>-</u>	<u>220,956</u>	<u>5,819,733</u>
<b>FUND BALANCES</b>						
Nonspendable	8,680	-	-	-	-	8,680
Restricted	11,917,365	-	7,129,536	-	53,443	19,100,344
Committed	-	-	-	50,216,198	14,545,491	64,761,689
Assigned	1,137,411	-	-	-	-	1,137,411
Unassigned	16,259,190	(2,293,164)	-	-	-	13,966,026
Total fund balances	<u>29,322,646</u>	<u>(2,293,164)</u>	<u>7,129,536</u>	<u>50,216,198</u>	<u>14,598,934</u>	<u>98,974,150</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 38,204,478</u>	<u>\$ 4,090,071</u>	<u>\$ 7,811,169</u>	<u>\$ 52,256,216</u>	<u>\$ 15,017,708</u>	<u>\$ 117,379,642</u>

The accompanying notes are an integral part of this statement.

**City of Logan**  
**Reconciliation of the Balance Sheet - Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2022**

Total fund balances - governmental fund types		\$ 98,974,150
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Land	42,871,876	
Work in progress	12,479,535	
Buildings	6,229,671	
Infrastructure	62,623,836	
Equipment	8,103,028	
Total		132,307,946
Other items, including net pension assets, are not available to pay for current period expenditures and, therefore, are either deferred or not applicable to funds.		
		11,745,810
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences payable - current	(1,500,122)	
Compensated absences payable - noncurrent	(412,780)	
Total		(1,912,902)
Other items, including net pension liabilities, are not due and payable in the current period and, therefore, are either deferred or not reported in the funds.		
		(12,138,842)
Internal service funds are used by the City to charge the cost of centralized services to individual funds. The assets and liabilities of internal service funds are included in the statement of net position.		
Net position		4,301,862
Net position of governmental activities		\$ 233,278,024

The accompanying notes are an integral part of this statement.

**City of Logan**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2022**

	General	Library	Redevelopment Agency	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property tax	\$ 2,690,053	\$ 2,428,190	\$ 258,505	\$ -	\$ -	\$ 5,376,748
Sales tax	23,603,791	-	-	-	-	23,603,791
Franchise tax	6,046,982	-	-	-	759,830	6,806,812
Licenses and permits	3,078,231	-	-	-	-	3,078,231
Intergovernmental	18,401,727	62,247	1,959,093	-	503,842	20,926,909
Charges for services	3,264,146	13,319	-	-	1,055,324	4,332,789
Fines	792,549	9,749	-	-	-	802,298
Investment earnings	(75,023)	12,068	39,838	201,934	61,579	240,396
Miscellaneous	1,779,669	34,124	889,817	661,447	194,157	3,559,214
Total revenues	<u>59,582,125</u>	<u>2,559,697</u>	<u>3,147,253</u>	<u>863,381</u>	<u>2,574,732</u>	<u>68,727,188</u>
<b>EXPENDITURES</b>						
Current:						
General government	9,086,864	-	-	-	-	9,086,864
Public safety	13,842,529	-	-	-	2,904,965	16,747,494
Public works	3,828,456	-	2,233,129	68,414	-	6,129,999
Parks, recreation, and culture	4,146,508	1,802,947	-	-	519,882	6,469,337
Debt service:						
Interest	-	67,600	-	-	-	67,600
Capital outlay:						
General government	214,520	-	-	-	35,348	249,868
Public safety	79,530	-	-	2,846,112	392,533	3,318,175
Public works	5,539,864	-	2,148,388	2,623,161	321,615	10,633,028
Parks, recreation, and culture	487,268	602,228	-	1,895,145	132,733	3,117,374
Total expenditures	<u>37,225,539</u>	<u>2,472,775</u>	<u>4,381,517</u>	<u>7,432,832</u>	<u>4,307,076</u>	<u>55,819,739</u>
Revenues over (under) expenditures	<u>22,356,586</u>	<u>86,922</u>	<u>(1,234,264)</u>	<u>(6,569,451)</u>	<u>(1,732,344)</u>	<u>12,907,449</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	5,940,970	-	-	28,045,013	3,246,732	37,232,715
Transfers out	(21,669,494)	(6,665,013)	(3,000,000)	-	(58,132)	(31,392,639)
Disposal of capital assets	467,410	-	-	-	1,872,157	2,339,567
Total other financing sources (uses)	<u>(15,261,114)</u>	<u>(6,665,013)</u>	<u>(3,000,000)</u>	<u>28,045,013</u>	<u>5,060,757</u>	<u>8,179,643</u>
Net change in fund balances	7,095,472	(6,578,091)	(4,234,264)	21,475,562	3,328,413	21,087,092
Fund balances, beginning	22,227,174	4,284,927	11,363,800	28,740,636	11,270,521	77,887,058
Fund balances, ending	<u>\$ 29,322,646</u>	<u>\$ (2,293,164)</u>	<u>\$ 7,129,536</u>	<u>\$ 50,216,198</u>	<u>\$ 14,598,934</u>	<u>\$ 98,974,150</u>

The accompanying notes are an integral part of this statement.

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**City of Logan**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances - Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2022**

Net changes in fund balances - total governmental funds \$ 21,087,092

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	17,318,445	
Depreciation and amortization expense	(3,979,046)	
Total		13,339,399

The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, and donations) is to increase (decrease) net position.

Donated capital assets	2,861,111	
Disposal of assets	(456,860)	
Total		2,404,251

Governmental funds report revenues not collected within 60 days as deferred revenues until subsequently collected. These transactions are recorded as revenues when earned in the statement of activities. (40,435)

Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in governmental funds.

Third party pension contributions	263,439	
Change in compensated absences	3,897,883	
Total		4,161,322

Internal service funds are used by the City to charge the cost of centralized services to individual funds. The net expense of internal service funds is reported with governmental activities. 256,648

Change in net position of governmental activities \$ 41,208,277

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The accompanying notes are an integral part of this statement.

City of Logan  
Statement of Net Position  
Proprietary Funds  
June 30, 2022

	Business-Type Activities - Enterprise Funds							Governmental	
	Golf Course	Water and Sewer	Sewer Treatment	Electric	Environmental Health	Storm Water Management	Emergency Medical Services	Internal Service Funds	
<b>ASSETS</b>									
Current assets:									
Cash and cash equivalents	\$ 1,111,359	\$ 30,318,149	\$ 15,668,974	\$ 23,580,995	\$ 23,259,670	\$ 5,387,654	\$ 2,508,549	\$ 101,835,350	\$ 7,710,914
Investments	-	-	-	4,319,353	-	-	-	4,319,353	-
Accounts receivable (net of allowance)	15,534	2,886,486	1,308,638	4,753,800	2,248,901	197,021	1,204,945	12,615,325	-
Due from other funds	-	-	-	3,780,184	-	-	-	3,780,184	-
Due from other governmental units	-	9,000	-	-	-	-	-	9,000	-
Prepaid assets	-	-	-	208,866	-	-	-	208,866	-
Inventory	120,584	199,210	-	1,783,667	-	-	-	2,103,461	-
Restricted assets:									
Cash and cash equivalents	-	458,933	5,791,692	-	678,027	-	-	6,928,652	-
Total current assets	1,247,477	33,871,778	22,769,304	38,426,865	26,186,598	5,584,675	3,713,494	131,800,191	7,710,914
Noncurrent assets:									
Prepaid assets	-	-	-	2,240,000	-	-	-	2,240,000	-
Net pension asset	95,546	658,065	267,926	1,178,976	1,449,123	25,669	2,264,130	5,939,435	243,102
Capital assets not being depreciated:									
Land	1,380,718	496,336	2,492,812	1,739,184	2,552,444	1,919,949	-	10,581,443	-
Work in progress	-	6,295,113	-	6,465,633	1,645,308	97,185	-	14,503,239	-
Capital assets, net of accumulated depreciation:									
Buildings	838,637	1,049,092	1,159	1,172,197	8,518,884	-	-	11,579,969	-
Infrastructure	1,341,242	59,664,555	155,497,479	27,856,268	10,482,360	24,025,091	-	278,866,995	-
Equipment	435,827	2,801,972	536,968	15,480,924	9,891,373	815,973	743,625	30,706,662	173,117
Total noncurrent assets	4,091,970	70,965,133	158,796,344	56,133,182	34,539,492	26,883,867	3,007,755	354,417,743	416,219
Total assets	5,339,447	104,836,911	181,565,648	94,560,047	60,726,090	32,468,542	6,721,249	486,217,934	8,127,133
<b>DEFERRED OUTFLOWS OF RESOURCES</b>									
Deferred outflows related to pensions	40,089	276,118	112,418	494,686	608,035	10,771	295,750	1,837,867	102,003
Total deferred outflows of resources	40,089	276,118	112,418	494,686	608,035	10,771	295,750	1,837,867	102,003
<b>LIABILITIES</b>									
Current liabilities:									
Accounts payable	69,882	1,849,967	1,014,714	3,617,829	964,389	79,195	186,020	7,781,996	446,257
Due to other funds	-	70,311	24,972	132,534	18,368	-	-	246,185	-
Unearned revenue	24,702	-	-	-	-	-	-	24,702	-
Compensated absences	32,296	121,943	18,472	291,946	347,239	5,813	70,234	887,943	71,676
Interest payable	-	15,266	844,724	510	-	159	-	860,659	-
Leases payable	55,672	-	-	1,697	-	-	-	57,369	-
Notes payable	-	-	-	-	-	39,661	-	39,661	-
Bonds payable	-	1,009,000	4,271,000	-	-	-	-	5,280,000	-
Total current liabilities	182,552	3,066,487	6,173,882	4,044,516	1,329,996	124,828	256,254	15,178,515	517,933
Noncurrent liabilities:									
Compensated absences	13,351	50,413	7,637	120,693	143,552	2,403	29,035	367,084	19,723
Leases payable	166,270	-	-	304,080	-	-	-	470,350	-
Notes payable	-	-	-	-	-	347,375	-	347,375	-
Bonds payable	-	1,482,000	90,535,000	-	-	-	-	92,017,000	-
Landfill closure/post-closure costs	-	-	-	-	5,704,278	-	-	5,704,278	-
Total noncurrent liabilities	179,621	1,532,413	90,542,637	424,773	5,847,830	349,778	29,035	98,906,087	19,723
Total liabilities	362,173	4,598,900	96,716,519	4,469,289	7,177,826	474,606	285,289	114,084,602	537,656
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Deferred inflows related to pensions	130,693	900,138	366,484	1,612,669	1,982,189	35,111	1,362,032	6,389,316	332,529
Total deferred inflows of resources	130,693	900,138	366,484	1,612,669	1,982,189	35,111	1,362,032	6,389,316	332,529
<b>NET POSITION</b>									
Net investment in capital assets	3,774,482	67,816,068	63,722,418	52,408,429	33,090,369	26,471,162	743,625	248,026,553	173,117
Restricted for:									
Debt service	-	458,933	1,338,884	-	-	-	-	1,797,817	-
Capital activities	-	1,175,128	4,741,723	-	678,027	-	-	6,594,878	-
Unrestricted	1,112,188	30,163,862	14,792,038	36,564,346	18,405,714	5,498,434	4,626,053	111,162,635	7,185,834
Total net position	\$ 4,886,670	\$ 99,613,991	\$ 84,595,063	\$ 88,972,775	\$ 52,174,110	\$ 31,969,596	\$ 5,369,678	\$ 367,581,883	\$ 7,358,951

The accompanying notes are an integral part of this statement.

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**City of Logan**  
**Reconciliation of the Statement of Net Position - Proprietary**  
**Funds to the Statement of Net Position**  
**June 30, 2022**

Total net position for proprietary funds	\$ 367,581,883
Internal service fund allocation for prior year	2,873,787
Internal service fund allocation for current year	183,302
Total business-type net position	<u>\$ 370,638,972</u>

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The accompanying notes are an integral part of this statement.

City of Logan  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds							Governmental	
	Golf Course	Water and Sewer	Sewer Treatment	Electric	Environmental Health	Storm Water Management	Emergency Medical Services	Internal Service Funds	
Operating revenues:									
Charges for services	\$ 1,453,472	\$ 15,867,034	\$ 11,418,762	\$ 37,582,120	\$ 19,657,791	\$ 2,128,183	\$ 4,463,901	\$ 92,571,263	\$ 8,551,687
Connection fees	-	315,312	-	1,047,530	-	-	-	1,362,842	-
Miscellaneous	32,819	117,261	16,473	417,749	523,887	6,715	207,478	1,322,382	67,491
Total operating revenues	<u>1,486,291</u>	<u>16,299,607</u>	<u>11,435,235</u>	<u>39,047,399</u>	<u>20,181,678</u>	<u>2,134,898</u>	<u>4,671,379</u>	<u>95,256,487</u>	<u>8,619,178</u>
Operating expenses:									
Personnel costs	510,209	2,125,190	837,008	3,662,199	5,326,014	95,398	1,786,750	14,342,768	800,404
Administrative fees	28,421	1,466,555	295,228	1,446,858	1,620,343	557,272	239,057	5,653,734	-
Operating and maintenance	593,728	2,036,969	1,499,023	26,740,849	3,994,763	321,239	767,287	35,953,858	7,348,735
Depreciation and amortization	215,323	2,151,089	649,979	2,750,347	4,963,291	685,871	185,149	11,601,049	99,148
Total operating expenses	<u>1,347,681</u>	<u>7,779,803</u>	<u>3,281,238</u>	<u>34,600,253</u>	<u>15,904,411</u>	<u>1,659,780</u>	<u>2,978,243</u>	<u>67,551,409</u>	<u>8,248,287</u>
Operating income (loss)	<u>138,610</u>	<u>8,519,804</u>	<u>8,153,997</u>	<u>4,447,146</u>	<u>4,277,267</u>	<u>475,118</u>	<u>1,693,136</u>	<u>27,705,078</u>	<u>370,891</u>
Nonoperating revenues (expenses):									
Intergovernmental revenue	-	9,000	-	-	-	-	124,200	133,200	-
Investment earnings	3,746	133,019	110,989	65,801	98,951	23,084	7,371	442,961	28,983
Gain (loss) on disposal of assets	945	55,006	4,246	245,229	53,461	3,397	-	362,284	5,839
Interest expense	(517)	(65,184)	(927,714)	(510)	-	(217)	-	(994,142)	-
Total nonoperating revenue (expense)	<u>4,174</u>	<u>131,841</u>	<u>(812,479)</u>	<u>310,520</u>	<u>152,412</u>	<u>26,264</u>	<u>131,571</u>	<u>(55,697)</u>	<u>34,822</u>
Income (loss) before transfers, capital contributions	142,784	8,651,645	7,341,518	4,757,666	4,429,679	501,382	1,824,707	27,649,381	405,713
Capital contributions	5,948	2,439,108	1,859,536	387,487	-	211,500	147,059	5,050,638	-
Transfers in	153,421	-	-	-	-	390,000	214,057	757,478	34,237
Transfers out	-	(1,082,095)	(595,100)	(2,877,120)	(2,077,476)	-	-	(6,631,791)	-
Change in net position	<u>302,153</u>	<u>10,008,658</u>	<u>8,605,954</u>	<u>2,268,033</u>	<u>2,352,203</u>	<u>1,102,882</u>	<u>2,185,823</u>	<u>26,825,706</u>	<u>439,950</u>
Total net position, beginning	<u>4,584,517</u>	<u>89,605,333</u>	<u>75,989,109</u>	<u>86,704,742</u>	<u>49,821,907</u>	<u>30,866,714</u>	<u>3,183,855</u>	<u>340,756,177</u>	<u>6,919,001</u>
Total net position, ending	<u>\$ 4,886,670</u>	<u>\$ 99,613,991</u>	<u>\$ 84,595,063</u>	<u>\$ 88,972,775</u>	<u>\$ 52,174,110</u>	<u>\$ 31,969,596</u>	<u>\$ 5,369,678</u>	<u>\$ 367,581,883</u>	<u>\$ 7,358,951</u>

The accompanying notes are an integral part of this statement.

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**City of Logan**  
**Reconciliation of the Statement of Revenues, Expenses, and Changes**  
**in Net Position - Proprietary Funds to the Statement of Activities**  
**For the Year Ended June 30, 2022**

Total changes in net position of proprietary funds	\$ 26,825,706
Internal service fund allocation for current year	183,302
Total changes in business-type net position	<u>\$ 27,009,008</u>

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The accompanying notes are an integral part of this statement.

City of Logan  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds							Governmental Activities	
	Golf Course	Water and Sewer	Sewer Treatment	Electric	Environmental Health	Storm Water Management	Emergency Medical Services	Total	Internal Service Funds
<b>Cash Flows From Operating Activities</b>									
Receipts from customers and users	\$ 1,485,456	\$ 15,570,883	\$ 11,341,809	\$ 38,782,698	\$ 20,089,160	\$ 2,085,947	\$ 4,110,967	\$ 93,466,920	\$ 8,619,178
Payments for employee services	(553,035)	(2,499,479)	(964,810)	(4,258,579)	(6,009,252)	(103,275)	(2,169,472)	(16,557,902)	(914,582)
Payments for supplies and services	(615,816)	(2,075,781)	(1,398,085)	(27,857,597)	(4,008,996)	(317,394)	(721,348)	(36,995,017)	(7,352,572)
Receipts from interfund services	-	287,392	56,810	1,146,095	96,032	63,257	-	1,649,586	-
Payments for interfund services	(28,421)	(1,466,555)	(295,228)	(1,446,858)	(1,620,343)	(557,272)	(239,057)	(5,653,734)	-
Net cash provided (used) by operating activities	288,184	9,816,460	8,740,496	6,365,759	8,546,601	1,171,263	981,090	35,909,853	352,024
<b>Cash Flows From Noncapital Financing Activities</b>									
Cash received from other funds	153,421	-	-	-	-	390,000	214,057	757,478	34,237
Cash paid to other funds	-	(1,082,095)	(595,100)	(2,877,120)	(2,077,476)	-	-	(6,631,791)	-
Net cash provided (used) by noncapital and related financing activities	153,421	(1,082,095)	(595,100)	(2,877,120)	(2,077,476)	390,000	214,057	(5,874,313)	34,237
<b>Cash Flows From Capital and Related Financing Activities</b>									
Proceeds from grants and contributions	5,948	1,610,014	2,242,609	441,487	124,000	48,200	147,059	4,619,317	-
Proceeds from sale of capital assets	945	225,126	33,971	394,221	738,146	33,971	-	1,426,380	35,156
Purchases of capital assets	(277,005)	(6,493,870)	(19,853,129)	(7,547,490)	(4,422,726)	(326,489)	(191,904)	(39,112,613)	(37,426)
Cash received from other funds	-	-	-	219,816	-	-	-	219,816	-
Proceeds from issuance of debt	231,601	-	-	313,427	-	-	-	545,028	-
Principal paid on debt	(9,659)	(988,000)	(4,232,000)	(7,650)	-	(39,639)	-	(5,276,948)	-
Interest and fees paid on capital debt	(517)	(70,188)	(935,389)	-	-	(234)	-	(1,006,328)	-
Net cash provided (used) by capital and related financing activities	(48,687)	(5,716,918)	(22,743,938)	(6,186,189)	(3,560,580)	(284,191)	(44,845)	(38,585,348)	(2,270)
<b>Cash Flows From Investing Activities</b>									
Sale (purchase) of investments	-	-	-	106,130	-	-	-	106,130	-
Interest and dividends received	3,746	133,019	110,989	65,801	98,951	23,084	7,371	442,961	28,983
Net cash provided (used) by investing activities	3,746	133,019	110,989	171,931	98,951	23,084	7,371	549,091	28,983
<b>Net increase (decrease) in cash and cash equivalents</b>	396,664	3,150,466	(14,487,553)	(2,525,619)	3,007,496	1,300,156	1,157,673	(8,000,717)	412,974
<b>Cash and cash equivalents - beginning</b>	714,695	27,626,616	35,948,219	26,106,614	20,930,201	4,087,498	1,350,876	116,764,719	7,297,940
<b>Cash and cash equivalents - ending</b>	1,111,359	30,777,082	21,460,666	23,580,995	23,937,697	5,387,654	2,508,549	108,764,002	7,710,914
<b>Shown in the financial statements as:</b>									
Cash and cash equivalents	1,111,359	30,318,149	15,668,974	23,580,995	23,259,670	5,387,654	2,508,549	101,835,350	7,710,914
Restricted cash and cash equivalents	-	458,933	5,791,692	-	678,027	-	-	6,928,652	-
<b>Total</b>	1,111,359	30,777,082	21,460,666	23,580,995	23,937,697	5,387,654	2,508,549	108,764,002	7,710,914
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>									
Operating income (loss)	138,610	8,519,804	8,153,997	4,447,146	4,277,267	475,118	1,693,136	27,705,078	370,891
Adjustments to reconcile operating income to net cash provided (used) by operating activities:									
Depreciation and amortization expenses	215,323	2,151,089	649,979	2,750,347	4,963,291	685,871	185,149	11,601,049	99,148
(Increase) decrease in receivables	(835)	(441,332)	(36,616)	881,394	3,514	14,306	(560,412)	(139,981)	-
(Increase) decrease in inventory and prepaids	(16,384)	(41,062)	-	(244,658)	-	-	-	(302,104)	-
Increase (decrease) in accounts payable	(3,053)	(12,333)	73,948	(869,697)	11,780	8,938	(2,126)	(792,543)	9,723
Increase (decrease) in pension expense	(45,477)	(359,706)	(100,812)	(598,773)	(709,251)	(12,970)	(334,657)	(2,161,646)	(127,738)
Total adjustments	149,574	1,296,656	586,499	1,918,613	4,269,334	696,145	(712,046)	8,204,775	(18,867)
<b>Net cash provided (used) by operating activities</b>	\$ 288,184	\$ 9,816,460	\$ 8,740,496	\$ 6,365,759	\$ 8,546,601	\$ 1,171,263	\$ 981,090	\$ 35,909,853	\$ 352,024
<b>Noncash Transactions</b>									
Contribution of capital assets	\$ -	\$ 922,581	\$ -	\$ -	\$ -	\$ 211,500	\$ -	\$ 1,134,081	\$ -
Pension expense adjustment	(45,477)	(359,706)	(100,812)	(598,773)	(709,251)	(12,970)	(334,657)	(2,161,646)	(127,738)

The accompanying notes are an integral part of this statement.

# Notes to the Financial Statements



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

### Reporting Entity

The City of Logan, Utah (City) is a municipal corporation governed by an elected mayor and a five-member council. The accompanying financial statements present the primary government and its component units. Blended component units, although legally separate entities, are part of the City's operations.

### Blended Component Units

The City established a Redevelopment Agency pursuant to state code and designated the City Council and the Mayor as the Redevelopment Agency Board. Management of the City is responsible for day-to-day operations. The City has adopted redevelopment plans for the Logan Downtown, Logan River, Logan South Main, Logan Northwest, Logan North Retail redevelopment project areas, Auto Mall community development area, Quayle Meadows and South Main River community reinvestment project areas, and the Logan 600 West economic development project area. The financial statements of the Redevelopment Agency are included as part of the Annual Comprehensive Financial Report of the City (by blended presentation) and are included as a major governmental fund.

The City established the Logan City Housing Authority pursuant to state code. The Mayor subsequently appointed members of the City Council as the Board of Commissioners. Management of the City is responsible for day-to-day operations. Originally, the Housing Authority was established to receive and administer federal and City funds for low cost income rental subsidization. During fiscal year 2006, all remaining assets and liabilities were transferred to the general fund, and the Housing Authority was placed into dormancy.

The City established a Municipal Building Authority pursuant to state code. The Governing Board of the Building Authority is comprised of the Mayor and members of the City Council. Management of the City is responsible for day-to-day operations. The purpose of the Authority was to serve the City as a financing agency for debt financed projects. During fiscal year 2004, all remaining assets and liabilities were transferred to the general fund, and the Building Authority was placed into dormancy.

### Interlocal Agreements

The City has entered into interlocal agreements with Cache County, Logan City School District, and various other entities to provide services or operate facilities. The following is a description of the significant agreements:

#### Logan-Cache Airport Authority

The Logan-Cache Airport Authority was organized as a separate legal entity to provide airport services to the entire Cache County area. The airport is jointly funded by the City of Logan and Cache County. The Authority is governed by a board composed of seven members; the Logan Mayor (or designee), the Cache County Executive (or designee), two members appointed by the City, two members appointed by Cache County, and one member elected at-large by the previously mentioned six members. The City participates by contributing a fixed sum of money according to the agreement, as does the County. The Authority is included as a component unit of Cache County.

#### North Park Interlocal Cooperative (NPIC)

NPIC was organized as a separate legal entity to facilitate the construction of a recreational ice arena. The cooperative members are Cache County, Hyde Park City, the City of North Logan, and the City of Logan. Cache County appoints three board members and each city appoints two board members. The City has no financial responsibility for NPIC.

#### Logan Community Recreation Center Joint Use and Operations Agreement

The City of Logan and Logan City School District have agreed to share in the maintenance of the Recreation Center. The City provides for the operating expenses and is entitled to the operating revenues. The City and the School District share equally in the maintenance of the building, and as a result, the district is able to use the facility for educational purposes. The recreation center maintenance fund is a nonmajor governmental fund of the City of Logan.

### Communication Center 911 Fund

The City of Logan Communication Center functions as the 911 emergency dispatch center for all public safety agencies in Cache County. Municipalities within Cache County have adopted resolutions authorizing the City to collect 911 fees generated within their respective jurisdictions and to provide emergency dispatch services. The communication center fund is a nonmajor governmental fund of the City of Logan.

### Utah Associated Municipal Power Systems (UAMPS)

UAMPS was established in 1980 under the Utah Interlocal Cooperation Act and is a political subdivision of the State of Utah. UAMPS' purposes include the planning, financing, development, acquisition, construction, operation, and maintenance of various projects for the generation, supply, transmission, and management of electric energy for the benefit of its members. Members are located in various states in the Western United States. UAMPS is a stand-alone entity that issues its own financial statements. For a copy of their financial statements contact UAMPS at 155 North 400 West, Suite 480, Salt Lake City, Utah 84103, or visit their website at [www.uamps.com](http://www.uamps.com).

### Regional Wastewater Treatment Rate Committee

The Regional Wastewater Treatment Rate Committee was established by interlocal agreement between the City of Logan and the cities of Smithfield, Hyde Park, North Logan, Providence, Nibley, and River Heights. The City owns and operates the regional sewer treatment facility. In conjunction with that construction project, the Regional Wastewater Treatment Rate Committee was established. The committee is responsible for setting rates for participating entities.

### Related Organization

Cache Valley Transit District (CVTD) is a separate legal entity that issues its own financial statements. The City appoints a voting majority of the board members of CVTD; however, the City is not financially accountable for, nor does it have access to, CVTD resources such that CVTD should be included as a component unit of the City. CVTD was formed by participating municipalities adopting a transportation sales tax, in the case of the City of 0.30 percent, which is collected by the State of Utah and sent directly to CVTD. Sales tax sent directly to CVTD is recorded as sales tax revenue by the City and as a subsequent non-departmental expenditure of the general fund.

### Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for services.

The statement of activities is presented to show the extent program revenues of a given activity support direct expenses. Direct expenses are those that are clearly identifiable with a specific activity or program. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given activity or program and (2) grants and contributions restricted to meeting the operational or capital requirements of a particular activity or program. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

### Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are

considered to be available if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property tax, sales tax, franchise tax, intergovernmental revenue, and investment earnings are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available when cash is received. For shared funding arrangements with third parties that perform accounting functions, transactions are generally recorded on the cash basis.

#### Major Governmental Funds

The general fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The library fund accounts for the activities associated with running a municipal library.

The redevelopment agency fund accounts for the redevelopment activities of the City utilizing tax increment financing.

The capital projects fund accounts for the significant capital activities of the governmental funds.

#### Major Proprietary Funds

The golf course fund accounts for the operation of the Logan River Golf Course.

The water and sewer fund accounts for the activities associated with the water distribution system and the sewage pumping stations and collection systems for the regional area.

The sewer treatment fund accounts for the activities associated with sewer treatment for the regional area.

The electric fund accounts for electricity generation and distribution operations.

The environmental health fund accounts for the activities associated with refuse collection for all of Cache County. The environmental health fund also manages regional landfill operations.

The storm water management fund accounts for the collection and management of storm water runoff.

The emergency medical services fund accounts for the activities associated with ambulance services.

The City utilizes three internal service funds. The information technology fund accounts for the cost of providing technology services. The risk management fund accounts for insurance and risk mitigation costs. The health management fund accounts for the costs associated with providing health and wellness benefits for City employees. Internal service funds are presented as a single, aggregated presentation in the proprietary fund financial statements.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are charges for the City's water and sewer, sewer treatment, electric, and environmental health services to the various other departments of the City. Elimination of these charges would distort the direct costs and program revenues reported for various functions concerned.

Amounts reported as program revenues include (1) charges to customers for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and the City's internal service funds are charges to customers for sales and services, connection fees, and miscellaneous revenue. Operating expenses for enterprise

funds and the internal service funds include personnel costs, administrative fees, operating and maintenance, and depreciation and amortization. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted net position are available for use, it is the City's policy to use restricted net position first, then unrestricted as needed.

#### Fund Balance

Governmental fund balance is reported in five separate categories: Nonspendable, restricted, committed, assigned, and unassigned. When both restricted and unrestricted fund balance is available for use, it is the City's policy to use restricted fund balance first. When expenditures qualify for more than one unrestricted fund balance classification, it is the City's policy to use resources in the following order: Committed, assigned, and then unassigned.

Fund balance is committed by the City Council through passage of a council resolution presented by the Mayor prior to the end of the fiscal year. Rescinding or changing committed fund balance would similarly require a subsequent council resolution. Fund balance is assigned by the City Council through passage of a council resolution presented by the Mayor subsequent to the end of the fiscal year.

This policy was established by council resolution and may be changed by the City Council through passage of a new resolution.

#### Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is approximately the same as the fair value of the pool shares.

The City Treasurer invests all temporarily idle cash. The City invests in interest earning investments that are approved under the Utah Money Management Act.

Most bond funds are not under the control of the City. These amounts are invested by the bond trustee in accordance with the terms of the bond resolutions, which designate the types of investments in which idle funds may be placed.

Interest earnings on the general investment account under the control of the City are distributed to various funds based on their respective monthly balances.

#### Receivables and Payables

Activities between funds that are representative of lending and borrowing arrangements outstanding at the end of the fiscal year are referred to as due to or due from other funds. All other outstanding balances between funds are reported as interfund receivables or payables for pooled cash, and represent residual balances outstanding between the governmental activities and business-type activities for pooled cash activities. All interfund loans are considered current. Interfund loans are allocated interest based on the amount outstanding at year end.

Receivables are shown net of an allowance for doubtful accounts. The allowance for doubtful accounts is estimated based on professional judgment and historical information.

#### Property Taxes

All taxable property is required to be assessed and taxed at a uniform and equal rate based on its fair market value. The State Tax Commission is required to assess certain types of property including public utilities and mining property. The County Assessor is required to assess all other taxable property. The property tax lien date is January 1. The County is required to complete the tax rolls by May 15. Property taxes are levied through the passage of a resolution by the City Council in June of each year. By July 21, the County is to mail assessed value and tax notices to property owners. After the time of petition, tax notices are mailed to property owners with a due date and collection date of November 30.

Motor vehicle tax is a fee in lieu of tax and is apportioned based on property tax rates. Motor vehicle tax is reported as part of property tax revenue.

Inventory

Inventory held by the enterprise funds and the general fund is valued using the first in, first out consumption method.

Prepaid Assets

Prepaid assets are generally accounted for using the consumption method.

Restricted Assets

Certain resources of the City are classified as restricted assets on the balance sheet. These funds are maintained in separate accounts and their use is limited by applicable bond covenants or agreements.

Capital Assets

Capital assets, which include land, buildings, infrastructure, and equipment, are reported in the government-wide financial statements. Buildings include both buildings and improvements associated with buildings. Infrastructure includes systems of assets such as roads and sidewalks, water lines, sewer lines, storm water infrastructure, and electrical infrastructure, as well as land improvements generally associated with those systems. Capital assets are defined by the City as land and equipment with an initial, individual cost of more than \$5,000, or infrastructure and buildings with a total cost of more than \$10,000, and an estimated useful life more than two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at estimated acquisition value as of the date of donation. The cost of normal maintenance and repair that does not add to the value of the asset or significantly extend the asset life is expensed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<b>Capital Asset Category</b>	<b>Useful Life</b>
Buildings	10 to 30 years
Infrastructure	10 to 50 years
Equipment	3 to 40 years

Compensated Absences

It is the City’s policy to permit employees to accrue personal, compensatory time, and short-term disability leave. There is no liability for accrued short-term disability leave as the City does not payout unused balances at separation. All personal and compensatory time leave is accrued when earned in the government-wide and proprietary fund financial statements. The current portion of the liability for compensated absences is estimated using three-year historical trend information.

Deferred Inflows and Outflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period and is therefore deferred until that time. The City recognizes deferred inflows of resources related to property taxes, leases, and pensions.

Governmental funds report revenue that is unavailable as deferred inflows of resources. Governmental funds report unavailable revenue from property taxes and from special assessments. These amounts are deferred and recognized as revenue in the period the amounts become available.

Deferred outflows of resources represent a consumption of net position that applies to a future period and is therefore deferred until that time. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and the reacquisition price. The City also recognizes deferred outflows of resources related to pensions.

### Long-Term Obligations

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are 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 reported as an expense of the current period.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in 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 while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### Use of Estimates

The preparation of the financial statements in accordance with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of certain financial statement balances. Actual results could vary from the estimates used.

### Pensions

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

## **Note 2 – Compliance and Accountability**

### Excess of Expenditures or Expenses Over Appropriations

Title 10 of the Utah Code Annotated, requires that for governmental funds "City Officers shall not make or incur expenditures or encumbrances in excess of total appropriations for any department in the budget as adopted or as subsequently amended." No departments exceeded budgets as of June 30, 2022.

## **Note 3 – Deposits and Investments**

The State of Utah Money Management Council is responsible for advising the State Treasurer concerning investment policies, measures and rules that assist in strengthening the banking and credit structure of the State, and rules adopted by the State of Utah Money Management Act that relate to the deposit and investment of public funds. The City follows the requirements of the Utah Money Management Act in handling its depository and investment transactions.

### Deposits

#### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned. The City's policy for managing custodial credit risk is to adhere to the Utah Money Management Act. The Act requires the depositing of funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of June 30, 2022, \$26,320,572 of the City's bank balance of \$26,570,572 was uninsured and uncollateralized.

Investments

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

State statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Services or Standard & Poor’s; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares of certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer’s Investment Fund.

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

The PTIF is not registered with the U.S. Securities and Exchange Commission as an investment company. The PTIF is authorized and regulated by the Utah Money Management Act. The Act established the Utah 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 nor otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

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

The City has acquired the services of Moreton Asset Management, LLC, an investment advisor approved by the Utah State Treasurer. This entity invests City assets in compliance with the Utah Money Management Act.

The City measures and records its investments using fair value measurement guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

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

The securities classified as Level 1 are valued as stated above. The State Treasurer’s Investment Fund uses the application of the June 30, 2022 fair value as calculated by the Utah State Treasurer using the market approach and the City’s average daily balance in the Fund. Certificates of Deposit, Corporate Notes, and US Agencies are valued using the market approach with prices and other relevant information generated by market transactions involving identical or comparable investments. The City currently has no assets that qualify for Level 3 investments. The following table illustrates the investments by the appropriate levels.

<b>Investment Type</b>	<b>Fair Value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
PTIF	\$ 184,148,980	\$ -	\$ 184,148,980	\$ -
Money Market	18,148	18,148	-	-
Certificates of Deposit	4,775,757	-	4,775,757	-
Corporate Notes	5,641,806	-	5,641,806	-
US Agencies	362,670	362,670	-	-
Total	<u>\$ 194,947,361</u>	<u>\$ 380,818</u>	<u>\$ 194,566,543</u>	<u>\$ -</u>

At June 30, 2022, the City had the following investments, maturities, and quality ratings:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities in Years</u>		<u>Quality Ratings</u>
		<u>Less than 1</u>	<u>1 to 5</u>	
PTIF	\$ 184,148,980	\$ 184,148,980	\$ -	Unrated
Money Market	18,148	18,148	-	Aaa
Certificates of Deposit	4,775,757	1,177,944	3,597,813	Unrated
Corporate Notes	5,641,806	1,216,434	4,425,372	Aa3 to A3
US Agencies	362,670	304,081	58,589	Aaa
Total	<u>\$ 194,947,361</u>	<u>\$ 186,865,587</u>	<u>\$ 8,081,774</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 City’s policy for managing exposure to fair value loss arising from increasing interest rates is to comply with the Utah Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. Except for funds of Institutions of Higher Education acquired by gifts, grants, or the corpus of funds functioning as endowments, 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 to 365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City’s policy for reducing exposure to credit risk is to comply with the Utah Money Management Act as previously discussed. The Act only allows for investment in securities with the lowest risk of default.

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 City’s policy for managing concentration of credit risk is to comply with the rules of the Utah Money Management Council. The Utah Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to five to ten percent depending upon the total dollar amount held in the portfolio. The size of the City’s portfolio allows for no more than five percent of total cash and investments to be invested in any one issuer of commercial paper or corporate obligations. The City’s investment policy also states that investments should be spread across industries and institutions to reduce concentration of credit risk.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City’s policy for managing custodial credit risk is to adhere to the Utah Money Management Act, which provides a list of certified investment dealers. At June 30, 2022, \$17,049,006 was held by the counterparty’s trust department or agent in the City’s name. These deposits are not covered by depository insurance and are not collateralized.

**Note 4 – Receivables and Payables**

Receivables

Allowances for doubtful accounts are as follows:

Allowances related to water and sewer receivables	\$ 7,900
Allowances related to sewer treatment receivables	2,900
Allowances related to electric receivables	9,700
Allowances related to environmental health receivables	6,200
Allowances related to storm water management receivables	670
Allowances related to emergency medical services receivables	969,305
Total	<u>\$ 996,675</u>

Revenues of the communication center, water and sewer, sewer treatment, electric, environmental health, storm water management, and emergency medical services funds are recorded net of uncollectible amounts. The uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to water and sewer	\$ 33,286
Uncollectibles related to sewer treatment	19,357
Uncollectibles related to electric	65,519
Uncollectibles related to environmental health	58,576
Uncollectibles related to storm water management	4,829
Uncollectibles related to emergency medical services	4,905,403
Total	<u>\$ 5,086,970</u>

Receivables not expected to be collected within one year include the following:

General fund leases	\$ 540,447
Other governmental fund assessments	181,240
Total	<u>\$ 721,687</u>

Payables

Within accounts payable is accrued payroll payable. As of June 30, 2022, the City had the following accrued payroll liabilities:

Fund	Amount
General fund	\$ 1,392,448
Library	48,942
Other governmental	108,893
Golf course	42,202
Water and sewer	137,965
Sewer treatment	37,114
Electric	226,605
Environmental health	341,729
Storm water management	5,570
Emergency medical services	115,679
Internal service	46,706
Total	<u>\$ 2,503,853</u>

**Note 5 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2022, is as follows:

<b>Governmental Activities</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
Capital assets not being depreciated:					
Land	\$ 36,923,088	\$ 6,580,900	\$ (632,112)	\$ -	\$ 42,871,876
Construction in progress	3,600,253	9,667,328	-	(788,046)	12,479,535
Total capital assets not being depreciated	40,523,341	16,248,228	(632,112)	(788,046)	55,351,411
Capital assets being depreciated:					
Buildings	35,917,187	71,460	-	-	35,988,647
Infrastructure	98,242,604	2,526,808	-	788,046	101,557,458
Equipment	22,430,600	2,407,567	(2,815,777)	-	22,022,390
Total capital assets being depreciated	156,590,391	5,005,835	(2,815,777)	788,046	159,568,495
Less accumulated depreciation for:					
Buildings	(28,875,203)	(883,773)	-	-	(29,758,976)
Infrastructure	(37,202,124)	(1,731,498)	-	-	(38,933,622)
Equipment	(14,243,122)	(1,462,923)	1,959,800	-	(13,746,245)
Total accumulated depreciation	(80,320,449)	(4,078,194)	1,959,800	-	(82,438,843)
Total capital assets being depreciated, net	76,269,942	927,641	(855,977)	788,046	77,129,652
Governmental activities capital assets, net	\$ 116,793,283	\$ 17,175,869	\$ (1,488,089)	\$ -	\$ 132,481,063

<b>Business-Type Activities</b>	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Transfers</b>	<b>Ending Balance</b>
Capital assets not being depreciated:					
Land	\$ 10,581,443	\$ -	\$ -	\$ -	\$ 10,581,443
Construction in progress	133,634,773	24,712,648	-	(143,844,182)	14,503,239
Total capital assets not being depreciated	144,216,216	24,712,648	-	(143,844,182)	25,084,682
Capital assets being depreciated:					
Buildings	26,831,298	-	-	-	26,831,298
Infrastructure	183,637,071	5,320,535	-	143,844,182	332,801,788
Equipment	82,029,800	4,417,739	(10,919,070)	-	75,528,469
Total capital assets being depreciated	292,498,169	9,738,274	(10,919,070)	143,844,182	435,161,555
Less accumulated depreciation for:					
Buildings	(14,072,779)	(1,178,550)	-	-	(15,251,329)
Infrastructure	(49,802,157)	(4,132,636)	-	-	(53,934,793)
Equipment	(50,364,771)	(4,312,008)	9,854,972	-	(44,821,807)
Total accumulated depreciation	(114,239,707)	(9,623,194)	9,854,972	-	(114,007,929)
Total capital assets being depreciated, net	178,258,462	115,080	(1,064,098)	143,844,182	321,153,626
Business-type activities capital assets, net	\$ 322,474,678	\$ 24,827,728	\$ (1,064,098)	\$ -	\$ 346,238,308

Depreciation expense is charged to functions or programs of the primary government as follows:

<b>Governmental Activities:</b>	
General government	\$ 240,068
Public safety	1,114,075
Public works	1,988,286
Parks, recreation, and culture	636,617
Capital assets held by internal service funds	99,148
Total	\$ 4,078,194
 <b>Business-Type Activities:</b>	
Golf course	\$ 215,323
Water and sewer	2,151,089
Sewer treatment	649,979
Electric	2,750,347
Environmental health	2,985,436
Storm water management	685,871
Emergency medical services	185,149
Total	\$ 9,623,194

## Note 6 – Long-Term Liabilities

### Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2022, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Compensated absences	\$ 1,934,771	\$ 1,699,609	\$ (1,630,079)	\$ 2,004,301	\$ 1,571,798
Governmental activity long-term liabilities	\$ 1,934,771	\$ 1,699,609	\$ (1,630,079)	\$ 2,004,301	\$ 1,571,798
<b>Business-type activities:</b>					
Revenue bonds payable - direct borrowing	\$ 102,517,000	\$ -	\$ (5,220,000)	\$ 97,297,000	\$ 5,280,000
Notes payable - direct borrowing	426,675	-	(39,639)	387,036	39,661
Leases payable	-	545,028	(17,309)	527,719	57,369
Compensated absences	1,308,515	951,733	(1,005,221)	1,255,027	887,943
Landfill closure/post-closure costs	4,755,437	1,977,855	(1,029,014)	5,704,278	-
Business-type activity long-term liabilities	\$ 109,007,627	\$ 3,474,616	\$ (7,311,183)	\$ 105,171,060	\$ 6,264,973

For governmental funds, compensated absences are typically liquidated through the general fund.

### General Obligation Bonds

The City periodically issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City currently has no general obligation bonds outstanding.

### Revenue Bonds

The City issues revenue bonds to finance the purchase of major capital items and the acquisition or construction of major capital facilities.

In December 2018, the City obtained approval for the issuance of \$20,000,000 in Sewer Treatment Revenue Bonds, Series A. The bonds are to be repaid by the sewer treatment fund. The bonds bear an interest rate of 1.50 percent. The bonds were purchased by the State of Utah Water Quality Board and funds were delivered to the City through a process of advances into a trustee account as expenses were incurred. Proceeds of the bond were used to construct a mechanical sewer treatment plant. The bonds mature in fiscal year 2050.

In December 2018, the City obtained approval for the issuance of \$10,000,000 in Sewer Treatment Revenue Bonds, Series B. The bonds are to be repaid by the sewer treatment fund. The bonds bear an interest rate of 1.50 percent. The bonds were purchased by the State of Utah Permanent Community Impact Fund Board and funds were delivered to the City through a process of advances into a trustee account as expenses were incurred. Proceeds of the bond were used to construct a mechanical sewer treatment plant. The bonds mature in fiscal year 2040.

In March 2016, the City obtained approval for the issuance of \$70,000,000 in Taxable Sewer Treatment Revenue Bonds. The bonds are to be repaid by the sewer treatment fund. The bonds bear an interest rate of 0.75 percent. The bonds are deemed federally taxable. The bonds were purchased by the State of Utah Water Quality Board and funds were delivered to the City through a process of advances into a trustee account as expenses were incurred. Proceeds of the bond were used to construct a mechanical sewer treatment plant. The bonds mature in fiscal year 2041.

In December 2015, the City issued \$1,980,000 in Taxable Water Revenue Bonds, Series A. The bonds are to be repaid by the water and sewer fund. The bonds bear an interest rate of 1.14 percent. The bonds were a reissue of the 2008B State Drinking Water Loan. The bonds mature in fiscal year 2028.

In December 2015, the City issued \$2,894,000 in Water Revenue Bonds, Series B. The bonds are to be repaid by the water and sewer fund. The bonds bear an interest rate of 2.57 percent. The bonds were a reissue of the 2004A State Drinking Water Loan. The bonds mature in fiscal year 2025.

In December 2015, the City issued \$3,925,000 in Water and Sewer Refunding Bonds, Series C. The bonds are to be repaid by the water and sewer fund. The bonds bear an interest rate of 1.67 percent. The refunding will save the City \$793,439 of debt service expense over the life of the bonds and will result in an economic gain of \$296,902. The bonds were issued to advance refund the 2008A Water Revenue Bonds. The bonds mature in fiscal year 2023. Refunded 2008A bonds were redeemed in fiscal year 2016.

Bond trust indentures of certain revenue bonds specify the City maintain net revenue to debt service coverage ratios. As of June 30, 2022, the City has met these requirements.

Revenue bonds outstanding as of June 30, 2022, are as follows:

<b>Purpose</b>	<b>Interest Rates</b>	<b>Amount</b>
2015A Water Revenue Bonds	1.14%	\$ 937,000
2015B Water Revenue Bonds	2.57%	1,039,000
2015C Water & Sewer Refunding Bonds	1.67%	515,000
2016 Taxable Sewer Treatment Revenue Bonds	0.75%	66,743,000
2018A Sewer Revenue Bonds - State	1.50%	18,928,000
2018B Sewer Revenue Bonds - CIB	1.50%	9,135,000
Total		<u>\$ 97,297,000</u>

Revenue bond debt service requirements to maturity are as follows:

Fiscal Year	Business-Type Activities	
	Principal	Interest
2023	\$ 5,280,000	\$ 967,482
2024	4,811,000	908,987
2025	4,865,000	858,480
2026	4,556,000	807,261
2027	4,596,000	764,671
2028-2032	22,951,000	3,181,347
2033-2037	23,908,000	2,094,527
2038-2042	20,091,000	959,529
2043-2047	3,812,000	355,260
2048-2052	2,427,000	73,170
Total	\$ 97,297,000	\$ 10,970,714

Pledged Revenues

The City has the following pledged revenues:

Specific Revenue Pledged	Pledge Amount	Total Pledged Revenues	Total Debt Service
Net water & sewer revenues	\$ 2,590,494	\$ 10,858,918	\$ 1,052,588
Net sewer treatment revenues	105,677,220	8,919,211	5,161,889

Other Required Disclosures

There are no significant events of default, termination events, or subjective acceleration clauses with finance-related consequences that require disclosure.

Notes Payable

The City periodically obtains notes payable to finance the purchase of small capital items or to take advantage of unique financing opportunities.

In June 2013, the City incurred notes payable of \$703,549 for storm water and canal improvements. The notes were incurred in two issuances. The first issuance of \$319,777 bears a zero percent interest rate over 18 years. The second issuance of \$383,772 bears an interest rate of 0.10 percent over 18 years.

Notes payable outstanding as of June 30, 2022, are as follows:

Purpose	Interest Rates	Amount
Canal & Storm Water Improvements #1	0.00%	\$ 174,793
Canal & Storm Water Improvements #2	0.10%	212,243
Total		\$ 387,036

Notes payable debt service requirements to maturity are as follows:

Fiscal Year	Business-Type Activities	
	Principal	Interest
2023	\$ 39,661	\$ 212
2024	39,682	191
2025	39,704	169
2026	39,725	148
2027	39,747	126
2028-2032	188,517	305
Total	<u>\$ 387,036</u>	<u>\$ 1,151</u>

**Note 7 – Leases**

Lessee Agreements

The City utilizes leases when deemed appropriate or necessary. Leased assets are included in capital assets in the appropriate category.

As of June 30, 2022, the City held leased asset balances of the following:

Business-Type Activities	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Leases being depreciated:					
Leased Infrastructure	-	313,427	-	-	313,427
Leased Equipment	-	231,601	-	-	231,601
Total leases being depreciated	-	545,028	-	-	545,028
Less accumulated depreciation for:					
Leased Infrastructure	-	(5,877)	-	-	(5,877)
Leased Equipment	-	(3,860)	-	-	(3,860)
Total accumulated depreciation	-	(9,737)	-	-	(9,737)
Total leases being depreciated, net	-	535,291	-	-	535,291
Business-type activities leases, net	<u>\$ -</u>	<u>\$ 535,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 535,291</u>

Leases payable outstanding as of June 30, 2022, are as follows:

Purpose	Interest Rates	Amount
Golf Cart Lease	2.74%	\$ 221,942
Electric Substation Lease	2.00%	305,777
Total		<u>\$ 527,719</u>

Leases payable debt service requirements to maturity are as follows:

Fiscal year	Business-Type Activities	
	Principal	Interest
2023	\$ 57,369	\$ 11,501
2024	59,114	9,922
2025	60,909	8,297
2026	52,568	6,635
2027	2,543	5,955
2028-2032	16,359	28,918
2033-2037	23,282	27,015
2038-2042	31,504	24,369
2043-2047	41,225	20,842
2048-2052	52,671	16,277
2053-2057	66,102	10,490
2058-2062	64,073	3,270
Total	\$ 527,719	\$ 173,491

Lessor Agreements

The City has recognized lessor contracts for rooftop cell tower leases. Leases receivable are recognized as accounts receivable in the financial statements.

As of June 30, 2022, the City held leases receivable balances of the following:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year	Long Term Portion
<b>Governmental activities:</b>						
Leases receivable:						
Governmental activity leases	\$ 601,977	\$ -	\$ (28,498)	\$ 573,479	\$ 33,032	\$ 540,447
	\$ 601,977	\$ -	\$ (28,498)	\$ 573,479	\$ 33,032	\$ 540,447

As of June 30, 2022, the City recognized inflows from lease arrangements as follows:

Principal	Interest	Total
\$ 28,498	\$ 8,504	\$ 37,002

**Note 8 – Interfund Receivables and Payables**

Due from and due to balances result from interfund loans that are typically for capital purposes with repayment over several years. Smaller due to due from balances are for operating purposes and are paid back monthly.

At June 30, 2022, the City held the following interfund receivables and payables balances:

Payable Fund	Receivable Fund	Amount	Not Expected to be Paid Within One Year
Library	Electric	\$ 3,780,184	\$ 3,556,653
Water and sewer	General fund	70,311	-
Electric	General fund	24,972	-
Sewer treatment	General fund	132,534	-
Environmental health	General fund	18,368	-
Total		\$ 4,026,369	\$ 3,556,653

**Note 9 – Interfund Transfers**

The City routinely budgets transfers to various funds to finance operating costs in those funds. In addition, the City routinely transfers amounts from the enterprise funds to the general fund as a return on investment for those operations.

Transfers Out	Transfers In							Total
	Governmental			Business-Type				
	General Fund	Capital Projects	Nonmajor Governmental	Internal Service	Golf Course	Storm Water Management	Emergency Medical Services	
General fund	\$ -	\$ 18,380,000	\$ 2,532,016	\$ -	\$ 153,421	\$ 390,000	\$ 214,057	\$ 21,669,494
Redevelopment agency	-	3,000,000	-	-	-	-	-	3,000,000
Library	-	6,665,013	-	-	-	-	-	6,665,013
Nonmajor governmental	23,895	-	-	34,237	-	-	-	58,132
Water and sewer	1,082,095	-	-	-	-	-	-	1,082,095
Sewer treatment	595,100	-	-	-	-	-	-	595,100
Electric	2,877,120	-	-	-	-	-	-	2,877,120
Environmental health	1,362,760	-	714,716	-	-	-	-	2,077,476
<b>Total</b>	<b>\$ 5,940,970</b>	<b>\$ 28,045,013</b>	<b>\$ 3,246,732</b>	<b>\$ 34,237</b>	<b>\$ 153,421</b>	<b>\$ 390,000</b>	<b>\$ 214,057</b>	<b>\$ 38,024,430</b>

**Note 10 – Restricted Assets**

According to bond requirements, the City often uses a trustee to make periodic bond payments. The balances held by the trustee at year end are restricted for debt service.

**Note 11 – Risk Management**

The City is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, injuries to employees, and natural disasters. Accordingly, the City insures against these risks of loss as part of a comprehensive risk management program. To protect the City from general liability exposure, the City purchases insurance with a \$100,000 deductible and a \$10,000,000 limit. The City also purchases property and equipment insurance, including earthquake coverage. The City is also fully insured for workers compensation. The City accounts for risk management activities through an internal service fund.

The City has not incurred claims settlements in excess of insurance coverage for the past three years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact science as it depends on many factors including professional judgment, changes in legal doctrines, and damage awards. The estimate of the claims liability includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expense. Estimated recoveries, such as salvage or subrogation, are included in the estimate for the claims liability. Changes in the balances of claims liabilities are as follows:

Claims Liabilities	June 30, 2022	June 30, 2021
Unpaid claims, beginning	\$ 271,778	\$ 103,753
Incurred claims & changes in estimates (including IBNR)	248,723	253,060
Claims paid	(225,976)	(85,035)
Unpaid claims, ending	<u>\$ 294,525</u>	<u>\$ 271,778</u>

**Note 12 – Commitments and Contingencies**

Tax Increment Rebates

The City periodically enters into property tax abatement (rebate incentive) agreements with local developers through use of the Redevelopment Agency (RDA) under State Statute Title 17C of the Utah Code. Under the Statute, local taxing entities elect to

send incremental property tax generated by a specific project or project area to the RDA for use as incentive to attract economic development. The RDA enters into rebate incentive agreements with developers who agree to improve property within one of the City's redevelopment project areas. The increased development results in increased property taxes paid by the developer and the RDA subsequently rebates a portion of this increased tax revenue back to the developer for a specified period of time. After that time period has lapsed, the increased annual tax revenues are remitted to the original taxing entities resulting in increased tax revenues.

For the fiscal year ended June 30, 2022, the City abated property taxes (recorded as property tax for the City of Logan portion of taxes received and intergovernmental revenue for taxes received from other governmental entities) totaling \$2,107,194, including the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- An incentive agreement with Blue Spring Business Park, LLC and Costco Wholesale Corporation. The agreed rebate paid was \$774,698.
- An incentive agreement with Blue Spring Business Park, LLC. The agreed rebate paid was \$500,000.
- An incentive agreement with Mill Creek of Logan, LLC. The agreed rebate paid was \$500,000.

### Low-Income Housing

State statutes applicable to certain redevelopment projects require 20 percent of the tax increment generated within the project area to be restricted for low-income housing. As of June 30, 2022, \$589,194 is restricted for this purpose.

### Capital Commitments

As of June 30, 2022, the City had outstanding capital construction and equipment purchase commitments of approximately \$35,840,000.

## **Note 13 – Employee Retirement Systems and Pension Plans**

### General Information about the Pension Plan

#### Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). URS is comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System); Public Employees Contributory Retirement System (Contributory System); Firefighters Retirement System (Firefighters System); are cost-sharing multiple employer retirement systems.
- Public Safety Retirement System (Public Safety System) is an agent multiple employer cost-sharing retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System); are cost-sharing multiple employer retirement systems.

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

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

is composed of fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102 or visiting the website: [www.urs.org](http://www.urs.org).

Benefits Provided

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

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.00% per year all years	Up to 4.0%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4.0%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.50% per year to up to 20 years; 2.00% per year over 20 years	Up to 2.5%
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.50% per year to up to 20 years; 2.00% per year over 20 years	Up to 4.0%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020 2.00% per year June 2020 to present	Up to 2.5%

*\*Actuarial reductions are applied*

*\*\*All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit.*

*The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.*

Contributions

As a condition of participation in URS, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates are as follows:

	Paid by Employer For Employee	Employer Contribution Rates	Employer Rate For 401(k) Plan
Contributory System			
11 - Local Government Division Tier 1	6.00%	14.46%	n/a
111 - Local Governmental Division Tier 2	n/a	16.07%	0.62%
Noncontributory System			
15 - Local Governmental Division Tier 1	n/a	18.47%	n/a
Public Safety Retirement System			
122 - DB Hybrid Public Safety Tier 2	2.27%	33.45%	n/a
47 - Other Division A Non Contributory Tier 1	n/a	41.97%	n/a
Firefighters System			
32 - Other Division B Tier 1	16.71%	7.24%	n/a
132 - DB Hybrid Firefighters Tier 2	2.27%	14.08%	n/a
Tier 2 DC Only			
211 - Local Government	n/a	6.69%	10.00%
222 - Public Safety	n/a	19.45%	14.00%
232 - Firefighters	n/a	0.08%	14.00%

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

For fiscal year ended June 30, 2022, the employer and employee contributions to URS were as follows:

	Employer Contributions	Employee Contributions
Noncontributory System	\$ 1,868,113	n/a
Contributory System	6,554	-
Public Safety System	788,044	-
Firefighter System	151,510	-
Tier 2 Public Employee System	1,000,137	-
Tier 2 Public Safety and Firefighter	601,899	62,074
Tier 2 DC Only System	139,369	n/a
Tier 2 DC Public Safety and Firefighter System	91,769	n/a
Total	\$ 4,647,395	\$ 62,074

Contributions reported are the URS Board approved required contributions by plan.

The following numbers of employees were covered by the benefit terms of the Public Safety System:

Inactive employees or beneficiaries currently receiving benefits	57
Inactive employees entitled to but not yet receiving benefits	30
Active employees	27
Total	114

Pension Assets, Liabilities, Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2022, the City reported a net pension asset of \$14,711,795 and a net pension liability of \$0.

	Proportionate Share 12/31/20	Proportionate Share 12/31/21	Change (Decrease)	Net Pension Asset	Net Pension Liability
Noncontributory System	1.2900610%	1.2671156%	-0.0229454%	\$ 7,256,907	\$ -
Contributory System	0.6102979%	0.3090148%	-0.3012831%	223,709	-
Public Safety System	100.0000000%	100.0000000%	0.0000000%	11,859	-
Firefighters System	2.5637478%	2.6024308%	0.0386830%	7,039,378	-
Tier 2 Public Employees System	0.2975487%	0.2990241%	0.0014754%	126,558	-
Tier 2 Public Safety and Firefighter System	1.0561670%	1.0562323%	0.0000653%	53,384	-
Total				\$ 14,711,795	\$ -

The net pension asset and liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the City’s actual contributions to URS during the plan year over the total of all employer contributions.

As of June 30, 2022, the City recognized pension expense of (\$1,984,391).

For governmental funds, pension liabilities are typically liquidated through the general fund.

As of June 30, 2022, the reported deferred outflows of resources and deferred inflows of resources related to pensions are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,231,169	\$ 65,704
Changes in assumptions	1,514,708	62,925
Net difference between projected and actual earnings on pension plan investments	-	18,840,317
Changes in proportion and differences between contributions and proportionate share of contributions	106,124	112,697
Contributions subsequent to the measurement date	2,304,421	-
Total	\$ 5,156,422	\$ 19,081,643

The \$2,304,421 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (3,216,099)
2023	(5,688,696)
2024	(4,439,838)
2025	(3,100,490)
2026	32,362
Thereafter	183,119

Noncontributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of (\$1,159,685) and reported deferred outflows and inflows of resources related to pensions from the following sources:

<b>Noncontributory System</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 760,083	\$ -
Changes in assumptions	681,087	46,842
Net difference between projected and actual earnings on pension plan investments	-	9,770,450
Changes in proportion and differences between contributions and proportionate share of contributions	15,766	74,763
Contributions subsequent to the measurement date	904,864	-
Total	<u>\$ 2,361,800</u>	<u>\$ 9,892,055</u>

The \$904,864 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Noncontributory System Year Ended December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2022	\$ (1,636,227)
2023	(2,808,200)
2024	(2,367,297)
2025	(1,623,395)
2026	-
Thereafter	-

Contributory System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of (\$110,078) and reported deferred outflows and inflows of resources related to pensions from the following sources:

<b>Contributory System</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	183,245
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	3,215	-
Total	<u>\$ 3,215</u>	<u>\$ 183,245</u>

The \$3,215 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Contributory System Year Ended December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2022	\$ (44,232)
2023	(64,019)
2024	(45,158)
2025	(29,836)
2026	-
Thereafter	-

Public Safety System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$58,503 and reported deferred outflows and inflows of resources related to pensions from the following sources:

<b>Public Safety System</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 186,142	\$ -
Changes in assumptions	230,140	5,399
Net difference between projected and actual earnings on pension plan investments	-	4,330,567
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	387,803	-
Total	<u>\$ 804,085</u>	<u>\$ 4,335,966</u>

The \$387,803 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Public Safety System Year Ended December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2022	\$ (649,521)
2023	(1,484,199)
2024	(1,067,976)
2025	(717,988)
2026	-
Thereafter	-

Firefighters System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of (\$1,495,040) and reported deferred outflows and inflows of resources related to pensions from the following sources:

<b>Firefighter System</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 177,714	\$ 40,628
Changes in assumptions	425,569	-
Net difference between projected and actual earnings on pension plan investments	-	4,080,172
Changes in proportion and differences between contributions and proportionate share of contributions	265	37,934
Contributions subsequent to the measurement date	73,824	-
Total	<u>\$ 677,372</u>	<u>\$ 4,158,734</u>

The \$73,824 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Firefighter System Year Ended December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2022	\$ (792,465)
2023	(1,214,722)
2024	(872,153)
2025	(675,846)
2026	-
Thereafter	-

Tier 2 Public Employees System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$439,674 and reported deferred outflows and inflows of resources related to pensions from the following sources:

<b>Tier 2 Public Employees System</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 61,484	\$ 16,306
Changes in assumptions	118,006	1,196
Net difference between projected and actual earnings on pension plan investments	-	312,709
Changes in proportion and differences between contributions and proportionate share of contributions	70,210	-
Contributions subsequent to the measurement date	577,174	-
Total	<u>\$ 826,874</u>	<u>\$ 330,211</u>

The \$577,174 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Tier 2 Public Employees System Year Ended December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2022	\$ (58,543)
2023	(75,111)
2024	(54,428)
2025	(31,247)
2026	24,709
Thereafter	114,109

Tier 2 Public Safety and Firefighter System Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2022, the City recognized pension expense of \$282,235 and reported deferred outflows and inflows of resources related to pensions from the following sources:

<b>Tier 2 Public Safety and Firefighter System</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 45,746	\$ 8,770
Changes in assumptions	59,906	9,488
Net difference between projected and actual earnings on pension plan investments	-	163,174
Changes in proportion and differences between contributions and proportionate share of contributions	19,883	-
Contributions subsequent to the measurement date	357,541	-
Total	<u>\$ 483,076</u>	<u>\$ 181,432</u>

The \$357,541 reported as deferred outflows of resources related to pensions results from contributions made by the City prior to the fiscal year end, but subsequent to the measurement date of December 31, 2021. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Tier 2 Public Safety and Firefighter System Year Ended December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2022	\$ (35,111)
2023	(42,445)
2024	(32,826)
2025	(22,178)
2026	7,653
Thereafter	69,010

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 - 9.25 percent, average, including inflation
Investment rate of return	6.85 percent, net of pension plan investment expense, including inflation

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

mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively. The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	37%	6.58%	2.43%
Debt securities	20%	-0.28%	-0.06%
Real assets	15%	5.77%	0.87%
Private equity	12%	9.85%	1.18%
Absolute return	16%	2.91%	0.47%
Cash and cash equivalents	0%	-1.01%	0.00%
Total	100%		4.89%
		Inflation	2.50%
		Expected arithmetic nominal return	7.39%

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

Discount Rate

The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced from 6.95 to 6.85 percent from the prior measurement date.

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate

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

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 3,902,258	\$ (7,256,907)	\$ (16,567,054)
Contributory System	(89,254)	(223,709)	(337,659)
Public Safety System	5,394,998	(11,859)	(4,411,280)
Firefighters System	(2,855,024)	(7,039,378)	(10,472,424)
Tier 2 Public Employees System	754,061	(126,558)	(802,691)
Tier 2 Public Safety and Firefighter System	428,277	(53,384)	(435,758)
Total	\$ 7,535,316	\$ (14,711,795)	\$ (33,026,866)

Pension Plan Fiduciary Net Position

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

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the URS Board and are generally supplemental plans to the basic retirement benefits of URS, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings plans authorized under section 401(k), 457(b) and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

For Tier 1 employees allowed to withdraw from URS defined benefit plans, contributions are based on the same rates of contribution paid to the defined benefit plans and are subject to the same terms established by URS.

In addition, the City has elected to match 401(k) contributions of benefitted employees up to two and one-half percent of salary. This contribution is established by a budget resolution passed by council and can be amended by council resolution.

The City participates in 401(k), 457(b), Roth IRA, and Traditional IRA Defined Contribution Savings Plans with URS. Employee and employer contributions to these plans for the year ended June 30, 2022 were as follows:

	2022	2021	2020
401(k) Plan			
Employer contributions	\$ 1,036,995	\$ 494,485	\$ 1,018,092
Employee contributions	1,180,336	1,030,199	874,284
457(b) Plan			
Employer contributions	-	-	-
Employee contributions	262,996	228,794	244,301
Roth IRA Plan			
Employer contributions	n/a	n/a	n/a
Employee contributions	91,595	80,991	48,752
Traditional IRA Plan			
Employer contributions	n/a	n/a	n/a
Employee contributions	855	-	-

Public Safety Retirement System

Changes to the Public Safety Retirement System were as follows:

**City of Logan**  
**Public Safety Retirement System**  
**Changes in the Net Pension Liability**

	<b>2022</b>
Total pension liability:	
Service cost	\$ 429,757
Interest	2,603,833
Difference between expected and actual experience	273,682
Assumption changes	482,487
Benefit payments, including refunds of employee contributions	(1,895,004)
Net change in total pension liability	1,894,755
Total pension liability, beginning	38,197,848
Total pension liability, ending	\$ 40,092,603
Plan fiduciary net position:	
Contributions-employer	\$ 1,077,394
Contributions-employee	-
Net investment income	5,956,508
Benefit payments, including refunds of employee contributions	(1,895,004)
Administrative expenses	(11,975)
Other changes	40,582
Net change in plan fiduciary net position	5,167,505
Plan fiduciary net position, beginning	34,936,957
Plan fiduciary net position, ending	\$ 40,104,462
Net pension liability	\$ (11,859)

**Note 14 – Environmental Health Landfill Closure and Post-Closure Costs**

The City owns and operates two landfills and manages solid waste for the entire county. State and federal laws require the City to close a landfill when it reaches capacity and to monitor and maintain the site for thirty subsequent years. The City recognizes a portion of these costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year is based on the percent landfill capacity used as of the balance sheet date. There are several methodologies used to close a landfill, which result in varying costs and landfill capacities.

As of June 30, 2022, landfill liabilities were as follows:

<b>Logan Landfill</b>	<b>Amount</b>
Landfill closure/post-closure study cost	\$ 5,621,342
Landfill capacity consumed	83.9%
Landfill liability	4,718,779
Remaining liability	902,563
Remaining landfill life	10 Years
<b>North Valley Landfill</b>	
	<b>Amount</b>
Landfill closure/post-closure study cost	\$ 4,193,612
Landfill capacity consumed	23.5%
Landfill liability	985,499
Remaining liability	3,208,113
Remaining landfill life	76 Years

The estimated cost of closure and post-closure care is subject to change and variability due to various factors including, but not limited to, technology changes and advancements and plans relating to the future use of the site. Landfill closure and post-closure costs for the current period were \$1,977,855.

Annually, the City files a financial assurance report for closure and post-closure costs with the Utah Department of Environmental Quality. The Department of Environmental Quality subsequently analyzes the sufficiency of reserve funds to meet future costs.

### **Note 15 – Redevelopment Agency**

In accordance with the Utah State Code, municipalities that have established Redevelopment Agencies are required to disclose certain revenues and expenditures associated with the various project areas. The revenues and expenditures associated with the City’s redevelopment areas are as follows:

<b>Logan Downtown RDA</b>	
Revenues:	
Tax increment collected	\$ 535,167
Expenditures:	
Acquisition of property	636,404
Site improvements	1,487,657
Administrative costs	69,104
Tax increment rebate	524,187
<b>Logan River RDA</b>	
Expenditures:	
Administrative costs	\$ 9,846

<b>Logan South Main RDA</b>		
Revenues:		
Tax increment collected	\$	1,022,320
Expenditures:		
Site improvements		24,327
Administrative costs		11,821
Tax increment rebate		202,271
<b>Logan Northwest RDA</b>		
Revenues:		
Tax increment collected	\$	323,804
Expenditures:		
Administrative costs		9,846
<b>Auto Mail CDA</b>		
Revenues:		
Tax increment collected	\$	73,507
Expenditures:		
Administrative costs		5,000
Tax increment rebate		52,124
<b>Logan North Retail RDA</b>		
Expenditures:		
Administrative costs	\$	10,472
<b>Logan 600 West EDA</b>		
Expenditures:		
Administrative costs	\$	9,846
Tax increment rebate		1,274,698
<b>South Main CRPA</b>		
Revenues:		
Tax increment collected	\$	65,800
Expenditures:		
Tax increment rebate		53,914

**Note 16 – Investments in Power Projects and Related Contracts**

Colorado River Storage Project (CRSP)

CRSP is managed by Western Area Power Authority, which is a division of the Department of Energy. The City of Logan is a preference customer of CRSP and has an allocation and a right to use a proportionate share of the hydro-electric power generated from the project. The City has the right to 22 MW of winter and 17 MW of summer capacity, when the project is producing the rated amount of electricity. The generation is primarily based on water flow.

Intermountain Power Association (IPA)

The City has entered into a power sales contract that expires in June 2027, to purchase 2.47 percent of the output of the Intermountain Power Project Units 1 & 2. As long as any of the Intermountain Power Agency Bonds are outstanding, the contract cannot be terminated nor amended in a manner that will impair or adversely affect the rights of any of the members.

Utah Associated Municipal Power Systems (UAMPS)

UAMPS is a governmental agency that provides comprehensive wholesale electric services, on a nonprofit basis, to municipalities throughout the Intermountain West. The City is obligated to UAMPS through power service contracts for the consequences of “take-or-pay” contracts with UAMPS customers. UAMPS service charges to the City include the City’s proportionate obligation for the following items:

## UAMPS Hunter II Project

In June 1982, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Hunter Project Revenue and Refunding Bonds have been paid, (2) the final shut down date of the Hunter Steam Electric Generating Unit No. 2, or (3) June 1, 2032. The contract entitles the City to approximately 2.95 percent of the output of the project.

## UAMPS Craig-Mona Transmission Project

In January 1989, the City entered into a transmission service contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Craig-Mona Transmission Project Refunding and Revenue Bonds have been paid, (2) UAMPS shall no longer have any rights with respect to the project under the applicable participation agreements, or (3) November 6, 2030. The contract entitles the City to approximately 1.22 percent of the transmission capability of the Craig to Bonanza 345 KV transmission line and approximately 4.4 MW of transmission capability of the Bonanza to Mona 345 KV transmission line and associated facilities.

## UAMPS Payson (Nebo) Project

In March 2003, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS Payson Revenue Bonds have been paid, (2) the date of the final payment of all obligations under the Project Agreements, or (3) April 1, 2026. The contract entitles the City to 12.92 percent of the scheduled output of the Payson Generating Station. As a participant in the UAMPS Payson Project, the City is obligated for 12.41 percent of the debt service on \$19,605,000 Revenue Bonds outstanding at June 30, 2022.

## UAMPS Pleasant Valley PPM Energy Wind Project

In January 2004, the City entered into a power sales contract with UAMPS that expires in January 2029. The City agreed to purchase two MW of power at a fixed rate of \$48.11 per MWH. In March 2008, the City acquired an additional two MW of wind power, for a total of four MW. The City agreed to purchase the power on a percentage-of-availability basis as it is generated.

## UAMPS VEYO

In June 2014, the City entered into a power sales contract with UAMPS that expires on the later of (1) the date the principal of, premium, if any, and interest on all of the UAMPS VEYO Heat Recovery Project Revenue Bonds have been paid, or (2) the decommissioning of the project. The contract entitles the City to 22.72 percent of the scheduled output of the UAMPS VEYO Heat Recovery Project. As a participant in the project, the City is obligated for 18.47 percent of the debt service on \$18,155,000 Revenue Bonds outstanding at June 30, 2022.

## All-In Cost Pool

UAMPS Pool Project Participants formed the “All-In” Pool in a desire to more cooperatively and efficiently manage member load and resource situations. The pool provides an environment that encourages participants to jointly acquire resources as needed, thus taking advantage of economies of scale. Each of the participants in the pool has agreed to sell their excess power

to, and purchase additional power needs from, the pool at cost. Any additional power needs for the group may be purchased in one large block at market prices. In addition, any excess power to be sold may be sold in a similar manner.

**Note 17 – Industrial Revenue Bonds**

In December 2001, the City authorized the issuance of Industrial Revenue Bonds to Scientific Technology Incorporated in the amount of \$2,100,000. In July 2006, the City Council approved the transfer of liability from Scientific Technology Incorporated to Ardenwood LLC. Ardenwood LLC is responsible for all bond payments and neither the City nor its resources are liable for repayment. The bonds are scheduled to mature on August 1, 2031.

**Note 18 – Fund Balances**

Fund balance is categorized as follows:

<b>Fund Balances</b>	<b>General</b>	<b>Library</b>	<b>Redevelopment Agency</b>	<b>Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Total</b>
Nonspendable:						
Inventory	\$ 8,680	\$ -	\$ -	\$ -	\$ -	\$ 8,680
Restricted for:						
Capital activities	791,897	-	-	-	-	791,897
Streets	10,622,263	-	-	-	-	10,622,263
Law enforcement	249,632	-	-	-	23,829	273,461
Parks and recreation	253,573	-	-	-	24,140	277,713
Redevelopment	-	-	7,129,536	-	-	7,129,536
Other	-	-	-	-	5,474	5,474
Committed to:						
Library	-	-	-	-	-	-
Recreation Center maintenance	-	-	-	-	938,381	938,381
Communications Center	-	-	-	-	3,242,274	3,242,274
Special improvements	-	-	-	-	6,371	6,371
Cemetery	-	-	-	-	3,188,653	3,188,653
Capital projects	-	-	-	50,216,198	7,169,812	57,386,010
Assigned to:						
Fire	3,447	-	-	-	-	3,447
Infrastructure improvements	794,330	-	-	-	-	794,330
Parks and recreation	273,416	-	-	-	-	273,416
Other	66,218	-	-	-	-	66,218
Unassigned:	16,259,190	(2,293,164)	-	-	-	13,966,026
<b>Total</b>	<b>\$ 29,322,646</b>	<b>\$ (2,293,164)</b>	<b>\$ 7,129,536</b>	<b>\$ 50,216,198</b>	<b>\$ 14,598,934</b>	<b>\$ 98,974,150</b>

**Note 19 – GASB 87**

Due to the implementation of GASB 87 accounting for leases, prior period balances for leases receivable and deferred inflows of resources related to leases have been adjusted. There was no effect to net position or fund balance. The following prior period adjustments have been recorded:

<b>Governmental Activities</b>	<b>June 30, 2021</b>	<b>June 30, 2021 as Restated</b>
Accounts receivable current	\$ 302,692	\$ 331,190
Accounts receivable noncurrent	222,010	795,489
Deferred inflows related to leases	-	601,977
<b>General Fund</b>		
Accounts receivable	\$ 145,628	\$ 747,605
Deferred inflows related to leases	-	601,977

# Required Supplementary Information



**City of Logan**  
**General Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Property tax	\$ 2,611,182	\$ 2,611,182	\$ 2,690,053	\$ 78,871
Sales tax	20,555,000	20,580,000	23,603,791	3,023,791
Franchise tax	5,145,000	5,145,000	6,046,982	901,982
Licenses and permits	845,500	845,500	3,078,231	2,232,731
Intergovernmental	2,357,295	28,428,284	18,401,727	(10,026,557)
Administrative fees	5,863,109	5,863,109	-	(5,863,109)
Charges for services	2,554,336	2,833,862	3,264,146	430,284
Fines	648,000	648,000	792,549	144,549
Investment earnings	80,000	80,000	(75,023)	(155,023)
Miscellaneous	185,000	199,202	1,779,669	1,580,467
Total revenues	<u>40,844,422</u>	<u>67,234,139</u>	<u>59,582,125</u>	<u>(7,652,014)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Municipal council	142,202	142,202	119,885	22,317
Administration	1,254,333	1,318,785	1,205,700	113,085
Non-departmental	6,504,371	6,504,371	3,099,448	3,404,923
Finance	2,233,533	2,352,082	2,146,592	205,490
City attorney	591,711	594,772	510,003	84,769
Human resources	316,568	359,090	324,993	34,097
Community development	2,038,270	2,901,107	1,894,763	1,006,344
Total general government	<u>13,080,988</u>	<u>14,172,409</u>	<u>9,301,384</u>	<u>4,871,025</u>
Public safety:				
Police department	8,336,811	8,788,690	8,333,699	454,991
Fire department	5,288,364	5,669,483	5,588,360	81,123
Total public safety	<u>13,625,175</u>	<u>14,458,173</u>	<u>13,922,059</u>	<u>536,114</u>
Public works:				
Public works department	10,168,257	28,766,206	9,368,320	19,397,886
Total public works	<u>10,168,257</u>	<u>28,766,206</u>	<u>9,368,320</u>	<u>19,397,886</u>
Parks and recreation:				
Parks and recreation department	4,234,639	6,263,848	4,633,776	1,630,072
Total parks and recreation	<u>4,234,639</u>	<u>6,263,848</u>	<u>4,633,776</u>	<u>1,630,072</u>
Debt service:				
Interest	5,000	5,000	-	5,000
Total debt service	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Total expenditures	<u>41,114,059</u>	<u>63,665,636</u>	<u>37,225,539</u>	<u>26,440,097</u>
Revenues over (under) expenditures	<u>(269,637)</u>	<u>3,568,503</u>	<u>22,356,586</u>	<u>18,788,083</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	5,948,736	5,953,676	5,940,970	(12,706)
Transfers out	(12,680,494)	(22,680,494)	(21,669,494)	1,011,000
Disposal of capital assets	-	-	467,410	467,410
Total other financing sources (uses)	<u>(6,731,758)</u>	<u>(16,726,818)</u>	<u>(15,261,114)</u>	<u>1,465,704</u>
Net change in fund balance	(7,001,395)	(13,158,315)	7,095,472	20,253,787
Fund balance, beginning	22,227,174	22,227,174	22,227,174	-
Fund balance, ending	<u>\$ 15,225,779</u>	<u>\$ 9,068,859</u>	<u>\$ 29,322,646</u>	<u>\$ 20,253,787</u>

**City of Logan  
Library Fund  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Property tax	\$ 2,346,466	\$ 2,346,466	\$ 2,428,190	\$ 81,724
Intergovernmental	-	63,811	62,247	(1,564)
Charges for services	16,000	16,000	13,319	(2,681)
Fines	7,000	7,000	9,749	2,749
Investment earnings	5,000	5,000	12,068	7,068
Miscellaneous	9,000	9,000	34,124	25,124
Total revenues	<u>2,383,466</u>	<u>2,447,277</u>	<u>2,559,697</u>	<u>112,420</u>
<b>EXPENDITURES</b>				
Current:				
Parks, recreation, and culture	2,025,313	1,772,699	1,802,947	(30,248)
Interest	67,600	67,600	67,600	-
Parks, recreation, and culture	-	1,140,442	602,228	538,214
Total expenditures	<u>2,092,913</u>	<u>2,980,741</u>	<u>2,472,775</u>	<u>507,966</u>
Revenues over (under) expenditures	<u>290,553</u>	<u>(533,464)</u>	<u>86,922</u>	<u>620,386</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(6,665,013)	(6,665,013)	-
Total other financing sources (uses)	<u>-</u>	<u>(6,665,013)</u>	<u>(6,665,013)</u>	<u>-</u>
Net change in fund balance	290,553	(7,198,477)	(6,578,091)	620,386
Fund balance, beginning	4,284,927	4,284,927	4,284,927	-
Fund balance, ending	<u>\$ 4,575,480</u>	<u>\$ (2,913,550)</u>	<u>\$ (2,293,164)</u>	<u>\$ 620,386</u>

**City of Logan  
Redevelopment Agency  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Property tax	\$ 497,420	\$ 497,420	\$ 258,505	\$ (238,915)
Intergovernmental	2,732,580	2,929,580	1,959,093	(970,487)
Investment earnings	-	-	39,838	39,838
Miscellaneous	-	-	889,817	889,817
Total revenues	<u>3,230,000</u>	<u>3,427,000</u>	<u>3,147,253</u>	<u>(279,747)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	2,307,500	3,555,523	2,233,129	1,322,394
Capital Outlay:				
Public works	425,000	10,107,960	2,148,388	7,959,572
Total expenditures	<u>2,732,500</u>	<u>13,663,483</u>	<u>4,381,517</u>	<u>9,281,966</u>
Revenues over (under) expenditures	<u>497,500</u>	<u>(10,236,483)</u>	<u>(1,234,264)</u>	<u>9,002,219</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(3,000,000)	(3,000,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>-</u>
Net change in fund balance	497,500	(13,236,483)	(4,234,264)	9,002,219
Fund balance, beginning	11,363,800	11,363,800	11,363,800	-
Fund balance, ending	<u>\$ 11,861,300</u>	<u>\$ (1,872,683)</u>	<u>\$ 7,129,536</u>	<u>\$ 9,002,219</u>

**City of Logan**  
**Schedule of the Proportionate Share of the Net Pension Liability**  
**Last Ten Fiscal Years**

	Noncontributory	Contributory	Public Safety	Firefighters	Tier 2 Public Employees	Tier 2 Public Safety and Firefighter
<b>2022</b>						
Proportion of the net pension liability	1.2671156%	0.3090148%	100.0000000%	2.6024308%	0.2990241%	1.0562323%
Proportionate share of the net pension liability (asset)	\$ (7,256,907)	\$ (223,709)	\$ (11,859)	\$ (7,039,378)	\$ (126,558)	\$ (53,384)
Covered payroll	10,378,906	45,389	2,012,080	2,130,203	5,546,744	2,525,855
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-69.92%	-492.87%	-0.59%	-330.46%	-2.28%	-2.11%
Plan fiduciary net position as a percentage of the total pension liability	108.70%	115.90%	100.00%	122.90%	103.80%	102.80%
<b>2021</b>						
Proportion of the net pension liability	1.2900610%	0.6102979%	100.0000000%	2.5637478%	0.2975487%	1.0561670%
Proportionate share of the net pension liability (asset)	\$ 661,727	\$ (109,379)	\$ 3,260,891	\$ (3,454,264)	\$ 42,796	\$ 94,733
Covered payroll	10,661,160	100,671	2,025,111	2,116,254	4,756,432	2,086,778
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	6.21%	-108.65%	161.02%	-163.23%	0.90%	4.54%
Plan fiduciary net position as a percentage of the total pension liability	99.20%	103.90%	91.50%	112.00%	98.03%	93.10%
<b>2020</b>						
Proportion of the net pension liability	1.2779063%	0.5422631%	100.0000000%	2.4722602%	0.3038963%	1.0683461%
Proportionate share of the net pension liability (asset)	\$ 4,816,261	\$ 35,538	\$ 4,607,392	\$ (1,545,937)	\$ 68,349	\$ 100,493
Covered payroll	10,663,786	97,169	2,105,408	2,033,407	4,223,237	1,760,906
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	45.16%	36.57%	218.84%	-76.03%	1.62%	5.71%
Plan fiduciary net position as a percentage of the total pension liability	93.70%	98.60%	87.30%	105.80%	96.50%	89.60%
<b>2019</b>						
Proportion of the net pension liability	1.3043148%	0.4910925%	100.0000000%	2.6208221%	0.3076753%	0.8980839%
Proportionate share of the net pension liability (asset)	\$ 9,604,614	\$ 199,287	\$ 6,809,836	\$ 1,059,211	\$ 131,771	\$ 22,502
Covered payroll	10,837,079	91,917	2,276,913	2,157,775	3,589,926	1,199,353
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	88.63%	216.81%	299.08%	49.09%	3.67%	1.88%
Plan fiduciary net position as a percentage of the total pension liability	87.00%	91.20%	80.80%	96.10%	90.80%	95.60%
<b>2018</b>						
Proportion of the net pension liability	1.3008213%	0.4378243%	100.0000000%	2.8408753%	0.2887848%	0.8498104%
Proportionate share of the net pension liability (asset)	\$ 5,699,288	\$ 35,628	\$ 5,809,852	\$ (637,309)	\$ 25,461	\$ (9,833)
Covered payroll	10,874,331	88,841	2,292,798	2,439,569	2,826,166	897,029
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	52.41%	40.10%	253.40%	-26.12%	0.90%	-1.10%
Plan fiduciary net position as a percentage of the total pension liability	91.90%	98.20%	83.40%	102.30%	97.40%	103.00%
<b>2017</b>						
Proportion of the net pension liability	1.3462335%	0.3697879%	100.0000000%	3.0298502%	0.2761920%	0.9664638%
Proportionate share of the net pension liability (asset)	\$ 8,644,467	\$ 121,331	\$ 7,205,719	\$ 448,168	\$ 30,809	\$ (8,389)
Covered payroll	11,433,133	88,726	2,403,976	2,679,575	2,264,994	798,523
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	75.61%	136.75%	299.74%	16.73%	1.36%	-1.05%
Plan fiduciary net position as a percentage of the total pension liability	87.30%	92.90%	78.40%	98.40%	95.10%	103.60%
<b>2016</b>						
Proportion of the net pension liability	1.3222202%	0.1936970%	100.0000000%	2.9389845%	0.2657340%	1.2683091%
Proportionate share of the net pension liability (asset)	\$ 7,481,965	\$ 136,141	\$ 6,714,361	\$ 500,093	\$ (580)	\$ (18,530)
Covered payroll	11,063,502	82,531	2,385,514	2,527,776	1,716,845	754,624
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	67.63%	164.96%	281.46%	19.78%	-0.03%	-2.46%
Plan fiduciary net position as a percentage of the total pension liability	87.80%	85.70%	78.60%	98.10%	100.20%	110.70%
<b>2015</b>						
Proportion of the net pension liability	1.3246823%	0.1757728%	100.0000000%	3.0536355%	0.2316261%	1.1101356%
Proportionate share of the net pension liability (asset)	\$ 5,752,082	\$ 50,701	\$ 4,968,069	\$ (336,045)	\$ (7,019)	\$ (16,422)
Covered payroll	11,263,793	94,495	2,473,704	2,578,896	1,137,629	459,513
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	51.10%	53.70%	200.80%	-13.00%	-0.60%	-3.60%
Plan fiduciary net position as a percentage of the total pension liability	90.20%	94.00%	83.30%	101.30%	103.50%	120.50%

**Note:**

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

City of Logan  
Schedule of Pension Contributions  
Last Ten Fiscal Years

	Noncontributory	Contributory	Public Safety	Firefighters	Tier 2 Public Employees	Tier 2 Public Safety and Firefighter	Tier 2 Public Employee DC Only	Tier 2 Public Safety and Firefighter DC Only
<b>2022</b>								
Actuarially determined contributions	\$ 1,868,113	\$ 6,554	\$ 788,044	\$ 151,510	\$ 1,000,137	\$ 601,899	\$ 139,369	\$ 91,769
Contributions in relation to the contractually required contribution	1,868,113	6,554	788,044	151,510	1,000,137	601,899	139,369	91,769
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,291,560	\$ 45,327	\$ 2,011,728	\$ 2,094,910	\$ 6,226,417	\$ 2,738,302	\$ 2,083,247	\$ 688,653
Contributions as a percentage of covered payroll	18.15%	14.46%	39.17%	7.23%	16.06%	21.98%	6.69%	13.33%
<b>2021</b>								
Actuarially determined contributions	\$ 1,905,059	\$ 10,728	\$ 776,814	\$ 154,779	\$ 792,206	\$ 516,126	\$ 133,882	\$ 84,464
Contributions in relation to the contractually required contribution	1,905,059	10,728	776,814	154,779	792,206	516,126	133,882	84,464
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,521,069	\$ 74,188	\$ 1,981,087	\$ 2,140,094	\$ 5,014,529	\$ 2,344,010	\$ 2,001,229	\$ 636,607
Contributions as a percentage of covered payroll	18.11%	14.46%	39.21%	7.23%	15.80%	22.02%	6.69%	13.27%
<b>2020</b>								
Actuarially determined contributions	\$ 1,835,998	\$ 13,597	\$ 779,205	\$ 143,953	\$ 678,118	\$ 357,086	\$ 112,378	\$ 85,355
Contributions in relation to the contractually required contribution	1,835,998	13,597	779,205	143,953	678,118	357,086	112,378	85,355
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,592,156	\$ 97,773	\$ 2,061,260	\$ 2,073,922	\$ 4,501,172	\$ 1,882,229	\$ 1,753,295	\$ 585,189
Contributions as a percentage of covered payroll	17.33%	13.91%	37.80%	6.94%	15.07%	18.97%	6.41%	14.59%
<b>2019</b>								
Actuarially determined contributions	\$ 1,946,829	\$ 13,773	\$ 868,707	\$ 148,365	\$ 614,141	\$ 305,717	\$ 90,991	\$ 73,577
Contributions in relation to the contractually required contribution	1,946,829	13,773	868,707	148,365	614,141	305,717	90,991	73,577
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,798,380	\$ 95,250	\$ 2,224,030	\$ 2,049,244	\$ 3,952,006	\$ 1,525,835	\$ 1,360,302	\$ 507,086
Contributions as a percentage of covered payroll	18.03%	14.46%	39.06%	7.24%	15.54%	20.04%	6.69%	14.51%
<b>2018</b>								
Actuarially determined contributions	\$ 1,948,466	\$ 13,015	\$ 884,555	\$ 150,839	\$ 479,050	\$ 208,544	\$ 80,522	\$ 64,967
Contributions in relation to the contractually required contribution	1,948,466	13,015	884,555	150,839	479,050	208,544	80,522	64,967
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 10,766,610	\$ 90,005	\$ 2,293,650	\$ 2,295,063	\$ 3,172,146	\$ 1,009,562	\$ 1,204,064	\$ 440,677
Contributions as a percentage of covered payroll	18.10%	14.46%	38.57%	6.57%	15.10%	20.66%	6.69%	14.74%
<b>2017</b>								
Actuarially determined contributions	\$ 2,064,697	\$ 13,099	\$ 914,490	\$ 172,975	\$ 384,630	\$ 194,294	\$ 76,657	\$ 45,498
Contributions in relation to the contractually required contribution	2,064,697	13,099	914,490	172,975	384,630	194,294	76,657	45,498
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,394,804	\$ 90,589	\$ 2,387,501	\$ 2,658,332	\$ 2,579,742	\$ 844,689	\$ 1,145,836	\$ 315,262
Contributions as a percentage of covered payroll	18.12%	14.46%	38.30%	6.51%	14.91%	23.00%	6.69%	14.43%
<b>2016</b>								
Actuarially determined contributions	\$ 2,016,636	\$ 12,122	\$ 901,636	\$ 168,505	\$ 289,303	\$ 171,659	\$ 60,168	\$ 32,198
Contributions in relation to the contractually required contribution	2,016,636	12,122	901,636	168,505	289,303	171,659	60,168	32,198
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,081,955	\$ 83,832	\$ 2,327,296	\$ 2,546,084	\$ 1,940,146	\$ 772,186	\$ 899,373	\$ 196,458
Contributions as a percentage of covered payroll	18.20%	14.46%	38.74%	6.62%	14.91%	22.23%	6.69%	16.39%
<b>2015</b>								
Actuarially determined contributions	\$ 2,012,156	\$ 11,979	\$ 953,561	\$ 164,777	\$ 219,359	\$ 151,014	\$ 42,936	\$ 9,458
Contributions in relation to the contractually required contribution	2,012,156	11,979	953,561	164,777	219,359	151,014	42,936	9,458
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 11,051,948	\$ 82,734	\$ 2,440,895	\$ 2,547,680	\$ 1,468,264	\$ 650,745	\$ 638,926	\$ 49,492
Contributions as a percentage of covered payroll	18.21%	14.48%	39.07%	6.47%	14.94%	23.21%	6.72%	19.11%

**Note:**

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68. Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 Systems.

City of Logan  
Public Safety Retirement System  
Schedule of Changes in the Net Pension Liability and Related Ratios  
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022
Total pension liability								
Service cost	\$ 523,589	\$ 484,770	\$ 488,341	\$ 465,216	\$ 482,019	\$ 485,789	\$ 446,409	\$ 429,757
Interest	2,110,015	2,200,697	2,219,814	2,364,166	2,389,149	2,412,004	2,467,000	2,603,833
Difference between expected and actual experience	234,198	278,783	(263,801)	(766,615)	(737,417)	(180,193)	1,022,525	273,682
Assumption changes	(420,000)	-	1,103,285	1,056,259	-	-	(99,305)	482,487
Benefit payments, including refunds of employee contributions	(1,367,389)	(1,442,827)	(1,513,007)	(1,549,350)	(1,624,315)	(1,989,234)	(1,823,970)	(1,895,004)
Net change in total pension liability	1,080,413	1,521,423	2,034,632	1,569,676	509,436	728,366	2,012,659	1,894,755
Total pension liability, beginning	28,741,243	29,821,656	31,343,079	33,377,711	34,947,387	35,456,823	36,185,189	38,197,848
Total pension liability, ending	\$ 29,821,656	\$ 31,343,079	\$ 33,377,711	\$ 34,947,387	\$ 35,456,823	\$ 36,185,189	\$ 38,197,848	\$ 40,092,603
Plan fiduciary net position								
Contributions-employer	\$ 988,769	\$ 1,044,198	\$ 1,051,517	\$ 1,034,307	\$ 1,067,969	\$ 1,052,970	\$ 1,055,269	\$ 1,077,394
Contributions-employee	35,018	-	-	-	-	-	-	-
Net investment income	1,671,638	431,883	2,068,047	3,456,195	(106,828)	4,034,139	3,925,325	5,956,508
Benefit payments, including refunds of employee contributions	(1,367,389)	(1,442,827)	(1,513,007)	(1,549,350)	(1,624,315)	(1,989,234)	(1,823,970)	(1,895,004)
Administrative expenses	(10,969)	(11,087)	(11,168)	(11,924)	(12,137)	(11,317)	(11,813)	(11,975)
Other changes	100,371	(247,036)	(52,115)	36,315	184,763	(155,748)	214,349	40,582
Net change in plan fiduciary net position	1,417,438	(224,869)	1,543,274	2,965,543	(490,548)	2,930,810	3,359,160	5,167,505
Plan fiduciary net position, beginning	23,436,149	24,853,587	24,628,718	26,171,992	29,137,535	28,646,987	31,577,797	34,936,957
Plan fiduciary net position, ending	\$ 24,853,587	\$ 24,628,718	\$ 26,171,992	\$ 29,137,535	\$ 28,646,987	\$ 31,577,797	\$ 34,936,957	\$ 40,104,462
Net pension liability	\$ 4,968,069	\$ 6,714,361	\$ 7,205,719	\$ 5,809,852	\$ 6,809,836	\$ 4,607,392	\$ 3,260,891	\$ (1,859)
Plan fiduciary net position as a percentage of the total pension liability	83.34%	78.58%	78.41%	83.38%	80.79%	87.27%	91.46%	100.03%
Projected covered payroll	\$ 2,473,704	\$ 2,385,514	\$ 2,183,115	\$ 2,088,014	\$ 2,078,757	\$ 2,108,225	\$ 1,926,073	\$ 1,854,491
Net pension liability as a percentage of covered payroll	200.84%	281.46%	330.07%	278.25%	327.59%	218.54%	169.30%	-0.64%

**Note:**

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

## **Note 1 – Budgetary Information**

The City is required by state statute and the Uniform Fiscal Procedures Act for Utah Cities to adopt annual budgets for the general fund, special revenue funds, capital projects funds, and enterprise funds. Budgets for the general fund, special revenue funds, and capital projects funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). For operating reasons, revenues and expenditures for centralized administrative services are budgeted for in the general fund. However, for reporting purposes these revenues and expenditures are eliminated, and administrative expenditures or expenses are recorded in the various funds. Budgets for the enterprise funds are prepared on the modified accrual basis.

On or before May 1st, the Mayor submits to the City Council a proposed budget for the fiscal year beginning July 1st. The budget includes proposed expenditures or expenses and the means of financing them. Prior to formal adoption of the budget, the City Council holds budget workshop meetings, which are open to the public. In addition, the City Council holds public hearings at which time taxpayer comments are heard. Copies of the proposed budget are made available for public inspection prior to the public hearing. At the conclusion of the hearings before June 30th, the budget as amended is legally adopted through the passage of a resolution.

The Uniform Fiscal Procedures Act for Utah Cities states a city may appropriate the portion of the fund balance that exceeds five percent of the estimated revenues of the general fund; however, five percent of general fund revenues must be maintained as an emergency reserve. The state auditor's office has determined that accumulated committed, assigned, and unassigned fund balance of the general fund cannot exceed 35 percent of general fund revenues. If the accumulated committed, assigned, and unassigned fund balance in the general fund exceeds 35 percent of the estimated revenues, the City is required to include that portion in the subsequent year's expenditure budget.

During a fiscal year, departments may make transfers of appropriations within a department with the approval of the Mayor. Transfers of appropriations between departments, however, require the approval of the City Council. In addition, if a department desires to exceed its total budget appropriation, a budget resolution amending the original adopted budget must be passed by the City Council. Public hearings are required on all such amendments to the original adopted budget.

Generally, unexpended appropriations lapse at year-end. The City will reappropriate or carry forward specific unexpended appropriations on a case-by-case basis through a budget resolution. These appropriations are reported as committed fund balance in the governmental funds.

The City is required to present budgetary comparisons for the general fund and for major individual special revenue funds for which annual budgets are adopted.

## **Note 2 – Actuarially Determined Pension Contributions**

Contribution rates include an amount for normal cost, the estimated amount necessary to finance benefits earned by the members during the current year, and an amount for amortization of the unfunded or excess funded actuarial accrued liability over a closed 20-year amortization period. The rates are determined using the entry age actuarial cost method.

Contributions made were in accordance with actuarially computed funding requirements. For contribution rate purposes, the actuary evaluates the assets of the plan based on a five-year smoothed expected return wherein 20 percent of a year's excess or shortfall of expected return is recognized each year for five years.

The investment return assumption was decreased by 0.10 percent to 6.85 percent for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the URS Board. In aggregated, this assumption change resulted in a \$509 million increase in the total pension liability, which is about 1.3 percent of the total pension liability as of December 31, 2020, for all retirement plans combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in 2023.

# Supplementary Information



**City of Logan  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2022**

	<b>Recreation Center Maintenance</b>	<b>Communication Center</b>	<b>Special Improvement</b>	<b>Cemetery Perpetual Care</b>	<b>Community Donations</b>	<b>Capital Equipment</b>	<b>Total</b>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 958,318	\$ 3,136,435	\$ 6,371	\$ 3,188,653	\$ 53,443	\$ 7,215,107	\$ 14,558,327
Accounts receivable (net of allowance)	-	111,395	220,956	-	-	262	332,613
Due from other governmental units	-	126,768	-	-	-	-	126,768
Total assets	<u>958,318</u>	<u>3,374,598</u>	<u>227,327</u>	<u>3,188,653</u>	<u>53,443</u>	<u>7,215,369</u>	<u>15,017,708</u>
<b>LIABILITIES</b>							
Accounts payable	19,937	132,324	-	-	-	45,557	197,818
Total liabilities	<u>19,937</u>	<u>132,324</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,557</u>	<u>197,818</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Deferred revenue unavailable	-	-	220,956	-	-	-	220,956
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>220,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,956</u>
<b>FUND BALANCES</b>							
Restricted	-	-	-	-	53,443	-	53,443
Committed	938,381	3,242,274	6,371	3,188,653	-	7,169,812	14,545,491
Total fund balances	<u>938,381</u>	<u>3,242,274</u>	<u>6,371</u>	<u>3,188,653</u>	<u>53,443</u>	<u>7,169,812</u>	<u>14,598,934</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 958,318</u>	<u>\$ 3,374,598</u>	<u>\$ 227,327</u>	<u>\$ 3,188,653</u>	<u>\$ 53,443</u>	<u>\$ 7,215,369</u>	<u>\$ 15,017,708</u>

**City of Logan**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2022**

	<b>Recreation Center Maintenance</b>	<b>Communication Center</b>	<b>Special Improvement</b>	<b>Cemetery Perpetual Care</b>	<b>Community Donations</b>	<b>Capital Equipment</b>	<b>Total</b>
<b>REVENUES</b>							
Franchise tax	\$ -	\$ 759,830	\$ -	\$ -	\$ -	\$ -	\$ 759,830
Intergovernmental	366,016	137,826	-	-	-	-	503,842
Charges for services	-	960,353	-	94,971	-	-	1,055,324
Investment earnings	3,910	13,772	810	14,851	-	28,236	61,579
Miscellaneous	16	136,915	48,692	-	8,534	-	194,157
Total revenues	<u>369,942</u>	<u>2,008,696</u>	<u>49,502</u>	<u>109,822</u>	<u>8,534</u>	<u>28,236</u>	<u>2,574,732</u>
<b>EXPENDITURES</b>							
Current:							
Public safety	-	2,904,965	-	-	-	-	2,904,965
Parks, recreation, and culture	514,984	-	-	-	-	4,898	519,882
Capital outlay:							
General government	-	-	-	-	-	35,348	35,348
Public safety	-	35,170	-	-	-	357,363	392,533
Public works	-	-	-	-	-	321,615	321,615
Parks, recreation, and culture	-	-	-	-	-	132,733	132,733
Total expenditures	<u>514,984</u>	<u>2,940,135</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>851,957</u>	<u>4,307,076</u>
Revenues over (under) expenditures	<u>(145,042)</u>	<u>(931,439)</u>	<u>49,502</u>	<u>109,822</u>	<u>8,534</u>	<u>(823,721)</u>	<u>(1,732,344)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	366,016	714,716	-	80,000	-	2,086,000	3,246,732
Transfers out	-	-	(48,692)	-	(9,440)	-	(58,132)
Disposal of capital assets	-	-	-	1,820,996	-	51,161	1,872,157
Total other financing sources (uses)	<u>366,016</u>	<u>714,716</u>	<u>(48,692)</u>	<u>1,900,996</u>	<u>(9,440)</u>	<u>2,137,161</u>	<u>5,060,757</u>
Net change in fund balances	220,974	(216,723)	810	2,010,818	(906)	1,313,440	3,328,413
Fund balances, beginning	717,407	3,458,997	5,561	1,177,835	54,349	5,856,372	11,270,521
Fund balances , ending	<u>\$ 938,381</u>	<u>\$ 3,242,274</u>	<u>\$ 6,371</u>	<u>\$ 3,188,653</u>	<u>\$ 53,443</u>	<u>\$ 7,169,812</u>	<u>\$ 14,598,934</u>

**City of Logan**  
**Recreation Center Maintenance Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental	\$ 366,016	\$ 366,016	\$ 366,016	\$ -
Investment earnings	-	-	3,910	3,910
Miscellaneous	-	-	16	16
Total revenues	<u>366,016</u>	<u>366,016</u>	<u>369,942</u>	<u>3,926</u>
<b>EXPENDITURES</b>				
Current:				
Parks, recreation, and culture	632,032	649,752	514,984	134,768
Capital outlay:				
Parks, recreation, and culture	<u>100,000</u>	<u>99,900</u>	<u>-</u>	<u>99,900</u>
Total expenditures	<u>732,032</u>	<u>749,652</u>	<u>514,984</u>	<u>234,668</u>
Revenues over (under) expenditures	<u>(366,016)</u>	<u>(383,636)</u>	<u>(145,042)</u>	<u>238,594</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>366,016</u>	<u>366,016</u>	<u>366,016</u>	<u>-</u>
Total other financing sources (uses)	<u>366,016</u>	<u>366,016</u>	<u>366,016</u>	<u>-</u>
Net change in fund balance	-	(17,620)	220,974	238,594
Fund balance, beginning	<u>717,407</u>	<u>717,407</u>	<u>717,407</u>	<u>-</u>
Fund balance, ending	<u>\$ 717,407</u>	<u>\$ 699,787</u>	<u>\$ 938,381</u>	<u>\$ 238,594</u>

**City of Logan**  
**Communication Center Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Franchise tax	\$ 700,000	\$ 700,000	\$ 759,830	\$ 59,830
Intergovernmental	30,000	135,832	137,826	1,994
Charges for services	885,000	885,000	960,353	75,353
Investment earnings	5,000	5,000	13,772	8,772
Miscellaneous	101,226	101,226	136,915	35,689
Total revenues	<u>1,721,226</u>	<u>1,827,058</u>	<u>2,008,696</u>	<u>181,638</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	2,451,506	3,181,839	2,904,965	276,874
Capital outlay:				
Public safety	81,000	81,000	35,170	45,830
Total expenditures	<u>2,532,506</u>	<u>3,262,839</u>	<u>2,940,135</u>	<u>322,704</u>
Revenues over (under) expenditures	<u>(811,280)</u>	<u>(1,435,781)</u>	<u>(931,439)</u>	<u>504,342</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	825,000	825,000	714,716	(110,284)
Total other financing sources (uses)	<u>825,000</u>	<u>825,000</u>	<u>714,716</u>	<u>(110,284)</u>
Net change in fund balance	13,720	(610,781)	(216,723)	394,058
Fund balance, beginning	3,458,997	3,458,997	3,458,997	-
Fund balance, ending	<u>\$ 3,472,717</u>	<u>\$ 2,848,216</u>	<u>\$ 3,242,274</u>	<u>\$ 394,058</u>

**City of Logan**  
**Special Improvement Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ 810	\$ 810
Miscellaneous	60,649	60,649	48,692	(11,957)
Total revenues	<u>60,649</u>	<u>60,649</u>	<u>49,502</u>	<u>(11,147)</u>
Revenues over (under) expenditures	<u>60,649</u>	<u>60,649</u>	<u>49,502</u>	<u>(11,147)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(60,649)</u>	<u>(60,649)</u>	<u>(48,692)</u>	<u>11,957</u>
Total other financing sources (uses)	<u>(60,649)</u>	<u>(60,649)</u>	<u>(48,692)</u>	<u>11,957</u>
Net change in fund balance	-	-	810	810
Fund balance, beginning	5,561	5,561	5,561	-
Fund balance, ending	<u>\$ 5,561</u>	<u>\$ 5,561</u>	<u>\$ 6,371</u>	<u>\$ 810</u>

**City of Logan**  
**Cemetery Perpetual Care Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 94,971	\$ 94,971
Investment earnings	-	-	14,851	14,851
Total revenues	<u>-</u>	<u>-</u>	<u>109,822</u>	<u>109,822</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>109,822</u>	<u>109,822</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	80,000	80,000	80,000	-
Disposal of capital assets	-	-	1,820,996	1,820,996
Total other financing sources (uses)	<u>80,000</u>	<u>80,000</u>	<u>1,900,996</u>	<u>1,820,996</u>
Net change in fund balance	80,000	80,000	2,010,818	1,930,818
Fund balance, beginning	<u>1,177,835</u>	<u>1,177,835</u>	<u>1,177,835</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,257,835</u>	<u>\$ 1,257,835</u>	<u>\$ 3,188,653</u>	<u>\$ 1,930,818</u>

**City of Logan**  
**Community Donations Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ -	\$ 8,534	\$ 8,534
Total revenues	<u>-</u>	<u>-</u>	<u>8,534</u>	<u>8,534</u>
Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>8,534</u>	<u>8,534</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(4,500)</u>	<u>(9,440)</u>	<u>(9,440)</u>	<u>-</u>
Total other financing sources (uses)	<u>(4,500)</u>	<u>(9,440)</u>	<u>(9,440)</u>	<u>-</u>
Net change in fund balance	(4,500)	(9,440)	(906)	8,534
Fund balance, beginning	54,349	54,349	54,349	-
Fund balance, ending	<u>\$ 49,849</u>	<u>\$ 44,909</u>	<u>\$ 53,443</u>	<u>\$ 8,534</u>

**City of Logan**  
**Capital Equipment Fund**  
**Schedule of Revenues, Expenditures,**  
**and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ 28,236	\$ 28,236
Total revenues	<u>-</u>	<u>-</u>	<u>28,236</u>	<u>28,236</u>
<b>EXPENDITURES</b>				
Current:				
Parks, recreation, and culture	-	4,899	4,898	1
Capital outlay:				
General government	4,000	44,000	35,348	8,652
Public safety	306,500	406,484	357,363	49,121
Public works	379,000	379,000	321,615	57,385
Parks, recreation, and culture	173,000	184,730	132,733	51,997
Total expenditures	<u>862,500</u>	<u>1,019,113</u>	<u>851,957</u>	<u>167,156</u>
Revenues over (under) expenditures	<u>(862,500)</u>	<u>(1,019,113)</u>	<u>(823,721)</u>	<u>195,392</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,097,000	3,097,000	2,086,000	(1,011,000)
Disposal of capital assets	-	-	51,161	51,161
Total other financing sources (uses)	<u>3,097,000</u>	<u>3,097,000</u>	<u>2,137,161</u>	<u>(959,839)</u>
Net change in fund balance	2,234,500	2,077,887	1,313,440	(764,447)
Fund balance, beginning	<u>5,856,372</u>	<u>5,856,372</u>	<u>5,856,372</u>	<u>-</u>
Fund balance, ending	<u>\$ 8,090,872</u>	<u>\$ 7,934,259</u>	<u>\$ 7,169,812</u>	<u>\$ (764,447)</u>

**City of Logan  
Capital Projects Fund  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2022**

	<b>Budget</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Investment earnings	\$ -	\$ -	\$ 201,934	\$ 201,934
Miscellaneous	-	2,086,904	661,447	(1,425,457)
Total revenues	<u>-</u>	<u>2,086,904</u>	<u>863,381</u>	<u>(1,223,523)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	123,917	68,414	55,503
Capital outlay:				
Public safety	-	10,000,000	2,846,112	7,153,888
Public works	5,320,000	12,380,726	2,623,161	9,757,565
Parks, recreation, and culture	-	16,529,958	1,895,145	14,634,813
Total expenditures	<u>5,320,000</u>	<u>39,034,601</u>	<u>7,432,832</u>	<u>31,601,769</u>
Revenues over (under) expenditures	<u>(5,320,000)</u>	<u>(36,947,697)</u>	<u>(6,569,451)</u>	<u>30,378,246</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>8,380,000</u>	<u>28,045,013</u>	<u>28,045,013</u>	<u>-</u>
Total other financing sources (uses)	<u>8,380,000</u>	<u>28,045,013</u>	<u>28,045,013</u>	<u>-</u>
Net change in fund balance	3,060,000	(8,902,684)	21,475,562	30,378,246
Fund balance, beginning	<u>28,740,636</u>	<u>28,740,636</u>	<u>28,740,636</u>	<u>-</u>
Fund balance, ending	<u>\$ 31,800,636</u>	<u>\$ 19,837,952</u>	<u>\$ 50,216,198</u>	<u>\$ 30,378,246</u>

**City of Logan**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2022**

	<u>Information Technology</u>	<u>Risk Management</u>	<u>Health Management</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 1,042,518	\$ 5,102,397	\$ 1,565,999	\$ 7,710,914
Total current assets	<u>1,042,518</u>	<u>5,102,397</u>	<u>1,565,999</u>	<u>7,710,914</u>
Noncurrent assets:				
Net pension asset	162,592	80,510	-	243,102
Capital assets, net of accumulated depreciation:				
Equipment	137,947	35,170	-	173,117
Total noncurrent assets	<u>300,539</u>	<u>115,680</u>	<u>-</u>	<u>416,219</u>
Total assets	<u>1,343,057</u>	<u>5,218,077</u>	<u>1,565,999</u>	<u>8,127,133</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	68,222	33,781	-	102,003
Total deferred outflows of resources	<u>68,222</u>	<u>33,781</u>	<u>-</u>	<u>102,003</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	55,620	353,303	37,334	446,257
Compensated absences	48,202	23,474	-	71,676
Total current liabilities	<u>103,822</u>	<u>376,777</u>	<u>37,334</u>	<u>517,933</u>
Noncurrent liabilities:				
Compensated absences	13,264	6,459	-	19,723
Total noncurrent liabilities	<u>13,264</u>	<u>6,459</u>	<u>-</u>	<u>19,723</u>
Total liabilities	<u>117,086</u>	<u>383,236</u>	<u>37,334</u>	<u>537,656</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	222,404	110,125	-	332,529
Total deferred inflows of resources	<u>222,404</u>	<u>110,125</u>	<u>-</u>	<u>332,529</u>
<b>NET POSITION</b>				
Net investment in capital assets	137,947	35,170	-	173,117
Unrestricted	933,842	4,723,327	1,528,665	7,185,834
Total net position	<u>\$ 1,071,789</u>	<u>\$ 4,758,497</u>	<u>\$ 1,528,665</u>	<u>\$ 7,358,951</u>

**City of Logan**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2022**

	<b>Information Technology</b>	<b>Risk Management</b>	<b>Health Management</b>	<b>Total</b>
Operating revenues:				
Charges for services	\$ 1,242,220	\$ 1,299,949	\$ 6,009,518	\$ 8,551,687
Miscellaneous	18,799	11,315	37,377	67,491
Total operating revenues	<u>1,261,019</u>	<u>1,311,264</u>	<u>6,046,895</u>	<u>8,619,178</u>
Operating expenses:				
Personnel costs	499,529	300,875	-	800,404
Operating and maintenance	602,919	760,262	5,985,554	7,348,735
Depreciation and amortization	96,017	3,131	-	99,148
Total operating expenses	<u>1,198,465</u>	<u>1,064,268</u>	<u>5,985,554</u>	<u>8,248,287</u>
Operating income (loss)	<u>62,554</u>	<u>246,996</u>	<u>61,341</u>	<u>370,891</u>
Nonoperating revenues (expenses):				
Investment earnings	3,920	22,819	2,244	28,983
Gain (loss) on sale of assets	-	5,839	-	5,839
Total nonoperating revenue (expense)	<u>3,920</u>	<u>28,658</u>	<u>2,244</u>	<u>34,822</u>
Income (loss) before transfers	<u>66,474</u>	<u>275,654</u>	<u>63,585</u>	<u>405,713</u>
Transfers in	-	34,237	-	34,237
Change in net position	<u>66,474</u>	<u>309,891</u>	<u>63,585</u>	<u>439,950</u>
Total net position, beginning	<u>1,005,315</u>	<u>4,448,606</u>	<u>1,465,080</u>	<u>6,919,001</u>
Total net position, ending	<u>\$ 1,071,789</u>	<u>\$ 4,758,497</u>	<u>\$ 1,528,665</u>	<u>\$ 7,358,951</u>

**City of Logan**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2022**

	<b>Information Technology</b>	<b>Risk Management</b>	<b>Health Management</b>	<b>Total</b>
<b>Cash Flows From Operating Activities</b>				
Receipts from customers and users	\$ 1,261,019	\$ 1,311,264	\$ 6,046,895	\$ 8,619,178
Payments for employee services	(574,133)	(340,449)	-	(914,582)
Payments for supplies and services	(592,685)	(782,848)	(5,977,039)	(7,352,572)
Net cash provided (used) by operating activities	<u>94,201</u>	<u>187,967</u>	<u>69,856</u>	<u>352,024</u>
<b>Cash Flows From Noncapital Financing Activities</b>				
Cash received from other funds	-	34,237	-	34,237
Net cash provided (used) by noncapital and related financing activities	<u>-</u>	<u>34,237</u>	<u>-</u>	<u>34,237</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
Proceeds from sale of capital assets	-	35,156	-	35,156
Purchases of capital assets	(37,426)	-	-	(37,426)
Net cash provided (used) by capital and related financing activities	<u>(37,426)</u>	<u>35,156</u>	<u>-</u>	<u>(2,270)</u>
<b>Cash Flows From Investing Activities</b>				
Interest and dividends received	3,920	22,819	2,244	28,983
Net cash provided (used) by investing activities	<u>3,920</u>	<u>22,819</u>	<u>2,244</u>	<u>28,983</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	60,695	280,179	72,100	412,974
<b>Cash and cash equivalents - beginning</b>	981,823	4,822,218	1,493,899	7,297,940
<b>Cash and cash equivalents - ending</b>	<u>1,042,518</u>	<u>5,102,397</u>	<u>1,565,999</u>	<u>7,710,914</u>
<b>Shown in the financial statements as:</b>				
Cash and cash equivalents	1,042,518	5,102,397	1,565,999	7,710,914
<b>Total</b>	<u>1,042,518</u>	<u>5,102,397</u>	<u>1,565,999</u>	<u>7,710,914</u>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	62,554	246,996	61,341	370,891
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation and amortization expenses	96,017	3,131	-	99,148
Increase (decrease) in accounts payable	17,234	(16,026)	8,515	9,723
Increase (decrease) in pension expense	(81,604)	(46,134)	-	(127,738)
Total adjustments	<u>31,647</u>	<u>(59,029)</u>	<u>8,515</u>	<u>(18,867)</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 94,201</u>	<u>\$ 187,967</u>	<u>\$ 69,856</u>	<u>\$ 352,024</u>
<b>Noncash Transactions</b>				
Pension expense adjustment	(81,604)	(46,134)	-	(127,738)



# Statistical Section

(unaudited)



## Statistical Section

This part of the City of Logan's Annual Comprehensive Financial Report presents detailed information as a context for better understanding the information in the financial statements, note disclosures, and required supplementary information. The statistical section is divided into five main categories as follows:

### Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

### Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources.

### Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

**City of Logan**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Governmental activities										
Net investment in capital assets	\$ 54,075,787	\$ 59,823,124	\$ 67,156,564	\$ 73,426,652	\$ 76,346,294	\$ 84,989,541	\$ 91,854,503	\$ 100,993,570	\$ 116,793,282	\$ 132,481,063
Restricted	7,953,879	9,825,255	11,272,935	11,763,477	13,651,299	14,478,507	15,515,978	18,049,370	20,495,504	19,100,344
Unrestricted	20,848,581	12,445,135	15,943,727	19,126,454	22,188,751	27,685,146	33,261,672	41,708,681	54,780,967	81,696,617
Total governmental activities net position	<u>82,878,247</u>	<u>82,093,514</u>	<u>94,373,226</u>	<u>104,316,583</u>	<u>112,186,344</u>	<u>127,153,194</u>	<u>140,632,153</u>	<u>160,751,621</u>	<u>192,069,753</u>	<u>233,278,024</u>
Business-type activities										
Net investment in capital assets	108,908,112	133,846,087	139,276,808	146,506,454	152,051,235	166,776,403	191,675,039	196,121,544	219,531,004	248,026,553
Restricted	3,393,512	3,263,661	3,273,766	2,159,121	2,549,256	2,222,367	32,962,170	38,211,376	24,298,268	8,392,695
Unrestricted	58,024,074	56,799,001	65,430,723	75,391,069	87,491,396	93,402,461	61,040,570	78,184,752	99,800,692	114,219,724
Total business-type activities net position	<u>170,325,698</u>	<u>193,908,749</u>	<u>207,981,297</u>	<u>224,056,644</u>	<u>242,091,887</u>	<u>262,401,231</u>	<u>285,677,779</u>	<u>312,517,672</u>	<u>343,629,964</u>	<u>370,638,972</u>
Primary government										
Net investment in capital assets	162,983,899	193,669,211	206,433,372	219,933,106	228,397,529	251,765,944	283,529,542	297,115,114	336,324,286	380,507,616
Restricted	11,347,391	13,088,916	14,546,701	13,922,598	16,200,555	16,700,874	48,478,148	56,260,746	44,793,772	27,493,039
Unrestricted	78,872,655	69,244,136	81,374,450	94,517,523	109,680,147	121,087,607	94,302,242	119,893,433	154,581,659	195,916,341
Total primary government net position	<u>\$ 253,203,945</u>	<u>\$ 276,002,263</u>	<u>\$ 302,354,523</u>	<u>\$ 328,373,227</u>	<u>\$ 354,278,231</u>	<u>\$ 389,554,425</u>	<u>\$ 426,309,932</u>	<u>\$ 473,269,293</u>	<u>\$ 535,699,717</u>	<u>\$ 603,916,996</u>

**Note:**  
FY 2014 and FY 2016 restated.

City of Logan  
Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

Expenses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Governmental activities:</b>										
General government	\$ 6,247,213	\$ 6,582,383	\$ 6,638,507	\$ 7,053,889	\$ 7,083,231	\$ 7,534,734	\$ 7,708,286	\$ 7,996,355	\$ 9,287,867	\$ 8,485,905
Public safety	13,867,844	14,244,566	13,917,317	15,482,731	16,077,472	15,777,799	16,738,960	17,616,398	16,425,419	15,952,817
Public works	6,424,605	5,971,262	5,396,464	5,553,735	6,487,587	6,253,528	6,112,706	6,321,622	5,857,380	7,296,884
Parks, recreation, and culture	6,550,335	6,283,633	6,318,141	6,603,130	6,783,951	6,774,680	6,961,146	6,946,653	6,109,041	6,591,662
Interest on long-term debt	720,587	278,279	221,471	126,003	46,248	22,163	9,738	619	-	67,600
<b>Total governmental activities expenses</b>	<b>33,810,384</b>	<b>33,360,123</b>	<b>32,491,900</b>	<b>34,819,488</b>	<b>36,478,489</b>	<b>36,362,904</b>	<b>37,530,836</b>	<b>38,881,647</b>	<b>37,679,707</b>	<b>38,394,868</b>
<b>Business-type activities:</b>										
Golf course	1,058,746	1,124,726	1,194,324	1,154,340	1,189,046	1,178,047	1,093,096	1,230,735	1,286,314	1,341,876
Water and sewer	6,605,621	7,044,288	7,768,486	7,994,129	8,048,281	7,494,331	7,674,230	8,013,780	7,658,926	7,749,545
Sewer treatment	2,047,329	1,734,806	1,381,471	2,625,924	1,311,275	1,590,548	2,026,390	2,296,988	2,743,381	4,198,561
Electric	29,529,767	29,767,620	29,938,197	28,501,033	28,744,559	29,208,928	29,686,904	29,700,549	30,480,234	34,308,772
Environmental health	7,606,099	8,656,639	8,424,667	9,124,564	9,607,609	11,213,655	12,606,614	13,409,954	15,239,868	15,779,168
Storm water management	636,962	1,383,774	1,074,899	1,304,438	1,260,399	1,440,095	1,585,347	1,583,919	1,722,135	1,654,414
Emergency medical services	-	-	-	-	-	-	-	-	1,002,222	2,967,629
<b>Total business-type activities expenses</b>	<b>47,484,524</b>	<b>49,711,753</b>	<b>49,782,044</b>	<b>50,704,428</b>	<b>50,161,169</b>	<b>52,125,604</b>	<b>54,672,581</b>	<b>56,235,925</b>	<b>60,133,080</b>	<b>67,999,965</b>
<b>Total primary government expenses</b>	<b>81,294,908</b>	<b>83,071,876</b>	<b>82,273,944</b>	<b>85,523,916</b>	<b>86,639,658</b>	<b>88,488,508</b>	<b>92,203,417</b>	<b>95,117,572</b>	<b>97,812,787</b>	<b>106,394,833</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	1,896,727	2,051,873	1,628,017	1,787,480	1,834,298	2,000,243	2,437,297	2,618,257	3,078,753	3,897,275
Public safety	2,743,666	3,023,976	3,481,883	3,615,208	3,052,276	3,108,306	3,297,773	3,983,525	3,946,718	3,204,366
Public works	60,383	90,346	78,478	74,240	64,186	82,454	541,153	297,795	138,766	288,183
Parks, recreation, and culture	1,062,012	963,033	983,399	1,018,090	1,038,247	988,072	1,050,086	873,040	720,136	2,712,040
Operating grants and contributions	4,337,900	5,592,515	6,567,127	6,672,163	6,583,126	5,737,757	5,435,937	6,839,366	5,570,855	5,953,318
Capital grants and contributions	202,703	2,169,442	2,831,339	62,400	823,010	5,987,023	2,532,982	4,115,160	11,788,539	10,200,949
<b>Total governmental activities program revenues</b>	<b>10,303,391</b>	<b>13,891,185</b>	<b>15,570,243</b>	<b>13,229,581</b>	<b>13,395,143</b>	<b>17,903,855</b>	<b>15,295,228</b>	<b>18,727,143</b>	<b>25,243,767</b>	<b>26,256,131</b>
<b>Business-type activities:</b>										
Charges for services:										
Golf course	817,084	877,558	924,705	875,108	842,728	882,644	955,942	1,075,305	1,386,343	1,486,291
Water and sewer	11,517,493	11,308,276	10,532,297	10,984,626	11,759,912	12,044,187	15,457,902	15,499,693	16,545,065	16,302,363
Sewer treatment	6,155,411	6,121,506	6,137,788	6,321,106	6,829,831	7,505,273	8,899,239	10,383,451	10,504,711	11,488,176
Electric	38,132,147	38,636,007	35,125,016	35,695,336	36,017,317	36,451,892	35,708,266	36,197,480	37,363,140	39,047,399
Environmental health	11,414,276	11,546,256	11,899,252	12,301,295	13,636,052	14,222,183	16,644,088	18,068,824	18,581,603	20,188,636
Storm water management	1,909,928	1,956,884	1,903,590	1,927,564	1,973,377	1,918,609	2,092,070	2,041,381	2,031,140	2,134,898
Emergency medical Services	-	-	-	-	-	-	-	-	1,708,616	4,671,379
Operating grants and contributions	650,281	-	-	-	-	-	-	31,111	-	133,200
Capital grants and contributions	-	6,010,481	1,631,264	120,183	994,727	2,783,472	1,243,253	2,698,357	6,075,951	5,050,638
<b>Total business-type activities program revenues</b>	<b>70,596,620</b>	<b>76,456,968</b>	<b>68,153,912</b>	<b>68,225,218</b>	<b>72,053,944</b>	<b>75,808,260</b>	<b>81,000,760</b>	<b>85,995,602</b>	<b>94,196,569</b>	<b>100,502,980</b>
<b>Total primary government program revenue</b>	<b>80,900,011</b>	<b>90,348,153</b>	<b>83,724,155</b>	<b>81,454,799</b>	<b>85,449,087</b>	<b>93,712,115</b>	<b>96,295,988</b>	<b>104,722,745</b>	<b>119,440,336</b>	<b>126,759,111</b>
<b>Net (expense) revenue</b>										
Governmental activities	(23,506,993)	(19,468,938)	(16,921,657)	(21,589,907)	(23,083,346)	(18,459,049)	(22,235,608)	(20,154,504)	(12,435,940)	(12,138,737)
Business-type activities	23,112,096	26,745,215	18,371,868	17,520,790	21,892,775	23,682,656	26,328,179	29,759,677	34,063,489	32,503,015
<b>Total primary government net expense</b>	<b>(394,897)</b>	<b>7,276,277</b>	<b>1,450,211</b>	<b>(4,069,117)</b>	<b>(1,190,571)</b>	<b>5,223,607</b>	<b>4,092,571</b>	<b>9,605,173</b>	<b>21,627,549</b>	<b>20,364,278</b>
<b>General Revenues and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
Taxes										
Property tax	8,162,000	5,398,314	5,317,845	5,446,181	5,834,842	5,869,433	5,939,678	5,957,475	5,203,494	5,376,748
Sales tax	10,912,488	11,270,803	11,884,897	12,598,687	13,576,607	14,415,830	14,980,870	17,287,229	20,996,691	23,603,791
Franchise tax	5,780,106	5,518,641	5,331,691	5,344,403	5,350,439	5,457,214	5,650,200	5,587,129	6,080,603	6,806,812
Unrestricted grants and contributions	605,042	385,350	358,817	497,930	286,177	627,588	378,498	2,217,364	3,576,364	10,397,905
Unrestricted investment earnings	346,950	178,401	206,631	309,169	479,651	781,215	1,563,987	1,344,291	364,513	269,379
Miscellaneous	546,130	1,639,738	1,272,984	1,056,954	1,410,416	1,341,858	1,940,527	2,178,234	1,957,106	1,018,066
Gain (loss) on sale of assets	-	65,334	121,570	234,138	(760,911)	-	-	-	-	-
Transfers	4,689,840	2,749,824	4,900,485	5,808,867	4,775,886	4,932,761	5,260,807	5,702,250	5,716,644	5,874,313
<b>Total general revenues and transfers</b>	<b>31,042,556</b>	<b>27,206,405</b>	<b>29,394,920</b>	<b>31,296,329</b>	<b>30,953,107</b>	<b>33,425,899</b>	<b>35,714,567</b>	<b>40,273,972</b>	<b>43,895,415</b>	<b>53,347,014</b>
<b>Business-type activities:</b>										
Unrestricted investment earnings	453,001	297,206	407,614	590,141	918,354	1,559,449	2,209,176	1,667,678	424,893	380,306
Transfers	(4,689,840)	(2,749,824)	(4,900,485)	(5,808,867)	(4,775,886)	(4,932,761)	(5,260,807)	(5,702,250)	(5,716,644)	(5,874,313)
Special item	-	-	-	-	-	-	-	1,114,788	2,199,211	-
Extraordinary item	-	2,649,059	-	-	-	-	-	-	-	-
<b>Total general revenues and transfers</b>	<b>(4,236,839)</b>	<b>196,441</b>	<b>(4,492,871)</b>	<b>(5,218,726)</b>	<b>(3,857,532)</b>	<b>(3,373,312)</b>	<b>(3,051,631)</b>	<b>(2,919,784)</b>	<b>(3,092,540)</b>	<b>(5,494,007)</b>
<b>Total primary government</b>	<b>26,805,717</b>	<b>27,402,846</b>	<b>24,902,049</b>	<b>26,077,603</b>	<b>27,095,575</b>	<b>30,052,587</b>	<b>32,662,936</b>	<b>37,354,188</b>	<b>40,802,875</b>	<b>47,853,007</b>
<b>Change in Net Position</b>										
Governmental activities	7,535,563	7,737,467	12,473,263	9,706,422	7,869,761	14,966,850	13,478,959	20,119,468	31,459,475	41,208,277
Business-type activities	18,875,257	26,941,656	13,878,997	12,302,064	18,035,243	20,309,344	23,276,548	26,839,893	30,970,949	27,009,008
<b>Total primary government</b>	<b>\$ 26,410,820</b>	<b>\$ 34,679,123</b>	<b>\$ 26,352,260</b>	<b>\$ 22,008,486</b>	<b>\$ 25,905,004</b>	<b>\$ 35,276,194</b>	<b>\$ 36,755,507</b>	<b>\$ 46,959,361</b>	<b>\$ 62,430,424</b>	<b>\$ 68,217,285</b>

**City of Logan**  
**Governmental Activities Tax Revenues by Source**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Franchise Tax</b>	<b>Total</b>
2013	\$ 4,754,948	\$ 10,912,488	\$ 5,780,106	\$ 21,447,542
2014	5,398,314	11,270,803	5,518,641	22,187,758
2015	5,317,845	11,884,897	5,138,140	22,340,882
2016	5,446,181	12,598,687	5,344,403	23,389,271
2017	5,834,842	13,576,607	5,350,439	24,761,888
2018	5,869,433	14,415,830	5,457,214	25,742,477
2019	5,939,678	14,980,870	5,650,200	26,570,748
2020	5,957,475	17,287,229	5,587,129	28,831,833
2021	5,203,494	20,996,691	6,080,603	32,280,788
2022	5,376,748	23,603,791	6,806,812	35,787,351

**Note:**

Prior to FY 2014, Property Tax excluded RDA Portion.

**Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
General fund										
Nonspendable	\$ 25,390	\$ 2,506,673	\$ 2,313,927	\$ 2,074,907	\$ 534,223	\$ 27,728	\$ 33,277	\$ 6,943	\$ 7,970	\$ 8,680
Restricted	3,175,396	3,291,845	2,903,427	3,269,410	3,545,630	3,368,363	4,598,922	6,118,144	9,077,355	11,917,365
Assigned	228,877	92,232	581,124	1,019,854	1,091,256	2,003,466	2,247,693	1,003,105	947,409	1,137,411
Unassigned	5,890,918	4,447,699	4,446,650	4,788,965	6,737,889	7,362,558	7,766,590	9,616,379	12,194,441	16,259,190
Total general fund	<u>\$ 9,320,581</u>	<u>\$ 10,338,449</u>	<u>\$ 10,245,128</u>	<u>\$ 11,153,136</u>	<u>\$ 11,908,998</u>	<u>\$12,762,115</u>	<u>\$14,646,482</u>	<u>\$16,744,571</u>	<u>\$22,227,175</u>	<u>\$ 29,322,646</u>
Other governmental funds										
Restricted	\$ 4,778,483	\$ 6,533,410	\$ 8,374,858	\$ 8,494,067	\$ 10,105,669	\$11,110,144	\$10,917,056	\$11,931,226	\$11,418,149	\$ 7,182,979
Committed	13,741,316	12,843,304	14,708,908	16,858,015	20,031,744	24,420,082	29,644,529	36,766,406	44,241,739	64,761,689
Unassigned	-	-	-	-	-	-	-	-	-	(2,293,164)
Total other governmental funds	<u>\$ 18,519,799</u>	<u>\$ 19,376,714</u>	<u>\$ 23,083,766</u>	<u>\$ 25,352,082</u>	<u>\$ 30,137,413</u>	<u>\$35,530,226</u>	<u>\$40,561,585</u>	<u>\$48,697,632</u>	<u>\$55,659,888</u>	<u>\$ 69,651,504</u>

City of Logan  
**Changes in Fund Balances of Governmental Funds**  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Revenues</b>										
Taxes	\$ 24,854,594	\$ 22,187,758	\$ 22,534,433	\$ 23,389,271	\$ 24,761,888	\$ 25,742,477	\$ 26,570,748	\$ 28,831,833	\$ 32,280,788	\$ 35,787,351
Licenses and permits	817,915	1,072,200	723,861	843,058	1,018,497	1,194,165	1,467,116	1,800,518	2,264,755	3,078,231
Intergovernmental	5,059,701	8,147,307	7,152,290	6,786,607	6,627,286	6,338,055	6,319,118	9,866,694	12,101,872	20,926,909
Administrative fees	3,721,405	-	-	-	-	-	-	-	-	-
Charges for services	3,907,590	4,115,150	4,590,902	4,748,989	4,182,470	4,206,678	4,468,134	4,860,651	4,716,759	4,332,789
Fines	1,037,283	941,878	857,014	902,971	788,040	778,232	941,538	788,411	766,195	802,298
Investment earnings	323,690	161,142	187,167	276,654	421,971	686,622	1,407,554	1,231,213	335,184	240,396
Miscellaneous	586,729	1,683,883	1,313,911	1,065,517	1,480,229	1,410,183	1,714,280	2,259,929	2,028,869	3,559,214
Total revenues	40,308,907	38,309,318	37,359,578	38,013,067	39,280,381	40,356,412	42,888,488	49,639,249	54,494,422	68,727,188
<b>Expenditures</b>										
General government	7,566,779	6,095,521	6,371,403	6,564,907	6,532,000	6,926,275	7,202,007	7,646,349	9,320,956	9,086,864
Public safety	12,874,909	13,335,654	13,645,644	14,117,057	14,536,696	14,647,612	15,436,797	16,198,874	16,869,813	16,747,494
Public works	7,469,884	5,192,188	4,665,709	4,348,762	5,077,059	4,828,158	4,541,170	4,781,201	4,578,982	6,129,999
Parks, recreation, and culture	5,873,092	5,604,650	5,762,849	5,941,717	6,028,648	6,046,281	6,218,967	6,188,945	5,740,059	6,469,337
Debt service:										
Principal	7,366,125	2,960,198	2,146,475	4,515,000	2,547,000	979,000	611,000	616,000	-	-
Interest	570,632	310,121	237,503	144,691	65,528	27,162	13,770	4,685	-	67,600
Debt issuance cost	42,759	-	-	27,747	-	-	-	-	-	-
Capital outlay	5,521,949	6,025,978	6,142,493	5,854,008	6,063,257	5,683,718	7,796,093	10,218,997	11,301,075	17,318,445
Total expenditures	47,286,129	39,524,310	38,972,076	41,513,889	40,850,188	39,138,206	41,819,804	45,655,051	47,810,885	55,819,739
Excess (deficiency) of revenues over (under) expenditures	(6,977,222)	(1,214,992)	(1,612,498)	(3,500,822)	(1,569,807)	1,218,206	1,068,684	3,984,198	6,683,537	12,907,449
<b>Other Financing sources (uses)</b>										
Transfers in	7,866,916	6,670,565	10,489,247	9,203,506	11,537,036	11,429,072	13,549,147	18,327,874	17,966,398	37,232,715
Transfers out	(3,177,076)	(3,920,741)	(5,588,762)	(5,019,354)	(6,761,150)	(6,496,311)	(8,003,412)	(12,660,165)	(12,281,819)	(31,392,639)
Debt issuance	5,370,000	300,000	-	2,418,000	-	-	-	-	-	-
Sale of capital assets	47,350	39,951	325,744	74,994	2,291,730	94,963	301,309	582,229	76,744	2,339,567
Total other financing sources and uses	10,107,190	3,089,775	5,226,229	6,677,146	7,067,616	5,027,724	5,847,044	6,249,938	5,761,323	8,179,643
Net change in fund balances	\$ 3,129,968	\$ 1,874,783	\$ 3,613,731	\$ 3,176,324	\$ 5,497,809	\$ 6,245,930	\$ 6,915,728	\$ 10,234,136	\$ 12,444,860	\$ 21,087,092
Debt service as a percentage of noncapital expenditures	19.00%	9.76%	7.26%	13.07%	7.51%	3.01%	1.84%	1.75%	0.00%	0.18%

**Note:**  
 In FY 2014, the City began netting administrative fees against the corresponding expenses previously recorded in general government and public works.

**City of Logan**  
**Sales Tax Rates (1)**  
**Direct and Overlapping Governments**  
**Last Ten Fiscal Years**

Fiscal Year	City of Logan			Cache County		Botanical, Cultural, Zoo	State of Utah	Total
	Local Option (2)	Transit	Subtotal: Direct Rate	County Option	County Transportation (3)			
2013	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2014	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2015	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2016	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2017	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2018	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2019	1.00%	0.30%	1.30%	0.25%	0.25%	0.10%	4.70%	6.60%
2020	1.00%	0.30%	1.30%	0.25%	0.50%	0.10%	4.85%	7.00%
2021	1.00%	0.30%	1.30%	0.25%	0.50%	0.10%	4.85%	7.00%
2022	1.00%	0.30%	1.30%	0.25%	0.50%	0.10%	4.85%	7.00%

**Note:**

- 1- Information obtained from the Utah State Tax Commission as of April 1 of fiscal year.
- 2- The City of Logan has adopted the 1% local option sales tax rate, the maximum allowed by Utah State law.
- 3- As of FY 2021, the County transportation tax is composed of two separate taxes each for 0.25%.

**City of Logan**  
**Sales Taxpayers by Industry (1)**  
**Current Year and Nine Years Ago**

<b>Industry (2)</b>	<b>FY 2022</b>	<b>FY 2013</b>
	<b>Percent of Total Sales Tax</b>	<b>Percent of Total Sales Tax</b>
Retail	78.7%	73.7%
Manufacturing	2.9%	3.9%
Services	6.0%	8.0%
Transportation, Communication, Utilities	2.3%	4.5%
Public Administration	1.4%	2.6%
Wholesale Trade	6.1%	5.6%
Construction	2.5%	1.6%
Agricultural, Forestry, and Fishing	0.1%	0.1%
Total	100%	100%

**Note:**

- 1- Information provided by the Utah State Tax Commission.
- 2- Utah State law prohibits the disclosure of individual vendor sales tax information.

**City of Logan  
Sales Tax Generation (1)  
Current Year and Nine Years Ago**

<b>Sales Tax Ranking Largest to Smallest</b>	<b>FY 2022</b>	<b>FY 2013</b>
	<b>Percent of Taxable Sales</b>	<b>Percent of Taxable Sales</b>
1-10	28.6%	29.0%
11-25	16.3%	14.2%
26-50	10.2%	10.9%
51-100	11.3%	12.5%
101-200	11.9%	13.0%
200+	21.7%	20.4%
Total	100%	100%

**Note:**

1- Information provided by the Utah State Tax Commission.

**City of Logan**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Notes Payable	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases			
2013	\$ 3,990,705	\$ 7,038,000	\$ -	\$ 698,673	\$ 19,030,000	\$ 727,746	\$ -	\$ 31,485,124	2.22%	644
2014	3,482,135	5,491,000	-	70,475	16,530,000	694,507	-	26,268,117	1.74%	536
2015	2,948,565	3,925,000	-	-	14,936,000	664,060	-	22,473,625	1.52%	446
2016	2,418,000	2,335,000	-	-	9,734,000	624,549	-	15,111,549	0.94%	298
2017	1,826,000	380,000	-	-	8,483,000	585,017	-	11,274,017	0.67%	221
2018	1,227,000	-	-	-	7,214,000	545,464	-	8,986,464	0.47%	174
2019	616,000	-	-	-	30,275,000	505,889	-	31,396,889	1.53%	609
2020	-	-	-	-	84,321,000	466,293	-	84,787,293	3.93%	1,606
2021	-	-	-	-	102,517,000	426,675	-	102,943,675	4.53%	1,891
2022	-	-	-	-	97,297,000	387,036	527,719	98,211,755	n/a	n/a

**Note:**

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**City of Logan**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property (2)</b>	<b>Per Capita (3)</b>
2013	\$ 3,990,705	\$ -	\$ 3,990,705	0.21%	82
2014	3,482,135	-	3,482,135	0.18%	71
2015	2,948,565	-	2,948,565	0.14%	60
2016	2,418,000	-	2,418,000	0.12%	48
2017	1,826,000	-	1,826,000	0.08%	36
2018	1,227,000	-	1,227,000	0.05%	24
2019	616,000	-	616,000	0.02%	12
2020	-	-	-	0.00%	-
2021	-	-	-	n/a	-
2022	-	-	-	n/a	n/a

**Note:**

- 1- Includes all long-term general obligation debt.
- 2- Taxable value is 55% of market value for residences and 100% for commercial property.
- 3- Population data can be found in Demographic and Economic Statistics.

**City of Logan**  
**Direct and Overlapping Governmental Activities Debt (1)**  
**June 30, 2022**

<b>Jurisdiction</b>	<b>Net Outstanding Debt</b>	<b>Percentage Applicable to City of Logan</b>	<b>Amount Applicable to City of Logan</b>
Direct:			
City of Logan	\$ -	100%	\$ -
Subtotal of Direct Debt			-
Logan City School District	52,478,000	100%	52,478,000
Cache County	16,943,986	39%	6,608,155
Subtotal of Overlapping Debt			59,086,155
Total Direct and Overlapping Debt			<u>\$ 59,086,155</u>

**Note:**

1- Overlapping governments are those that coincide, at least in part, with geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments using the percent of assessed taxable property values located within the boundaries of Logan City.

**City of Logan  
Legal Debt Margin Information  
Last Ten Fiscal Years**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Legal debt margin:										
Debt limit	\$ 148,537,590	\$ 153,365,869	\$ 157,911,915	\$ 165,548,215	\$ 173,328,707	\$ 191,057,393	\$ 210,360,378	\$ 239,168,683	\$ 252,857,384	\$ 292,501,843
Total net debt applicable to limit	<u>3,920,000</u>	<u>3,482,135</u>	<u>2,948,565</u>	<u>2,418,000</u>	<u>1,826,000</u>	<u>1,227,000</u>	<u>616,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 144,617,590</u>	<u>\$ 149,883,734</u>	<u>\$ 154,963,350</u>	<u>\$ 163,130,215</u>	<u>\$ 171,502,707</u>	<u>\$ 189,830,393</u>	<u>\$ 209,744,378</u>	<u>\$ 239,168,683</u>	<u>\$ 252,857,384</u>	<u>\$ 292,501,843</u>
Total net debt applicable to the limit as a percentage of debt limit	2.64%	2.27%	1.87%	1.46%	1.05%	0.64%	0.29%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2020**

Assessed valuations:	
Assessed value	\$ 3,656,273,034
Add back: exempt real property	n/a
Total assessed value	<u>3,656,273,034</u>
Legal debt margin	
Debt limitation - 8 percent of total assessed value	292,501,843
Debt applicable to limitation:	
Total bonded debt	-
Less: Amount available for repayment of general obligation bonds	<u>-</u>
Total debt applicable to limitation	<u>-</u>
Legal debt margin	<u>\$ 292,501,843</u>

**City of Logan**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

**Water & Sewer Bonds**

Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2017	\$ 11,589,361	\$ 5,176,155	\$ 6,413,206	\$ 901,000	\$ 152,533	\$ 1,053,533	6.09
2018	12,241,846	5,081,295	7,160,551	919,000	135,669	1,054,669	6.79
2019	15,819,349	5,498,300	10,321,049	939,000	118,447	1,057,447	9.76
2020	15,933,974	6,110,443	9,823,531	954,000	100,830	1,054,830	9.31
2021	16,681,256	5,695,577	10,985,679	973,000	82,901	1,055,901	10.40
2022	16,487,632	5,628,714	10,858,918	988,000	64,588	1,052,588	10.32

**Sewer Treatment Bonds**

Fiscal Year	Gross Revenue (1)	Direct Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2017	\$ 7,157,755	\$ 975,245	\$ 6,182,510	\$ -	\$ -	\$ -	-
2018	8,105,634	1,251,506	6,854,128	-	6,518	6,518	1,051.57
2019	9,299,126	1,237,044	8,062,082	-	6,518	6,518	1,236.90
2020	10,458,633	1,296,536	9,162,097	-	176,476	176,476	51.92
2021	10,541,881	1,452,921	9,088,960	962,000	650,997	1,612,997	5.63
2022	11,550,470	2,631,259	8,919,211	4,232,000	929,889	5,161,889	1.73

**Note:**

1- Includes operating and non-operating revenues excluding capital contributions and transfers.

2- Includes operating and non-operating expenses excluding depreciation, amortization, and transfers.

**City of Logan**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (amounts expressed in Thousands)</b>	<b>Personal Income Per Capita (2)</b>	<b>Median Age</b>	<b>Education Level in Years of Formal Schooling</b>	<b>K-12 School Enrollment</b>	<b>Unemployment Rate (3)</b>
2013	\$ 48,879	\$ 1,418,803	\$ 29,027	n/a	n/a	6,063	4.7%
2014	48,913	1,507,703	30,824	n/a	n/a	5,987	2.9%
2015	48,997	1,476,369	30,132	n/a	n/a	5,967	3.3%
2016	50,371	1,602,661	31,817	n/a	n/a	5,957	3.4%
2017	50,676	1,694,479	33,437	n/a	n/a	5,719	3.0%
2018	51,115	1,919,650	37,555	n/a	n/a	5,555	2.7%
2019	51,619	2,050,255	39,719	n/a	n/a	5,569	2.4%
2020	51,542	2,156,156	41,833	n/a	n/a	5,419	3.2%
2021	52,778	2,272,409	43,056	n/a	n/a	5,484	2.4%
2022	54,436	n/a	n/a	n/a	n/a	5,281	1.7%

**Note:**

- 1- United States Census Bureau.
- 2- United States Department of Commerce Bureau of Economic Analysis.
- 3- Utah Division of Workforce Services - Cache County.

**City of Logan**  
**Principal Employers (1)**  
**Current Year and Nine Years Ago**

Company	Product	FY 2022			FY 2013		
		Number of Employees (Range)	Rank	Percent of Total City Employment	Number of Employees (Range)	Rank	Percent of Total City Employment
Utah State University	Higher education	7,000-9,999	1	n/a	5,000-6,999	1	n/a
Conservice, LLC	Accounting services	1,000-1,999	2	n/a	n/a	-	n/a
Intermountain Health Care	Health care	1,000-1,999	3	n/a	1,000-1,999	3	n/a
Thermo Fisher Scientific	Manufacturing	1,000-1,999	4	n/a	n/a	-	n/a
Schreiber Foods, Inc.	Manufacturing	1,000-1,999	5	n/a	500-999	4	n/a
iFIT Health and Fitness, Inc.	Exercise equipment	1,000-1,999	6	n/a	1,000-1,999	2	n/a
Logan City School District	Education	500-999	7	n/a	500-999	5	n/a
Logan City	Local government	500-599	8	n/a	n/a	-	n/a
Gossner Foods	Manufacturing	500-599	9	n/a	250-499	9	n/a
Hyclone Laboratories, Inc.	BioGenetic components	250-499	10	n/a	250-499	6	n/a
Moore Business	Business forms	-	-	n/a	250-499	10	n/a
Convergys	Telephone call center	-	-	n/a	500-599	7	n/a
Space Dynamics	Scientific research	-	-	n/a	250-499	8	n/a
Total		n/a		n/a	n/a		n/a

**Note:**

1- Information obtained from the Utah Department of Workforce Services website, jobs.utah.gov.

**City of Logan**  
**Full-time Equivalent City Government Employees by Function (1)**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
General government	64	64	62	62	62	62	61	61	62	62
Public safety:										
Police:										
Officers	61	61	59	59	59	59	59	59	59	59
Support staff	11	11	11	11	11	11	11	11	11	11
Dispatch	22	22	22	20	20	20	20	20	20	20
Fire:										
Firefighters/EMTs	49	49	52	52	52	52	53	56	66	66
Support staff	1	1	1	1	1	1	1	1	1	1
Parks, recreation, and culture	45	42	43	43	43	42	42	42	42	42
Public works:										
Engineering	13	13	13	13	13	13	13	13	13	13
Streets	19	19	19	19	19	19	19	19	19	19
Storm water	1	1	1	1	1	1	1	1	1	1
Shops	13	13	13	12	12	13	13	13	13	13
Water/sewer	30	31	31	31	31	31	31	32	32	32
Environmental health	63	65	65	63	63	68	72	73	74	82
Electric	29	30	31	31	31	31	31	32	32	32
<b>Total</b>	<b>421</b>	<b>422</b>	<b>423</b>	<b>418</b>	<b>418</b>	<b>423</b>	<b>427</b>	<b>433</b>	<b>445</b>	<b>453</b>

**Note:**

1- Information obtained from Human Resources.

**City of Logan  
Operating Indicators (1)  
Last Ten Fiscal Years**

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Parks, recreation, and culture:										
Libraries	1	1	1	1	1	1	1	1	1	1
Volumes	231,433	231,605	223,415	228,119	243,482	241,451	195,999	164,963	155,988	117,988
Municipal water department:										
Number of service connections	17,564	17,217	17,981	18,285	19,994	18,361	17,379	18,018	18,511	18,825
Consumption in gallons	3,642,375,000	3,372,342,000	3,214,878,000	3,555,446,000	3,769,425,110	3,423,085,830	3,509,821,790	3,530,568,900	3,595,810,000	3,221,257,000
Sewer system:										
Number of service connections	16,605	16,296	16,999	16,941	16,870	16,893	17,149	17,831	18,317	18,598
Miles of sewer lines	154	154	155	154	155	156	156	157	158	161
Municipal electric department:										
Number of service connections	18,271	18,019	19,153	19,697	19,913	20,230	20,640	20,286	19,753	19,946
Kilowatt hours consumed	422,147,620	410,122,735	399,803,756	398,927,572	401,722,367	410,348,121	401,233,919	388,214,054	395,202,853	433,933,527
Miles of distribution lines	231	235	235	236	238	239	239	247	253	255
Solid waste and disposal department:										
Cubic yards of garbage received	157,296	164,320	151,021	161,107	185,239	184,470	180,297	147,450	229,240	237,338
Building permits issued	569	527	608	603	631	531	555	686	696	663

**Note:**

1- Information obtained from various City departments.

**City of Logan**  
**Capital Asset Statistics by Function (1)**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Highways and streets:										
Streets (miles)	145	145	146	146	146	148	148	148	150	153
Parks, recreation, and culture:										
Parks	39	40	40	41	40	46	46	47	46	42
Libraries	1	1	1	1	1	1	1	1	1	1
Volumes	231,433	231,605	223,415	228,119	243,482	241,451	195,999	164,963	155,988	117,988
Water:										
Water mains (miles)	184	186	186	187	187	188	190	191	191	194
Sewer:										
Sewer lines (miles)	154	154	155	154	155	156	156	157	158	161
Electric:										
Services lines (miles)	231	235	235	236	238	239	239	247	253	255

**Note:**  
1- Information obtained from various City departments.

# Single Audit Section



**City of Logan**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended June 30, 2022**

<b>Federal Grantor/Pass-Through Grantor/ Program Title/Program or Cluster Title</b>	<b>Federal Assistance Listing Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Federal Expenditures</b>
U.S. Department of Housing and Urban Development (HUD)				
CDBG Entitlement Grants Cluster:				
Community Development Block Grant	14.218	B-17-MC-49-0011	\$ -	\$ 22,964
Community Development Block Grant	14.218	B-18-MC-49-0011	-	4,747
Community Development Block Grant	14.218	B-20-MC-49-0011	-	121,814
Community Development Block Grant	14.218	B-21-MC-49-0011	71,446	243,691
Covid-19 - Community Development Block Grant	14.218	CDBG-CV	4,689	4,689
<b>Total HUD</b>			<u>76,135</u>	<u>397,905</u>
U.S. Department of Justice (DOJ)				
Bulletproof Vest Partnership Program	16.607	None	-	6,840
Passed through the State of Utah Commission on Criminal and Juvenile Justice:				
Justice Assistance Grant	16.738	20A147	-	6,990
<b>Total DOJ</b>			<u>-</u>	<u>13,830</u>
U.S. Department of the Treasury (USDT)				
Coronavirus State and Local Fiscal Recovery Funds	21.027	None	-	10,009,000
<b>Total USDT</b>			<u>-</u>	<u>10,009,000</u>
Institute of Museum and Library Services (IMLS)				
Passed through the Utah Department of Cultural and Community Engagement:				
Beehive Library Consortium Grant	45.310	212510	-	19,263
ARPA Physical Collection Support Grant	45.310	212633	-	11,975
Digitizing Logan History at Logan Library Grant	45.310	211890	-	3,199
USL ARPA Pandemic Response Grant	45.310	212727	-	15,000
USL ARPA Hot to Trot Spot Grant	45.310	220721	-	1,200
<b>Total IMLS</b>			<u>-</u>	<u>50,637</u>
U.S. Department of Health and Human Services (HHS)				
477 Cluster:				
Passed through the Utah Department of Workforce Services:				
Child Care and Development Block Grant	93.575	20DWS0040	-	249,999
<b>Total HHS</b>			<u>-</u>	<u>249,999</u>
U.S. Department of Homeland Security (DHS)				
Passed through the Utah Department of Public Safety:				
Emergency Management Performance Grant	97.042	DEM-EMPG-2021-016	-	19,500
<b>Total DHS</b>			<u>-</u>	<u>19,500</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 76,135</u>	<u>\$ 10,740,871</u>

**Note 1 - Purpose of the Schedule**

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is required by the US Office of Management and Budget (OMB) Uniform Guidance.

**Note 2 - Significant Accounting Policies**

Basis of Accounting

The information in the Schedule is presented in accordance with Uniform Guidance. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

Major Programs

Uniform Guidance establishes the levels of expenditures or expenses and other criteria to be used in defining major federal financial assistance. The federal award tested as a major program was Assistance Listing Number 21.027.

Indirect Costs

Generally, the City does not charge indirect costs to grants, and therefore, does not use the 10 percent de minimis indirect cost rate.

**Note 3 - Loans**

As of June 30, 2022, the City held federally funded loan balances as follows:

<u>Assistance Listing Number</u>	<u>Program</u>	<u>Balance</u>
66.468	Capitalization Grants for Drinking Water	\$1,039,000
66.468	Capitalization Grants for Drinking Water	937,000



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



CERTIFIED PUBLIC  
ACCOUNTANTS

Gary K. Keddington, CPA  
Marcus K. Arbuckle, CPA  
Steven M. Rowley, CPA

To the Mayor, City Council, and Audit Committee  
City of Logan, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Logan, Utah (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated October 28, 2022.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*K&C, CPAs*

K&C, Certified Public Accountants  
Salt Lake City, Utah  
October 28, 2022

Telephone (801) 590-2600  
Fax (801) 265-9405

1455 West 2200 South, Suite 201  
Salt Lake City, Utah 84119

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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**



CERTIFIED PUBLIC  
ACCOUNTANTS

Gary K. Keddington, CPA  
Marcus K. Arbuckle, CPA  
Steven M. Rowley, CPA

To the Mayor, City Council, and Audit Committee  
City of Logan, Utah

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

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

We have audited the City of Logan, Utah’s (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended June 30, 2022. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditor’s Responsibilities for the Audit of Compliance***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*K&C, CPAs*

K&C, Certified Public Accountants  
Salt Lake City, Utah  
October 28, 2022

City of Logan  
 Schedule of Findings and Questioned Costs  
 Year Ended June 30, 2022

**Section I – Summary of Auditor’s Results:**

**Financial Statements**

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

**Federal Awards**

- |   |            |
|---|------------|
| 1. Internal control over financial reporting:   |            |
| a. Material weaknesses identified?  | No         |
| b. Significant deficiencies identified?   | No         |
| 2. Type of auditor’s report issued on compliance with major programs:                                 | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 500.516(a)? | No         |
| 4. Federal programs tested as major programs?   | 21.027     |
| 5. Dollar threshold used to distinguish between Type A and Type B programs?                           | \$750,000  |
| 6. Auditee qualified as low risk auditee?   | Yes        |

**Section II – Financial Statement Findings**

None

**Section III – Federal Award Findings and Questioned Costs**

None

City of Logan  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2022

There were no findings in the prior year regarding federal awards.



CERTIFIED PUBLIC  
ACCOUNTANTS

Gary K. Keddington, CPA  
Marcus K. Arbuckle, CPA  
Steven M. Rowley, CPA

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

To the Mayor, City Council, and Audit Committee  
City of Logan, Utah

**Report on Compliance**

We have audited the City of Logan, Utah's (the City) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, for the year ended June 30, 2022.

State compliance requirements were tested for the year ended June 30, 2022 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Court
- Restricted Taxes and Related Restricted Revenue
- Fraud Risk Assessment
- Governmental Fees
- Impact Fees
- Utah Retirement Systems

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on the City's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Compliance***

In our opinion, the City of Logan complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2022.

## Report On Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City'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 to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

*K&C, CPAs*

K&C, Certified Public Accountants  
Salt Lake City, Utah  
October 28, 2022