

SUBLETTE COUNTY, WYOMING

FINANCIAL REPORT

JUNE 30, 2019

## C O N T E N T S

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-3
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position	4
Statement of Activities	5
GOVERNMENTAL FUND FINANCIAL STATEMENTS	
Balance Sheet	6
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	7
Statement of Revenues, Expenditures and Changes in Fund Balances	8
Reconciliation of Governmental Statement of Revenue, Expenditures and Changes in Fund Balances with the Statement of Activities	9
PROPRIETY FUND FINANCIAL STATEMENTS	
Statement of Net Position	10
Statement of Revenues, Expenditures, and Changes in Net Position	11
Statement of Cash Flows	12
FIDUCIARY FUND FINANCIAL STATEMENTS	
Statement of Fiduciary Assets and Liabilities	13
NOTES TO THE FINANCIAL STATEMENTS	14-34
REQUIRED SUPPLEMENTARY INFORMATION	
BUDGETARY COMPARISON SCHEDULE - General Fund - Budget and Actual	35-37
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY DATA	38-39
DEFINED BENEFIT PLAN INFORMATION	
SCHEDULE OF CONTRIBUTIONS - WYOMING RETIREMENT SYSTEM	
Primary Government	40
Component Units	41
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION	
Primary Government	42
Component Units	43

## C O N T E N T S

	<u>Page</u>
COMBINING FINANCIAL STATEMENTS	
Balance Sheet - Nonmajor Governmental Funds	44
Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	45
Statement of Net Position - Component Units	46
Statement of Activities - Component Units	47
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	48-49
SCHEDULE OF FINDINGS AND RESPONSES	50
STATUS OF PRIOR YEAR FINDINGS	51

## INDEPENDENT AUDITORS' REPORT

County Commissioners  
Sublette County, Wyoming  
Pinedale, Wyoming

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Sublette County, Wyoming as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The financial data for the Sublette County Weed and Pest has not been included in the component units of the Statement of Net Position and the Statement of Activity. Accounting principles generally accepted in the United States of America require that all component units of the entity be included in the reporting entity. The amount by which this departure would affect the asset, liability, fund balance, revenues and expenditures of the component units in the Statement of Net Position and the Statement of Activities is not reasonably determinable.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business activities, the aggregate discretely presented component units, except for the effects of the omission of Sublette County Weed and Pest from the component units as described in the preceding paragraph, each major fund and the aggregate remaining fund information of Sublette County, Wyoming as of June 30, 2019, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 35 through 39 and information regarding the defined benefit pension plan on pages 40 to 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sublette County, Wyoming's basic financial statements. The combining balance sheet - non major governmental funds, combining statement of revenues, expenditures and changes in fund balances non-major governmental funds, statement of net position - component units and the combining statement of activities - component units are presented for the purpose of additional analysis and are not a required part of the basic financial statements.



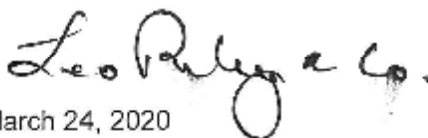
The combining balance sheet - non major governmental funds, combining statement of revenues, expenditures and changes in fund balance - non major governmental funds, combining statement of net position - component units, and the combining statement of activities - component units are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining balance sheet - non major governmental funds, combining statement of revenues, expenditures and changes in fund balance - non major governmental funds, the combining statement of net position - component units, the combining statement of activities - component units are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2020 on our consideration of Sublette County, Wyoming'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 solely 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 Sublette County, Wyoming'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 Sublette County Wyoming's internal control over financial reporting and compliance.

#### **NOTICE**

The accompanying financial statements, supplementary information and our independent auditors' reports are for the purpose of meeting local, state and Federal requirements and are for the use of those entities, management, the County Commissioners, the State of Wyoming and Federal agencies, and should not be used or relied upon by any other party for any purpose. Additional users of these financial statements, supplementary information and our independent auditors' reports are hereby advised that the liability of Leo Riley & Co., CPAs to third party users who use or rely on this information may be limited pursuant to 1995 Wyo. Sess. Laws, Chapter 155 creating Wyo. Stat. §33-3-201. However, the general purpose financial statements, supplementary information and our independent auditors' report on the financial statements are a matter of public record and their distribution is not limited.

  
March 24, 2020

# Government Wide- Financial Statements

SUBLETTE COUNTY, WYOMING

STATEMENT OF NET POSITION  
JUNE 30, 2019

	Primary Government			Component Units
	Govern- mental Activities	Business- Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents (Note 6)	\$ 11,891,624	\$ 68,298	\$ 11,959,922	\$ 670,913
Receivables -				
Property taxes	448,512		448,512	3,181
Other governments	1,384,704		1,384,704	
Other	22,624	299	22,923	
Investments				
Certificates of deposit	41,536,572	25,000	41,561,572	
Government securities (Note 6)	137,225,310		137,225,310	
Other	43,334		43,334	
Prepaid expenses	308,478		308,478	
Inventory	139,939		139,939	
Due from Trust and Agency	(157)		(157)	17,403
Capital assets (Notes 1 and 5)				
Non depreciable	10,408,138		10,408,138	
Depreciable (net of accumulated depreciation)	150,798,608	306,433	151,105,041	1,442,508
Total assets	<u>\$ 354,207,686</u>	<u>\$ 400,030</u>	<u>\$ 354,607,716</u>	<u>\$ 2,134,005</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Retirement contributions (Note 3)	\$ 979,818	\$ -	\$ 979,818	\$ 42,270
Assumption changes (Note 3)	3,809,512		3,809,512	47,037
Difference between proportionate share and actual earnings on pension plan investments (net) (Note 3)	3,101,140		3,101,140	133,286
Difference between contributions and proportionate share of contributions (Note 3)	612,972		612,972	
Total deferred outflows of resources	<u>\$ 8,503,442</u>	<u>\$ -</u>	<u>\$ 8,503,442</u>	<u>\$ 222,593</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts and vouchers payable	\$ 1,122,557	\$ -	\$ 1,122,557	\$ 4,459
Insurance claim liability	214,815		214,815	
Tax rebate payable	410,987		410,987	18,765
Other	49,460		49,460	
Current liabilities	<u>\$ 1,849,854</u>	<u>\$ 6,765</u>	<u>\$ 1,856,619</u>	<u>\$ 23,224</u>
Noncurrent liabilities				
Estimated liability for compensated Nonc. absences	\$ 666,685	\$ -	\$ 666,685	\$ 18,833
Is Capital lease obligations		77,851	77,851	
Proportionate share of net pension liability (Note 3)	19,722,302		19,722,302	882,464
Tax rebate payable	256,762		256,762	10,585
Landfill post closure costs (Note 9)	814,665		814,665	
Total noncurrent liabilities	<u>\$ 21,460,414</u>	<u>\$ 77,851</u>	<u>\$ 21,538,265</u>	<u>\$ 911,882</u>
Total liabilities	<u>\$ 23,310,268</u>	<u>\$ 84,616</u>	<u>\$ 23,394,884</u>	<u>\$ 935,106</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Difference between contributions and proportionate share of contributions (Note 3)	\$ -	\$ -	\$ -	\$ 82,951
Difference between expected and actual experience (Note 3)	691,034		691,034	23,283
Total deferred inflows of resources	<u>\$ 691,034</u>	<u>\$ -</u>	<u>\$ 691,034</u>	<u>\$ 106,234</u>
<b>NET POSITION</b>				
Net investment in capital assets	\$ 161,206,746	\$ 221,817	\$ 161,428,563	\$ 1,442,508
Restricted	9,130,213		9,130,213	
Unrestricted	168,372,867	93,597	168,466,464	(127,250)
Total net position	<u>\$ 338,709,826</u>	<u>\$ 315,414</u>	<u>\$ 339,025,240</u>	<u>\$ 1,315,258</u>

(The accompanying notes to the financial statements are an integral part of this statement)



SUBLETTE COUNTY, WYOMING  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

					Net Revenue (Expenses) and Changes in Net Position										
					Primary Government										
					Govern- mental Activities	Business- Type Activities	Total	Component Units							
					Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions							
PRIMARY GOVERNMENT															
Governmental activities															
General government	\$	8,117,445	\$	291,307	\$	546,397	\$	-	\$	(7,279,741)	\$	-	\$	(7,279,741)	
Public safety		10,304,786		391,350		80,885				(9,832,551)				(9,832,551)	
Public works		11,973,805		569,536						(11,404,269)				(11,404,269)	
Health, welfare, and recreation		4,583,097		153,646		204,629				(4,224,822)				(4,224,822)	
Conservation of natural resources		98,156								(98,156)				(98,156)	
Miscellaneous/general		9,649,011								(9,649,011)				(9,649,011)	
Total governmental activities	\$	44,726,300	\$	1,405,839	\$	831,911	\$	-	\$	(42,488,550)	\$	-	\$	(42,488,550)	
Business-type activities															
Golf course	\$	241,377	\$	187,416	\$	-	\$	-	\$	-	\$	(53,961)	\$	(53,961)	
Total primary government	\$	44,967,677	\$	1,593,255	\$	831,911	\$	-	\$	(42,488,550)	\$	(53,961)	\$	(42,542,511)	
COMPONENT UNITS															
Governmental activities															
Library	\$	1,341,214	\$	17,784	\$	1,690	\$	-	\$	-	\$	-	\$	-	\$ (1,321,740)
Fair		273,558		69,384											(204,174)
Total component units	\$	1,614,772	\$	87,168	\$	1,690	\$	-	\$	-	\$	-	\$	-	\$ (1,525,914)
General Revenues:															
Property taxes									\$	25,535,762	\$	-	\$	25,535,762	\$ 1,439,875
Auto fees										640,463		-		640,463	33,628
Sales tax collected										7,080,627		-		7,080,627	-
Payments in lieu of property taxes										939,860		-		939,860	-
State severance tax collections										213,102		-		213,102	-
Fuel taxes										2,295,211		-		2,295,211	-
Forest reserve funds										530,392		-		530,392	-
Transfers										(36,000)		36,000		-	-
Unrestricted investment earnings										7,457,746		78		7,457,824	-
Gain (loss) on asset disposal										(42,392)		-		(42,392)	-
Miscellaneous										555,522		-		555,522	2,881
Total general revenues									\$	45,170,293	\$	36,078	\$	45,206,371	\$ 1,476,384
Change in Net Position									\$	2,681,743	\$	(17,883)	\$	2,663,860	\$ (49,530)
Net position at beginning of year										336,028,083		333,297		336,361,380	1,364,788
Net position at end of year									\$	338,709,826	\$	315,414	\$	339,025,240	\$ 1,315,258

(The accompanying notes to the financial statements are an integral part of this statement)

# Governmental Funds Financial Statements

SUBLETTE COUNTY, WYOMING

BALANCE SHEETS  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	Major Funds General Fund	Nonmajor Funds	Total
<b>ASSETS:</b>			
Cash and cash equivalents (Note 5)	\$ 11,026,366	\$ 865,258	\$ 11,891,624
Receivables -			
Property taxes	448,512		448,512
Other governments	764,114		764,114
Trash collections	36,484		36,484
Other	(14,702)	842	(13,860)
Investments			
Certificates of deposit	41,536,572		41,536,572
Government securities (Note 5)	137,225,310		137,225,310
Other	43,334		43,334
Prepaid expenses	308,476		308,476
Inventory	139,939		139,939
Due from Trust and Agency		(157)	(157)
Total assets	<u>\$ 191,514,405</u>	<u>\$ 865,943</u>	<u>\$ 192,380,348</u>
<b>LIABILITIES:</b>			
Accounts and vouchers payable	\$ 1,122,379	\$ -	\$ 1,122,379
Tax rebate payable	401,013	9,974	410,987
Retainages payable	52,035		52,035
Other accrued liabilities	49,636		49,636
Insurance claim liability	214,815		214,815
Total liabilities	<u>\$ 1,839,878</u>	<u>\$ 9,974</u>	<u>\$ 1,849,852</u>
<b>DEFERRED INFLOWS</b>			
Property taxes unavailable	<u>\$ 412,234</u>	<u>\$ -</u>	<u>\$ 412,234</u>
<b>FUND BALANCE:</b>			
Nonspendable	\$ 448,415	\$ -	\$ 448,415
Restricted	8,274,244	855,969	9,130,213
Committed	163,179,207		163,179,207
Unassigned	17,360,427		17,360,427
Total fund balances	<u>\$ 189,262,293</u>	<u>\$ 855,969</u>	<u>\$ 190,118,262</u>
Total liabilities deferred revenues and fund balances	<u>\$ 191,514,405</u>	<u>\$ 865,943</u>	<u>\$ 192,380,348</u>

(The accompanying notes to the financial statements are an integral part of this statement)

SUBLETTE COUNTY, WYOMING

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2019

Total fund balance per balance sheet \$ 190,118,262

Amounts reported for governmental activities in the  
statement of net position total governmental funds  
are different because:

Add assets not included above but  
included in the statement of net  
position due to differences in revenue  
recognition standards

Property taxes	\$ 412,233	
Sales and fuel	<u>620,591</u>	1,032,824

Add capital assets not reported above

Non depreciable	\$ 10,408,138	
Depreciable	<u>150,798,608</u>	161,206,746

Deferred outflows related to pension obligation		8,503,442
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Less liabilities not reported above

Long-term liabilities

Estimated liability for compensated absences	\$ (666,685)	
Proportionate share of net pension liability (Note 3)	(19,722,302)	
Tax rebate payable	(256,762)	
Landfill post closure costs (Note 9)	<u>(814,665)</u>	(21,460,414)

Deferred inflows related to pension obligation		<u>(691,034)</u>
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Net position of governmental activities		<u><u>\$ 338,709,826</u></u>
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(The accompanying notes to the financial statements are an integral part of this statement)

SUBLETTE COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019

	Major Funds General Fund	Nonmajor Funds	Total
REVENUES:			
Taxes	\$ 34,334,563	\$ 459,162	\$ 34,793,725
Licenses and permits	8,306		8,306
Fines and forfeitures	339,758		339,758
Charges for goods and services	1,046,616		1,046,616
Intergovernmental	2,996,108		2,996,108
Investment income/unrealized gain on investments	7,499,607	252	7,499,859
Other	453,250	10,000	463,250
Total revenues	<u>\$ 46,678,208</u>	<u>\$ 469,414</u>	<u>\$ 47,147,622</u>
EXPENDITURES:			
General government	\$ 15,095,792	\$ -	\$ 15,095,792
Public safety	10,200,450		10,200,450
Public works	10,117,683		10,117,683
Health, welfare, culture and recreation	1,316,529	443,330	1,759,859
Conservation of natural resources	87,814		87,814
Total expenditures	<u>\$ 36,818,268</u>	<u>\$ 443,330</u>	<u>\$ 37,261,598</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ 9,859,940	\$ 26,084	\$ 9,886,024
TRANSFERS IN(OUT)		(36,000)	(36,000)
REVENUES OVER (UNDER) EXPENDITURES AFTER OPERATING TRANSFERS	\$ 9,859,940	\$ (9,916)	\$ 9,850,024
FUND BALANCE, BEGINNING	<u>179,402,353</u>	<u>865,885</u>	<u>180,268,238</u>
FUND BALANCE, ENDING	<u>\$ 189,262,293</u>	<u>\$ 855,969</u>	<u>\$ 190,118,262</u>

(The accompanying notes to the financial statements are an integral part of this statement)



SUBLETTE COUNTY, WYOMING

RECONCILIATION OF THE GOVERNMENTAL STATEMENT OF REVENUE,  
EXPENDITURES AND CHANGES IN FUND BALANCES WITH THE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019

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

Total net change in fund balances - governmental funds	\$ 9,850,024
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All capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those capital outlays other than non-capitalized items are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period

Capital outlay	\$ 4,399,709	
Gain (loss) on asset disposal	(42,392)	
Depreciation expense	<u>(9,055,644)</u>	(4,698,328)

Some revenues are not reported as revenues in the fund financial statements due to differences in revenue recognition policies between the statement of activities

Sales and fuel tax receivable	(141,581)
Property tax revenues	65,673
Long term portion of property tax rebates	410,987

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

Landfill Closure Costs	(11,231)
Change in accrued compensated absences	(63,928)
Net additional pension expense for the year	<u>(2,729,873)</u>

Total change in net position - governmental activities	<u>\$ 2,681,743</u>
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(The accompanying notes to the financial statements are an integral part of this statement)

# Proprietary Funds

## Financial Statements

SUBLETTE COUNTY, WYOMING

STATEMENT OF NET POSITION  
 PROPRIETARY FUND  
 JUNE 30, 2019

	Business- Type Activities
<b>ASSETS</b>	
Current assets:	
Cash	\$ 68,298
Certificates of deposit	25,000
Accounts receivable	299
Noncurrent assets:	
Capital assets, net of accumulated depreciation (Note 4)	306,433
Total assets	<u>\$ 400,030</u>
<b>LIABILITIES</b>	
Current liabilities:	
Current portion of lease obligations	\$ 6,765
Long term liabilities	
Capital lease obligations	77,851
Total liabilities	<u>\$ 84,616</u>
<b>NET POSITION</b>	
Net investment in capital assets	\$ 221,817
Unrestricted	93,597
Total net position	<u><u>\$ 315,414</u></u>

(The accompanying notes to the financial statements are an integral part of this statement)

SUBLETTE COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 PROPRIETARY FUND  
 FOR THE YEAR ENDED JUNE 30, 2019

	Business- Type Activities
Operating revenue:	
Charges for services	\$ 187,416
Total operating revenue	<u>\$ 187,416</u>
Operating expenses:	
Management fees	\$ 112,000
Depreciation	47,991
Advertising	391
Grounds maintenance and other supplies	7,412
Utilities and telephone	15,086
Repairs and maintenance	29,964
Fuel	6,603
Office expense	2,410
Interest expense	2,636
Miscellaneous	16,884
Total operating expenses	<u>\$ 241,377</u>
Operating loss	<u>\$ (53,961)</u>
Non-operating activities	
Interest income	\$ 78
Transfers in (out)	36,000
	<u>\$ 36,078</u>
Change in net position	\$ (17,883)
Net position, beginning	<u>333,297</u>
Net position, ending	<u><u>\$ 315,414</u></u>

(The accompanying notes to the financial statements are an integral part of this statement)

SUBLETTE COUNTY, WYOMING  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE YEAR ENDED JUNE 30, 2019

	Business- Type Activities
Cash flows from operating activities:	
Cash received from customers	\$ 187,416
Cash paid to suppliers for goods and services	(193,386)
Net cash from (used in) operating activities	<u>\$ (5,970)</u>
Cash flows from noncapital financing activities:	
Transfers in from other funds	\$ 36,000
Net cash from noncapital financing activities	<u>\$ 36,000</u>
Cash flows from capital and related finance activities:	
Purchases of fixed assets	\$ (8,389)
Interest	78
Net cash from (used in) capital and related finance activities	<u>\$ (8,311)</u>
Cash flows from investing activities:	
Invested in certificate of deposit	\$ (78)
Net cash used in investing activities	<u>\$ (78)</u>
Cash flows from financing activities	
Principal paid on lease obligation	\$ (28,896)
	<u>\$ (28,896)</u>
Net increase (decrease) in cash	\$ (7,255)
Cash, beginning of year	<u>75,553</u>
Cash, end of year	<u><u>\$ 68,298</u></u>
Reconciliation of operating loss to net cash from operating activities:	
Operating (loss) income	\$ (53,961)
Adjustments to reconcile operating loss to net cash in operating activities:	
Depreciation	47,991
Net cash from (used in) operating activities	<u><u>\$ (5,970)</u></u>
Noncash financing activities	
Issuance of capital lease obligations	<u><u>\$ 72,012</u></u>

(The accompanying notes to the financial statements are an integral part of this statement)



# Fiduciary Funds

## Financial Statements

SUBLETTE COUNTY, WYOMING

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUNDS  
JUNE 30, 2019

	Tax Collections	Fire Fighter Donations
ASSETS		
Cash	\$ 6,446,222	\$ 78,393
Taxes receivable (Net of allowance)	14,986	
Total assets	<u>\$ 6,461,208</u>	<u>\$ 78,393</u>
LIABILITIES		
Court case deposits and fees held	\$ 32,522	\$ -
Due to County entities		
County Library Board	17,404	
County Museum Board	(158)	
Weed and Pest District	1,348	
Fair grounds budget	48,527	
Ice arena budget	22,879	
Fire reserves	5,157,672	
Due to State of Wyoming	173,643	
Due to Sublette School District No. 1	9,367	
Due to Sublette School District No. 9	43,704	
Unprorated property taxes	1,069	
Due to other entities	931,715	
Unprorated fines	21,516	
Due to Fire Fighters		78,393
Total liabilities	<u>\$ 6,461,208</u>	<u>\$ 78,393</u>

Noncash financing activities  
Issuance of capital lease obligations

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(The accompanying notes to the financial statements are an integral part of this statement)

# Notes to Financial Statements

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. DESCRIPTION OF SUBLETTE COUNTY AND THE REPORTING ENTITY

The County

Sublette County, Wyoming was created and operated under Wyoming State Statute. The County is governed by a board of five Commissioners elected by the voters of the County. Other officials elected by the voters of the County that manage various segments of the County's operations are the Clerk, Treasurer, Clerk of Courts, Prosecuting Attorney, and Sheriff. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire County.

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading.

The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. These units are financially accountable to the County Commissioners based on the Commissioners' ability to exercise control and oversight responsibilities. The Commissioners appoint these units governing bodies, approve the units' budgets and the levying of tax.

Based on these criteria it has been determined that the County's component units are the County Library, County Fair, the Weed and Pest Control District, and Sublette County/Town of Big Piney Community Impact Joint Powers Board. The Weed and Pest Control District financial data is not included in these financial statements.

Discretely Presented Component Units

County Fair - The Fair Board consists of five directors appointed by the County Commissioners. The Fair Board has oversight responsibility for the County Fair and other special events which are held periodically throughout the year. The Fair Board is also responsible for the security and upkeep of the facilities and equipment under its care.

County Library - The Library Board consists of five directors appointed by the County Commissioners. The Library Board has oversight responsibility for library services at three primary locations in the County. The Library Board is also responsible for the security and upkeep of the facilities and equipment under its care.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the Statement include the following:

1. For the first time the financial statements include:
  - a. A Management Discussion and Analysis (MD&A) section providing an analysis of the County's overall financial position and results of operations. Management has elected to not present the MD&A.
  - b. Financial statements prepared using full accrual accounting for all of the County's activities, including infrastructure (roads, bridges, etc.).
  - c. A change in the fund financial statements to focus on the major funds.

The County's financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.



SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and financial statements is on major funds. Each major fund is presented in a separate column.

The component units of the County are excluded from the fund financial statements.

The major focus of these fund financial statements of the governmental funds is upon determination of financial position and changes in this financial position (sources, uses, and balances of financial resources). The non-major funds are comprised of the Museum Board, Recreation Board, Fire Board, and Rendezvous Meadow Golf Course.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is 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 revenue in the year for which they are levied. Grants, categorical aid and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule, the effect of any interfund activity has been eliminated from the government-wide financial statements.

Fund Based Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and severance pay, are recorded only when payment is due.

Property taxes, unrestricted state aid, intergovernmental grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting similar to the basis used for the government-wide financial statements. Revenues are recorded when earned and expenses are recorded at the time the liability is incurred, regardless of when the related cash flows take place. Operating revenues consist of charges for services and non-operating revenues consist of interest, donations and transfers. All assets and liabilities are recorded in the enterprise funds financial statements.

Financial Statement Amounts

Investments

Investments are carried at fair market value.

Inventory

Inventories in the government-wide financial statement represent supply inventory held for the County Road and Bridge Department. These inventories are carried at cost using the first-in, first-out method.

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Assets with an estimated historical cost have been computed by taking current estimated replacement costs and discounting this cost by using an estimate for the consumer price index. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	10 - 30 years
Machinery and equipment/vehicles	5 - 7 years
Golf course and improvements	10 - 15 years
Infrastructure	30 years

GASB No. 34 requires the County to report and depreciate new infrastructure assets effective July 1, 2003. Infrastructure assets include roads, bridges, traffic signals, etc.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

Net Position

Net positions represent the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net positions are classified in the following categories:

1. Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvements of the assets.
2. Restricted net position - This amount is restricted by creditors, grantors contributors, or laws or regulations of other governments.
3. Unrestricted net position - This amount is the net position that does not meet the definition of "net investment in capital assets" of "restricted net position".

Fund Balance

The County has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

1. Non-spendable fund balance - amounts that are not in non-spendable form (such as inventory) or are required to be maintained intact.
2. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
3. Committed fund balance - amounts constrained to specific purposes by the County itself enacted by resolution of the Board of County Commissioners. Committed fund balances cannot be used for any other purpose unless the commitment expires as set forth in the resolution, or a new Board resolution amends the commitment.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Assigned fund balance - amounts the County intends to use for a specific purpose. Intent can be expressed by the County Commissioners or by an official or body to which the County Commissioners delegates the authority.
5. Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Property Taxes

Property taxes attach as an enforceable lien on property as of May 11. Taxes are levied on or about August 1 and payable in two installments on September 1 and March 1. The County bills and collects its own property taxes and also taxes for all municipalities and political subdivisions within the County. Collections and remittances of these taxes for other taxing districts are accounted for in the respective agency funds of the County. County property tax revenues are recognized when received. The County employs the 60 day rule for recognition of receivables at the end of the fiscal year. Under this method all uncollected taxes at June 30, 2019, are shown as receivable. The portion of this amount that is not collected within 60 days of the end of the year is shown as deferred revenues.

The County is permitted by Wyoming Statutes to levy taxes up to 12 mills of assessed valuation for all purposes, except for the payment of public debt and the interest thereon. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt for the year ended June 30, 2019, was 12 mills, which means that the County has no available tax margin and, accordingly, cannot raise any additional taxes.

Compensated Absences

The County accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee.

Sick leave is accrued at the rate of one day per month worked with no maximum accumulation. Upon termination of employment, sick leave will not be paid. For this reason no accrual of sick leave is made.

Vacation is accrued at the rate of 8 to 12 hours for each month worked dependent upon the employees' prior years of employment. Maximum accumulation ranges from 160 hours to 240 hours dependent upon the employees prior years of employment.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Restricted/Unrestricted Net Assets

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County's policy is to apply restricted net assets first.

Pensions

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, pension expense and information about the fiduciary net pension of the Wyoming Retirement System have been determined on the same basis as they are reported by Wyoming Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 3. PENSION PLAN

Plan Description

The County participates in the Wyoming Retirement System ("System"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all of the County's full-time employees are eligible to participate. The System issues a publicly available financial report which includes audited financial statements and required supplementary information for the System. The report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Rd. #500, Cheyenne, Wyoming 82009 or on their website at [retirement.state.wy.us](http://retirement.state.wy.us).

Benefits

A brief summary is as follows:

A new tier of benefits was signed into law on March 23, 2012 and is effective for new members joining the System on or after September 1, 2012.

– Tier

Members who join the State of Wyoming Retirement System by August 31, 2012 are in Tier 1, while members who join later are in Tier 2.

– Normal Retirement Eligibility

For Tier 1 member - Age 60 with at least four years of service.

For Tier 2 member - Age 65 with at least four years of service.

– Normal Retirement Benefit

For Tier 1 member - 2.125% of employee's Highest Average Salary for each year of credited service for the first 15 years of service credit plus 2.25% of Highest Average Salary for any years of service credit exceeding 15 years. This amount is reduced by 5.0% per year that the employee is under age 60.

For Tier 2 member - 2.00% of employee's Highest Average Salary for each year of credited service. This amount is reduced by 5.0% per year that the employee is under age 65. However, members retiring with a combined age and service of at least 85 receive an unreduced benefit. Employees hired prior to July 1, 1981 may be entitled to benefits earned under a different formula.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Benefits (Continued)

– Normal Form of Payment

Monthly benefit for life with a lump-sum death benefit equal to the excess (if any) of the employee contributions with interest over the total benefits received.

– Post-retirement Cost-of-Living Adjustments (COLAs)

W.S. 9-3-454 prohibits benefit changes, including cost-of-living increases, unless the funded ratio stays above 100% plus a margin for adverse experience throughout the life of the benefit change.

Contributions

Plan members are required to contribute a percentage of their annual covered salary and the County is required to contribute a percentage of the annual covered payroll as follows:

	Plan Member Contributions	Employer Contributions	Total
Public Employee Pension Plan			
July to August of 2018	8.25%	8.37%	16.62%
September 2018 to June 2019	8.50%	8.62%	17.12%
July 2019 to June 2020	8.75%	8.87%	17.62%
Law Enforcement Plan	8.60%	8.60%	17.20%
Volunteer Firefighters and EMT Plan	0.00%	\$15/month	\$15/month

Legislation enacted in 1979 allows the employer to pay any or all of the employee's contribution in addition to the matching contribution. The County currently pays 100% of the required employee contribution. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The County's contributions to the System for the year ended June 30, 2019, equal to the required contributions for each year follows:

	Primary Government	Component Units
Public Employee Pension Plan	\$ 1,080,174	\$ 85,776
Law Enforcement Pension Plan	875,299	
Volunteer Firefighters and EMT Plan	13,695	
	<u>\$ 1,969,168</u>	<u>\$ 85,776</u>

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

At June 30, 2019, the County's reported a liability for its proportionate share of the net pension liability as follows:

	Primary Government	Component Units
Public Employee Pension Plan	\$ 10,977,905	\$ 882,464
Law Enforcement Pension Plan	7,573,573	
Volunteer Firefighters and EMT Plan	1,170,824	
	<u>\$ 19,722,302</u>	<u>\$ 882,464</u>

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At December 31, 2018 and 2017, the County's proportion was:

	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Primary Government		
Public Employee Pension Plan	0.36049%	0.34013%
Law Enforcement Pension Plan	3.12864%	3.03181%
Volunteer Firefighters and EMT Plan	3.28970%	3.19506%
Component Units		
Library (Public Employee Pension Plan)	0.02897%	0.03091%

For the year ended June 30, 2019, the County recognized an additional pension expense over and above contributions made due to the requirements of GASB 68 as follows:

	<u>Primary Government</u>	<u>Component Units</u>
Additional pension expense	<u>\$ 2,729,873</u>	<u>\$ 65,660</u>

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

The County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Primary Government		
Net differences between projected and actual earnings on pension plan investments		
Public Employee	\$ 1,671,907	\$
Law Enforcement	1,258,274	
Volunteer Fire/EMT	170,959	
Changes in proportion and differences between contributions and proportionate share of contributions		
Public Employee	470,595	
Law Enforcement	66,225	
Volunteer Fire/EMT	76,152	
Difference between expected and actual experience		
Public Employee		266,856
Law Enforcement		327,020
Volunteer Fire/EMT		97,158
Contributions subsequent to the measurement date		
Public Employee	537,733	
Law Enforcement	435,230	
Volunteer Fire/EMT	6,855	
Assumption Changes –		
Public Employee	517,504	
Law Enforcement	3,203,344	
Volunteer Fire/EMT	88,664	
	<u>\$ 8,503,442</u>	<u>\$ 691,034</u>
Component Units		
Net differences between projected and actual earnings on pension plan investments	\$ 133,286	\$
Changes in proportion and differences between contributions and proportionate share of contributions		82,951
Difference between expected and actual experience		23,283
Assumption changes	47,037	
Contributions subsequent to the measurement date	42,270	
	<u>\$ 222,593</u>	<u>\$ 106,234</u>



SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The primary government and the component units reported deferred outflows of resources of \$979,818 and \$42,270 respectively, related to contributions made subsequent to the measurement date. These deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Primary Government

For the Year Ended June 30,

	Outflows	Inflows
2020	\$ 2,618,689	\$ 267,994
2021	1,876,534	239,865
2022	1,538,783	152,065
2023	1,489,626	31,110
	<u>\$ 7,523,632</u>	<u>\$ 691,034</u>

Component Units

For the Year Ended June 30,

	Outflows	Inflows
2020	\$ 77,923	\$ 36,503
2021	39,087	29,826
2022	19,370	30,890
2023	43,943	9,015
	<u>\$ 180,323</u>	<u>\$ 106,234</u>

Actuarial Assumptions

Actuarial assumptions and methods are set by the Board, based upon recommendations made by the plan's actuary.

The total pension liability in the December 31, 2018 significant actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

- Costs are determined using the Entry Age Normal actuarial cost method, calculated as a level percentage of payroll.
- The unfunded actuarial accrued liability is amortized over a 30 year closed layered period as a level percent of payroll. This is the first valuation using a closed amortization period. Future valuations will include additional amortization layer bases.
- The assumed annual investment return rate is 7.00%, with assumed inflation of 2.25%. Payroll is assumed to increase at 2.50% per year.
- Inactive vested participants are assumed to retire at age 60 (65 for Tier 2) or on the valuation date if older.
- The benefit amount is not available for members entitled to deferred benefits. The benefit amount and present value of benefits expected to be paid to vested inactive non-retired members is approximated using the data provided.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

The average future lifetime for current pensioners is 16.2 years. The actuarial assumptions and methods were reviewed in detail as part of the 2017 Experience Study covering the five year period ending December 31, 2016.

The current assumptions used in the actuarial valuation were adopted by the Board effective August 23, 2017 and were first utilized with the January 1, 2018 valuation report. The experience study report was dated January 10, 2018 and it covered the five-year investigation period ending December 31, 2016. Below is a summary of the changes in assumptions:

Mortality rates were based on the RP-2014 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

1. Inflation: reduce the current assumption of 3.25% to 2.25%.
2. Real rate of return: increase the current assumption from 4.50% to 4.75%.
3. Nominal rate of return: decrease the nominal investment return assumption (the sum of inflation and the real rate of return) from 7.75% to 7.00%.
4. Wage inflation: reduce the wage inflation assumption from 4.25% to 2.50%.
5. Payroll growth: reduce the assumed growth in total payroll from 4.25% to 2.50%.
6. Administrative expenses: recommend reducing the assumed annual increase in expenses from 6.50% per year to 2.50%.
7. Post-retirement mortality, disabled lives mortality, active life mortality: update to the RP2014 table, projected generationally using MP 2017.
8. Salary increase: decrease the assumed salary increases and to move from age-based merit and promotion increases to service-based merit and promotion increases.
9. Retirement (unreduced retirement): modify the retirement rates to reflect actual experience.
10. Early (reduced) retirement: modify the retirement rates to reflect actual experience.
11. Termination (withdrawal): adjust rates to reflect observed experience.
12. Disability: reduce rates to reflect observed experience.

	Inflation	Salary Increases (including Inflation)	Investment Rate of Return
Public Employee Pension Plan	2.25%	2.50%	7.00%
Law Enforcement Pension Plan	2.25%	2.50%	7.00%
Volunteer Firefighter			
EMT Pension Plan	2.25%	2.50%	7.00%

The investment rate of return is net of plan investment expenses and includes inflation.

Mortality rates were based on the RP-2014 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Long-Term Expected Return on Plan Assets

The assumed rate of investment return was adopted by the plan's trustees after considering input from the plan's investment consultant and actuary. Additional information about the assumed rate of investment return is included in the actuarial valuation report as of January 1, 2018. In addition, a five year experience study was completed as of December 31, 2011 and this study provides a detailed analysis regarding recommendations on the long term rates for inflation and the real rate of return. The assumed rate of investment return of 7.00% falls within a reasonable range of the long-term expected rate of return.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return 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 following is an estimate of each major asset class that is included in the Public Employees' Pension plan and the Law Enforcement Pension plan and the targeted asset allocation as of January 1, 2018.

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.00%	0.30%	0.30%
Fixed Income	20.00%	1.50%	2.00%
Equity	49.00%	6.00%	7.40%
Market Alternatives	19.00%	3.10%	3.50%
Private Markets	12.00%	5.20%	7.00%
	100.00%	4.40%	5.50%

Single Discount Rate

A Single Discount Rate of 7.75% was used through January 1, 2018 and effective January 1, 2018 and forward a rate of 7.0% to measure the total pension liability for the Public Employee Plan and the Volunteer Firefighter and EMT Plan. For the Law Enforcement Plan a discount rate of 5.92% was used for the calculations at December 31, 2018. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7.75%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions and the employer contributions will be made at the current schedule contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members, 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.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Sensitivity of Results

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.00% for the Public Employee Plan and the Volunteer Firefighter and EMT Plan and 5.92% for the Law Enforcement Plan, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Primary Government Public Employee Pension Plan	\$ 15,224,875	\$ 10,977,908	\$ 7,433,849
Volunteer Firefighters and EMT Plan	\$ 1,627,249	\$ 1,170,824	\$ 796,127
Component Units - Library Public Employee Pension Plan	\$ 1,223,859	\$ 882,464	\$ 597,574
	<u>1% Decrease (4.92%)</u>	<u>Current Discount Rate (5.92%)</u>	<u>1% Increase (6.92%)</u>
Primary Government Law Enforcement Pension Plan	\$ 11,402,702	\$ 7,573,573	\$ 4,469,281

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Wyoming Retirement System report.

NOTE 4. DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Section 457. The plan, available to all regular full and part-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employee or their beneficiaries until termination, retirement, death or unforeseeable emergency.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital asset activity during 2019 was as follows:

	Primary Government/Governmental Activities				Balance June 30, 2019
	Balance June 30, 2018	Additions	Deletions	Transfers	
Assets					
Non Depreciable:					
Land	\$ 8,297,230	\$ -	\$ -	\$ -	\$ 8,297,230
Construction in progress	1,329,451	1,320,649		(539,192)	2,110,908
	<u>\$ 9,626,681</u>	<u>\$ 1,320,649</u>	<u>\$ -</u>	<u>\$ (539,192)</u>	<u>\$ 10,408,138</u>
Depreciable					
Buildings and structures	\$ 130,474,823	\$ 114,468	\$ (494,708)	\$ 163,392	\$ 130,257,975
Machinery and equipment	30,066,889	3,002,029	(993,362)	84,913	32,160,469
Vehicles	10,976,039	274,162			11,250,201
Infrastructure	75,838,314	40,404		290,887	76,169,605
	<u>\$ 247,356,065</u>	<u>\$ 3,431,063</u>	<u>\$ (1,488,070)</u>	<u>\$ 539,192</u>	<u>\$ 249,838,250</u>
Accumulated Depreciation					
Buildings and structures	\$ 43,004,395	\$ 4,212,555	\$ (100,314)	\$ -	\$ 47,116,636
Machinery and equipment	23,274,597	1,887,672	(993,362)		24,168,907
Vehicles	9,834,604	417,755			10,252,359
Infrastructure	14,964,079	2,537,661			17,501,740
	<u>\$ 91,077,675</u>	<u>\$ 9,055,643</u>	<u>\$ (1,093,676)</u>	<u>\$ -</u>	<u>\$ 99,039,642</u>
Net depreciable assets	<u>\$ 156,278,390</u>	<u>\$ (5,624,580)</u>	<u>\$ (394,394)</u>	<u>\$ 539,192</u>	<u>\$ 150,798,608</u>
Total capital assets, net	<u>\$ 165,905,071</u>	<u>\$ (4,303,931)</u>	<u>\$ (394,394)</u>	<u>\$ -</u>	<u>\$ 161,206,746</u>

Depreciation expense has been charged to the following functions:

General Government	\$ 1,157,215
Public safety	1,050,835
Public works	4,057,709
Health, welfare and recreation	2,779,541
Conservation of natural resources	10,343
	<u>\$ 9,055,643</u>

	Primary Government/Business-Type Activities				Balance June 30, 2019
	Balance June 30, 2018	Additions	Deletions	Transfers	
Assets					
Land, buildings and structure	\$ 1,122,413	\$ -	\$ -	\$ -	\$ 1,122,413
Assets under capital lease	102,176	70,211			172,387
Machinery and equipment	714,063	8,389			722,452
	<u>\$ 1,938,652</u>	<u>\$ 78,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,017,252</u>
Accumulated depreciation	<u>\$ 1,664,628</u>	<u>\$ 47,991</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,712,619</u>
Total capital assets, net	<u>\$ 274,024</u>				<u>\$ 304,633</u>

	Component Units				Balance June 30, 2019
	Balance June 30, 2018	Additions	Deletions	Transfers	
Assets					
Library	\$ 3,630,909	\$ -	\$ -	\$ -	\$ 3,630,909
Fair	1,295,237				1,295,237
	<u>\$ 4,926,146</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,926,146</u>
Accumulated depreciation					
Library	\$ 2,187,556	\$ 117,234	\$ -	\$ -	\$ 2,304,790
Fair	1,170,743	8,105			1,178,848
	<u>\$ 3,358,299</u>	<u>\$ 125,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,483,638</u>
Total capital assets, net	<u>\$ 1,567,847</u>				<u>\$ 1,442,508</u>

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS

Investments

Wyoming State Statute 9-4-831 authorizes the County to invest in obligations of the U.S. Treasury, obligations guaranteed by the Federal government agency or instrumentality, repurchase agreements of obligations of the U.S. government or guaranteed by the U.S. government, deposits in financial institutions which are federally insured, or secured by a pledge of assets, provided the pledge is authorized by the FDIC, commercial paper that is rated by Moody's as P-1 or by Standard & Poor's as A+1 or higher with maturity of less than 220 days, guarantee investment contracts, local investments pools organized by the Wyoming State Treasurer, or commingled funds of the eligible securities.

As of June 30, 2019, the County had the following investments and related maturities:

Investment Type	Investment Maturities (In Years)				
	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
Federal Farm Credit Banks	\$ 43,298,591	\$ 7,186,100	\$ 19,633,346	\$ 16,479,145	\$ -
Federal Home Loan Bank	87,618,539	18,518,188	45,546,999	19,024,625	4,528,727
Federal Home Loan Mortgage Corporation	5,985,480	5,985,480			
Federal National Mortgage Association	322,700			322,700	
	<u>\$ 137,225,310</u>	<u>\$ 31,689,768</u>	<u>\$ 65,180,345</u>	<u>\$ 35,826,470</u>	<u>\$ 4,528,727</u>

The County's investment policy is to limit maturities to three years unless matched to a specific cash flow.

GASB Statement 72 establishes a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs—other than quoted prices—included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security.

All investments that the County holds are valued at level 1 inputs.

Certificates of Deposit

The County has invested in numerous publicly traded certificates of deposit. Each of these certificates is under \$250,000 with a total value of \$41,536,572.

External Investment Pools

The County also invests in the WYO-STAR Investment Fund which is administered by the Wyoming State Treasurer. These approved investments are carried at cost, which approximates market and may be liquidated as needed. These investment pools have not been assigned a risk category since the County is not issued securities, but rather owns an undivided beneficial interest in the assets of these pools. Due to the short term nature of the pool's assets and liabilities, the carrying value as recorded in the statement of assets and liabilities approximates fair value. At June 30, 2019, the County's balance in this pool was \$492,488 and is included as a cash equivalent in these financial statements

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk

Authorized deposits are controlled by state statute and include but are not limited to deposits in banks, certificates of deposit, money market accounts, and treasury notes. The depository bank deposits for safekeeping and trust with the County's agent approved pledged securities in an amount sufficient to protect County funds on a day to day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation insurance.

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. County policy is to cover deposits in accordance with Wyoming State Statute and that all deposits are to be fully insured or collateralized.

A summary of the custodial credit risk for the primary government of the County follows:

	<u>Carrying Value</u>	<u>FDIC Insured</u>	<u>Secured by pledging</u>	<u>Uninsured and unsecured</u>	<u>Other</u>
General and Agency Fund					
Cash	\$ 17,492,105	\$ 280,027	\$ 2,419,029	\$ -	\$ 15,323,138
Certificates of deposit	41,536,572	41,536,572			
Non Major Funds					
Cash	865,259	502,252	363,094		
Proprietary funds					
Cash	68,298	75,362			
Certificates of deposit	25,000	25,000			
Total	<u>\$ 59,987,234</u>	<u>\$ 42,419,213</u>	<u>\$ 2,782,123</u>	<u>\$ -</u>	<u>\$ 15,323,138</u>

NOTE 7. MEDICAL SELF-INSURANCE

The County has included in their general fund, transactions related to its medical self-insurance program. A private insurance carrier determines the premium payments which the County pays on behalf of employees. Claims are paid from accumulated premium collections when claims exceed co-insurance rates, the County is reimbursed for the differences.

The liability in the amount of \$214,815 included in the financial statements as of June 30, 2019, represents the amount due for medical services provided prior to the end of the year for which no claim had been filed as of June 30, 2019.

The terms of the insurance plan state that upon termination, the County is liable for claims run-out. Claims run-out is estimated by industrial standards at 25% of annual aggregate claims.

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 8. RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has transferred its risk by purchasing insurance from a commercial enterprise. There has been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 9. LANDFILL CLOSURE AND POST CLOSURE CARE

State and federal laws and regulations require the County to place a final cover on its Big Piney landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure costs as an operating expenditure in the general fund in each period based on landfill capacity used as of each balance sheet date. Estimated costs at June 30, 2019 are to be \$4,205,787. The County reflects \$814,664 as liability for the landfill closure and post closure care liability at June 30, 2019. This represents the cumulative amount reported to date based on the use of 19.37% of the estimated capacity of the landfill. These amounts are based on estimates of the costs necessary to perform all closure and post closure care as of June 30, 2019. The engineer's estimate suggests the remaining life of the landfill to be eighty-one years. These estimates have potential for change due to inflation, technology, and/or applicable laws or regulations. Sublette County expects to close the landfill in the year 2074. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County has currently committed \$5,500,000 of its General Fund balance to meet these future obligations of the landfill.

NOTE 10. RESTRICTED\COMMITTED FUND BALANCES AND NET POSITION

Restricted Fund Balances

For the fund financial statements, the general fund balance has been restricted for the following items:

General Fund:	
County road construction fund	<u>\$ 8,274,244</u>
Non Major Funds:	
Recreation Board	857,947
Museum Board	<u>(1,978)</u>
	<u>\$ 855,969</u>

Committed Fund Balances

Through the budgeting process and in accordance with Wyoming State Statutes, the County Commissioners have committed the General Fund's fund balance for the following items:

Landfill closure costs	\$ 5,500,000
Equipment	13,360,960
Future construction costs	<u>144,318,247</u>
	<u>\$ 163,179,207</u>



SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RESTRICTED\COMMITTED FUND BALANCES AND NET POSITION (Continued)

Stabilization Amounts

Through the budgeting process and in accordance with Wyoming State Statutes, the County Commissioners have established a cash reserve for the 2019 fiscal year of \$10,000,000.

NOTE 11. DUE TO/FROM OTHER FUNDS

The following schedule details due to/from other funds:

	<u>Due to</u>	<u>Due from</u>
Trust and Agency Fund - Tax Collections		
County entities	\$ 52,752	\$
Non major funds:		
Museum Board		( 157)
Component units	17,403	
	<u>\$ 70,155</u>	<u>\$ ( 157)</u>

NOTE 12. INTERFUND TRANSFERS

Operating Transfers In (Out) consist of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
Recreation Fund	\$	\$ 36,000
Enterprise Golf Course Fund	36,000	

The transfer from the Recreation Fund to the golf course fund is for the capital lease payment made on behalf of the golf course by the recreation fund.

NOTE 13. TAX REBATE PAYABLE

During the years ended June 30, 2015 and 2017, several major property taxpayers successfully won an appeal on the assessed value of their property. In accordance with Wyoming Statute the County elected to repay these over 5 a year period. This resulted in the County having to repay the property tax mill levy revenue previously received.

The following schedule shows repayments to be made:

For the year ending June 30	<u>General Fund</u>	<u>Recreation Fund</u>	<u>Museum Fund</u>	<u>Fire Fund</u>	<u>Fair Board</u>	<u>Library Board</u>
2020	\$ 392,786	\$ 5,989	\$ 3,985	\$ 8,227	\$ 5,945	\$ 12,822
2021	<u>245,824</u>	<u>3,280</u>	<u>2,596</u>	<u>5,062</u>	<u>1,978</u>	<u>8,607</u>
Total repayments	<u>\$ 638,610</u>	<u>\$ 9,269</u>	<u>\$ 6,581</u>	<u>\$ 13,289</u>	<u>\$ 7,923</u>	<u>\$ 21,429</u>

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. LEASING ARRANGEMENT PROPRIETARY FUND

At June 30, 2018, the County Golf Course had the following lease agreements:

1. John Deere Tractor and related equipment and attachments; yearly payment of \$21,782 matures July 2020; interest rate 3.25%; unpaid balance at June 30, 2018 is \$21,087.
2. Fifteen Yamaha golf carts; yearly payment of \$9,750 and one residual payment of \$34,500 matures May 2023; interest rate 4.60%; unpaid balance at June 30, 2019 is \$63,529.

Future minimum lease payments are as follows:

<u>Fiscal Year</u>	<u>Tractor Lease</u>	<u>Golf Cart Lease</u>
2020	\$ -	\$ 9,750
2021	21,782	9,750
2022	-	9,750
2023	-	44,250
	<u>\$ 21,782</u>	<u>\$ 73,500</u>
Amounts representing interest	695	9,971
Present value of lease payments	<u>\$ 21,087</u>	<u>\$ 63,529</u>

Changes

A summary of changes in the capital leases for the year ended June 30, 2019, is presented below:

	<u>Balance at June 30, 2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2019</u>
Lease Purchase Obligations	<u>\$ 41,501</u>	<u>\$ 72,012</u>	<u>\$ 28,897</u>	<u>\$ 84,616</u>

NOTE 15. CHANGE IN LONG-TERM LIABILITIES GOVERNMENTAL ACTIVITIES

	<u>June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2019</u>	<u>Within One Year</u>
Landfill closure and post closure estimate cost	\$ 803,433	\$ 11,232	\$ -	\$ 814,665	\$ -
Proportionate share of net pension liability	11,275,346	8,446,956		19,722,302	-
Compensated absences	602,570	64,115		666,685	
	<u>\$12,681,349</u>	<u>\$ 8,522,303</u>	<u>\$ -</u>	<u>\$21,203,652</u>	<u>\$ -</u>

SUBLETTE COUNTY, WYOMING  
NOTES TO THE FINANCIAL STATEMENTS

NOTE 16. CHANGE IN LONG-TERM LIABILITIES COMPONENT UNITS

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019	Amount Due Within One Year
Proportionate share of net pension liability	\$ 704,651	\$ 177,813	\$ -	\$ 882,464	\$ -
Compensated absences	21,959		3,126	18,833	
	<u>\$ 726,610</u>	<u>\$ 177,813</u>	<u>\$ 3,126</u>	<u>\$ 901,297</u>	<u>\$ -</u>

# Required Supplementary Information

SUBLETTE COUNTY, WYOMING

GENERAL FUND - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2019

REVENUES				
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
<b>Taxes</b>				
Property and Production	\$ 23,311,134	\$ 23,311,134	\$ 23,303,069	\$ (8,065)
County Share of Motor Vehicle fees	600,000	600,000	640,464	40,464
Sales and Use Taxes	5,000,000	5,000,000	7,229,216	2,229,216
5% Reimbursement Use Tax	90,000	90,000	140,486	50,486
Sales Tax Penalty	10,000	10,000	13,968	3,968
Gas Taxes	700,000	700,000	683,144	(16,856)
Special Fuel	1,100,000	1,100,000	1,022,253	(77,747)
Cigarette Taxes	5,809	5,809	5,858	49
Total Taxes	<u>\$ 30,816,943</u>	<u>\$ 30,816,943</u>	<u>\$ 33,038,458</u>	<u>\$ 2,221,515</u>
<b>Licenses and Permits</b>				
Liquor Licenses	\$ 7,300	\$ 7,300	\$ 8,186	\$ 886
Business Licenses	200	200	120	(80)
Total Licenses and Permits	<u>\$ 7,500</u>	<u>\$ 7,500</u>	<u>\$ 8,306</u>	<u>\$ 806</u>
<b>Fines and Forfeitures</b>				
County Clerk Fees	\$ 185,000	\$ 185,000	\$ 212,524	\$ 27,524
Clerk of Court Fees	30,000	30,000	45,225	15,225
Sheriff Fees	30,000	30,000	82,009	52,009
Total Fines and Forfeitures	<u>\$ 245,000</u>	<u>\$ 245,000</u>	<u>\$ 339,758</u>	<u>\$ 94,758</u>
<b>Charges for Services</b>				
Landfill\Transfer Station\Recycling	\$ 220,000	\$ 220,000	\$ 439,424	\$ 219,424
Fairgrounds	50,000	50,000	64,888	14,888
Ice arena	20,000	20,000	26,615	6,615
Public Health Nurse	83,000	83,000	138,833	55,833
Planning and Zoning	14,000	14,000	24,994	10,994
U.S. Forest - Law Enforcement	11,000	11,000		(11,000)
Prisoner Room and Board			82,396	82,396
Fuel Reimbursement - Weed & Pest/Fair	35,000	35,000	41,859	6,859
E-911 Reimbursement	35,000	35,000	54,890	19,890
Search and Rescue	10,000	10,000	162,731	152,731
Rural Health Care District	10,000	10,000	10,100	100
Other	5,030	5,030	5,876	846
Total Charges for Services	<u>\$ 493,030</u>	<u>\$ 493,030</u>	<u>\$ 1,052,606</u>	<u>\$ 559,576</u>
<b>Intergovernmental</b>				
State Severance Tax	\$ 101,735	\$ 101,735	\$ 160,612	\$ 58,877
State Severance Tax (Section 316)	52,489	52,489	52,489	
Forest Reserve Funds	418,086	418,086	537,158	119,072
Grants	200,335	200,335	691,911	491,576
State and County Road Fund	577,685	577,685	443,728	(133,957)
Lottery	24,647	24,647	50,390	25,743
Attorney Reimbursement	138,000	138,000	140,000	2,000
Homeland Security	9,600	9,600	7,200	(2,400)
Payment in Lieu of Property Taxes	599,592	599,592	939,860	340,268
Total Intergovernmental	<u>\$ 2,122,169</u>	<u>\$ 2,122,169</u>	<u>\$ 3,023,348</u>	<u>\$ 901,179</u>
<b>Investment income</b>	<u>\$ 850,000</u>	<u>\$ 850,000</u>	<u>\$ 2,952,756</u>	<u>\$ 2,102,756</u>

(Continued)

(The accompanying notes to the required supplementary information are an integral part of this schedule)

SUBLETTE COUNTY, WYOMING

GENERAL FUND - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2019

REVENUES (Continued)				
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Other				
Fairgrounds Budget	\$ 620,375	\$ 620,375	\$ 571,000	\$ (49,375)
Ice arena Budget	365,496	365,496	343,500	(21,996)
United Fire Budget	2,754,431	2,754,431		(2,754,431)
Sublette Center	60,000	60,000		(60,000)
Other	75,030	75,030	451,116	376,086
Total Other	<u>\$ 3,875,332</u>	<u>\$ 3,875,332</u>	<u>\$ 1,365,616</u>	<u>\$ (2,509,716)</u>
Total Revenues	<u>\$ 38,409,974</u>	<u>\$ 38,409,974</u>	<u>\$ 41,780,848</u>	<u>\$ 3,370,874</u>
EXPENDITURES				
Central Government				
County Commissioners	\$ 297,100	\$ 287,000	\$ 269,909	\$ 17,091
County Clerk	347,605	347,605	308,946	38,659
County Treasurer	298,718	298,718	290,768	7,950
County Assessor	492,987	486,987	480,735	6,252
County Attorney	752,632	755,876	653,316	102,560
Clerk of District Court	374,002	374,002	338,392	35,610
Information Technology	274,408	274,408	255,389	19,019
Geographic Information Systems	252,730	252,730	184,435	68,295
County Engineer	12,000	12,000	460	11,540
Courthouse and Maintenance	2,760,790	2,819,867	2,366,930	452,937
Elections	59,500	59,500	40,268	19,232
County Planning and Zoning	81,000	79,513	76,123	3,390
Treatment Court	219,547	221,510	181,757	39,753
Total Central Government	<u>\$ 6,223,019</u>	<u>\$ 6,269,716</u>	<u>\$ 5,447,428</u>	<u>\$ 822,288</u>
Public Safety				
Detention	\$ 2,391,859	\$ 2,380,028	\$ 2,310,751	\$ 69,277
Communications	909,226	889,226	888,034	1,192
Law Enforcement	4,132,040	3,997,154	3,824,511	172,643
Emergency Management	157,616	112,616	102,198	10,418
Search and Rescue	747,611	738,511	670,896	67,615
County Coroner	60,300	52,550	51,317	1,233
Fire Warden	2,754,431	3,337,441	2,445,042	892,399
Total Public Safety	<u>\$ 11,153,083</u>	<u>\$ 11,507,526</u>	<u>\$ 10,292,749</u>	<u>\$ 1,214,777</u>
Public Works				
Road and Bridge	\$ 12,600,322	\$ 12,123,782	\$ 8,649,036	\$ 3,474,746
Waste Management	1,512,387	1,462,387	1,044,886	417,501
Transfer Station	410,324	410,324	347,854	62,470
Recycling	65,519	100,519	88,406	12,113
Total Public Works	<u>\$ 14,588,552</u>	<u>\$ 14,097,012</u>	<u>\$ 10,130,182</u>	<u>\$ 3,966,830</u>
Health, Welfare and Recreation				
Health	\$ 348,103	\$ 482,212	\$ 457,597	\$ 24,615
Health Officer and Sanitation	48,259	48,259	46,975	1,284
Fair Grounds	620,375	625,541	497,636	127,905
Ice Arena	365,496	365,496	314,560	50,936
Total Health, Welfare and Recreation	<u>\$ 1,382,233</u>	<u>\$ 1,521,508</u>	<u>\$ 1,316,768</u>	<u>\$ 204,740</u>

(Continued)

(The accompanying notes to the required supplementary information are an integral part of this schedule)

SUBLETTE COUNTY, WYOMING

GENERAL FUND - BUDGET AND ACTUAL (NON-GAAP BASIS)  
FOR THE YEAR ENDED JUNE 30, 2019

EXPENDITURES (Continued)

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Conservation of Natural Resources County Extension Department	\$ 139,241	\$ 137,200	\$ 92,533	\$ 44,667
Miscellaneous General	\$ 13,866,710	\$ 14,586,671	\$ 9,622,338	\$ 4,964,333
Total Expenditures	\$ 47,352,838	\$ 48,119,633	\$ 36,901,998	\$ 11,217,635
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (8,942,864)	\$ (9,709,659)	\$ 4,878,850	
FUND BALANCE (NON-GAAP) - Beginning	181,804,721	181,804,721	181,804,721	
FUND BALANCE (NON-GAAP) - Ending	\$ 172,861,857	\$ 172,095,062	\$ 186,683,571	
COMPRISED OF:				
Cash reserve	\$ 10,000,000	\$ 10,000,000		
Equipment reserve	12,508,610	13,360,960		
Depreciation reserve	150,353,247	149,818,247		
	\$ 172,861,857	\$ 173,179,207		

(The accompanying notes to the required supplementary information are an integral part of this schedule)

SUBLETTE COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY DATA

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The various departments of the County submit their budgets to the Board of County Commissioners for approval. The tentative budgets are available for public inspection, and a public hearing is held to obtain taxpayer comments. The final budgets are approved by the County Commissioners and an appropriation resolution is signed to limit the spending of each department to the amount appropriated. Revisions that alter the total appropriations of any department must be approved by resolution of the governing body following the publication, hearing, and adoption procedures required for the original budget. Department, as defined by Wyoming Statute, means a functional unit within a fund which carries on a specific activity, the office of an elected official, or a major program category.
2. Annual operating budgets are adopted for the General Fund and Component Units. These budgets are adopted on the cash basis of accounting which is inconsistent with generally accepted accounting principles.
3. The financial statement Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds contained on page 8 of this report is prepared on the generally accepted accounting principles (GAAP) basis. The financial statement General Fund - Budget and Actual contained on pages 34 to 36 of this report is prepared on the legally enacted basis (cash basis). This results in differences when revenues and expenses are recognized for accounting purposes. Under the GAAP basis, revenues are recognized when measurable and available while the cash basis recognizes revenues when received. For expenditures, the GAAP basis recognizes them when incurred while the cash basis recognizes expenditures when paid.

The following schedules reconcile the differences between the GAAP basis and the legally enacted basis (cash) where material differences exist:

	General Fund
Resources/inflows budgetary basis	\$ 41,780,848
Differences - budget to GAAP	
Receivables at June 30, 2018 received in the year ending June 30, 2018 included in 2019 budget data	
Sales and fuel taxes	(785,348)
User fee receivable	(42,474)
Grants	
Receivables at June 30, 2019 for GAAP purposes revenues not included in 2018 budget data	
Sales and fuel taxes	764,114
User fee receivable	36,484
Unrealized loss on investments not recognized for budget purposes	4,546,850
Accrual of tax rebate payable	382,360
Classification differences	(4,626)
Revenues fund financial statements	<u>\$ 46,678,208</u>



SUBLETTE COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY DATA

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

	General Fund
Expenditures/budgetary basis	<u>\$ 36,901,998</u>
Differences - budget to GAAP	
Payables at June 30, 2018 paid in the year ending June 30, 2019 included in budget data	
Accounts payable	(427,418)
Insurance claim liability	(112,690)
Payables at June 30, 2019 not paid in the year ending June 30, 2019 included in GAAP data	
Accounts and retainage payable	263,359
Insurance claim liability	214,815
Change in insurance cash reserve	(38,794)
Change in prepaid expenses	20,276
Classification differences	(3,278)
Expenditures fund financial statements	<u><u>\$ 36,818,268</u></u>

4. Unused appropriations for all of the above annually budgeted funds lapse at the end of the year.
5. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

SUBLETTE COUNTY, WYOMING  
SCHEDULE OF CONTRIBUTIONS - WYOMING RETIREMENT SYSTEM  
PRIMARY GOVERNMENT  
FOR THE YEARS ENDED JUNE 30, 2014 TO 2019

Public Employees Pension Plan						
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 1,080,174	\$ 1,006,670	\$ 991,799	\$ 986,406	\$ 957,237	\$ 853,728
Contribution in relation to the contractually required contribution	<u>1,080,174</u>	<u>1,006,670</u>	<u>991,799</u>	<u>986,406</u>	<u>957,237</u>	<u>853,728</u>
Contribution (deficiency) excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	<u>\$ 6,340,238</u>	<u>\$ 6,056,976</u>	<u>\$ 5,967,503</u>	<u>\$ 5,935,056</u>	<u>\$ 6,038,298</u>	<u>\$ 5,842,457</u>
Contributions as a percentage of covered employee payroll	<u>17.04%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>15.85%</u>	<u>14.61%</u>
Law Enforcement Pension Plan						
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 875,299	\$ 828,591	\$ 814,293	\$ 831,091	\$ 814,395	\$ 792,181
Contribution in relation to the contractually required contribution	<u>875,299</u>	<u>828,591</u>	<u>814,293</u>	<u>831,091</u>	<u>814,395</u>	<u>792,181</u>
Contribution (deficiency) excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	<u>\$ 5,090,888</u>	<u>\$ 4,817,389</u>	<u>\$ 4,734,260</u>	<u>\$ 4,831,925</u>	<u>\$ 4,763,141</u>	<u>\$ 4,540,859</u>
Contributions as a percentage of covered employee payroll	<u>17.19%</u>	<u>17.20%</u>	<u>17.20%</u>	<u>17.20%</u>	<u>17.10%</u>	<u>17.45%</u>
Volunteer Firefighter and EMT Plan						
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions	\$ 12,810	\$ 13,710	\$ 13,035	\$ 12,600	\$ -	\$ -
Contribution in relation to the contractually required contribution	<u>12,810</u>	<u>13,710</u>	<u>13,035</u>	<u>12,600</u>	<u>-</u>	<u>-</u>
Contribution (deficiency) excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered employee payroll	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

SUBLETTE COUNTY, WYOMING  
SCHEDULE OF CONTRIBUTIONS - WYOMING RETIREMENT SYSTEM  
COMPONENT UNITS  
FOR THE YEARS ENDED JUNE 30, 2014 TO 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions						
Library	\$ 85,776	\$ 84,950	\$ 98,629	\$ 101,032	\$ 97,414	\$ 85,058
	<u>\$ 85,776</u>	<u>\$ 84,950</u>	<u>\$ 98,629</u>	<u>\$ 101,032</u>	<u>\$ 97,414</u>	<u>\$ 85,058</u>
Contribution in relation to the contractually required contribution						
Library	\$ 85,776	\$ 84,950	\$ 98,629	\$ 101,032	\$ 97,414	\$ 85,058
	<u>\$ 85,776</u>	<u>\$ 84,950</u>	<u>\$ 98,629</u>	<u>\$ 101,032</u>	<u>\$ 97,414</u>	<u>\$ 85,058</u>
Contribution (deficiency) excess						
Library	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Component Units covered payroll						
Library	\$ 497,982	\$ 511,132	\$ 593,436	\$ 607,894	\$ 614,599	\$ 582,190
	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 614,599</u>	<u>\$ 582,190</u>
Contributions as a percentage of covered employee payroll						
Library	<u>17.22%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>15.85%</u>	<u>14.61%</u>

SUBLETTE COUNTY, WYOMING  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - WYOMING RETIREMENT SYSTEM  
PRIMARY GOVERNMENT  
FOR THE YEARS ENDED JUNE 30, 2014 TO 2019

	2019	2018	2017	2016	2015	2014
The Primary Government's proportionate share of the net pension liability (%)						
Public Employee Pension Plan	<u>0.36049%</u>	<u>0.34013%</u>	<u>0.33177%</u>	<u>0.33505%</u>	<u>0.33259%</u>	<u>0.34017%</u>
Law Enforcement Pension Plan	<u>3.12864%</u>	<u>3.03181%</u>	<u>3.04344%</u>	<u>3.04072%</u>	<u>2.97249%</u>	<u>2.98999%</u>
Volunteer Firefighter and EMT Plan	<u>0.03897%</u>	<u>3.19506%</u>	<u>3.06114%</u>	<u>3.00025%</u>	<u>NA</u>	<u>NA</u>
The Primary Government's proportionate share of the net pension liability (\$)						
Public Employee Pension Plan	<u>\$ 10,977,905</u>	<u>\$ 7,752,684</u>	<u>\$ 8,020,603</u>	<u>\$ 7,804,491</u>	<u>\$ 5,869,173</u>	<u>\$ 5,171,996</u>
Law Enforcement Pension Plan	<u>\$ 7,573,573</u>	<u>\$ 2,608,704</u>	<u>\$ 2,297,554</u>	<u>\$ 2,284,187</u>	<u>\$ 875,805</u>	<u>\$ 545,941</u>
Volunteer Firefighter and EMT Plan	<u>\$ 1,170,824</u>	<u>\$ 913,958</u>	<u>\$ 971,782</u>	<u>\$ 950,832</u>	<u>NA</u>	<u>NA</u>
The Primary Government's covered payroll						
Public Employee Pension Plan	<u>\$ 6,340,238</u>	<u>\$ 6,056,976</u>	<u>\$ 5,967,503</u>	<u>\$ 5,935,056</u>	<u>\$ 6,038,298</u>	<u>\$ 5,842,457</u>
Law Enforcement Pension Plan	<u>\$ 5,090,888</u>	<u>\$ 4,817,389</u>	<u>\$ 4,734,260</u>	<u>\$ 4,831,925</u>	<u>\$ 4,763,141</u>	<u>\$ 4,540,859</u>
Volunteer Firefighter and EMT Plan	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>NA</u>	<u>NA</u>
The Primary Government's proportionate share of the net pension liability as a percentage of the Primary Government covered payroll						
Public Employee Pension Plan	<u>173.15%</u>	<u>128.00%</u>	<u>134.40%</u>	<u>131.50%</u>	<u>97.20%</u>	<u>88.52%</u>
Law Enforcement Pension Plan	<u>148.77%</u>	<u>54.15%</u>	<u>48.53%</u>	<u>47.27%</u>	<u>18.39%</u>	<u>12.02%</u>
Volunteer Firefighter and EMT Plan	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>
Plan fiduciary net position as a percentage of the total plan liability						
Public Employee Pension Plan	<u>76.35%</u>	<u>76.35%</u>	<u>73.42%</u>	<u>73.40%</u>	<u>79.08%</u>	
Law Enforcement Pension Plan	<u>87.99%</u>	<u>87.99%</u>	<u>88.11%</u>	<u>87.49%</u>	<u>94.76%</u>	
Volunteer Firefighter and EMT Plan	<u>74.11%</u>	<u>74.11%</u>	<u>69.99%</u>	<u>69.16%</u>	<u>95.35%</u>	

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year

SUBLETTE COUNTY, WYOMING  
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - WYOMING RETIREMENT SYSTEM  
COMPONENT UNITS  
FOR THE YEARS ENDED JUNE 30, 2014 TO 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
The Component Unit's proportionate share of the net pension liability (%)						
Library	<u>0.02898%</u>	<u>0.03091%</u>	<u>0.03458%</u>	<u>0.03363%</u>	<u>0.03457%</u>	<u>0.03402%</u>
The Component Unit's proportionate share of the net pension liability (\$)						
Library	<u>\$ 882,464</u>	<u>\$ 704,651</u>	<u>\$ 835,998</u>	<u>\$ 783,380</u>	<u>\$ 610,018</u>	<u>\$ 515,046</u>
The Component Unit's covered payroll						
Library	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 614,599</u>	<u>\$ 582,190</u>
The Component Unit's proportionate share of the net pension liability as a percentage of the Component Unit's covered payroll						
Library	<u>177.21%</u>	<u>137.86%</u>	<u>140.87%</u>	<u>128.87%</u>	<u>99.25%</u>	<u>88.47%</u>
Plan fiduciary net position as a percentage of the total plan liability						
Library	<u>69.17%</u>	<u>76.35%</u>	<u>73.42%</u>	<u>73.40%</u>	<u>79.08%</u>	

The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year

# Other Supplementary Information

SUBLETTE COUNTY, WYOMING  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2019

	Governmental Activities		
	Recreation Board	Museum Board	Total
ASSETS			
Cash	\$ 863,094	\$ 2,164	\$ 865,258
Receivables other	842		842
Due from Trust and Agency		(157)	(157)
Total assets	<u>\$ 863,936</u>	<u>\$ 2,007</u>	<u>\$ 865,943</u>
LIABILITIES			
Tax rebate payable	\$ 5,989	\$ 3,985	\$ 9,974
Total Liabilities	<u>\$ 5,989</u>	<u>\$ 3,985</u>	<u>\$ 9,974</u>
FUND BALANCE			
Restricted	<u>\$ 857,947</u>	<u>\$ (1,978)</u>	<u>\$ 855,969</u>
Total liabilities and fund balance	<u>\$ 863,936</u>	<u>\$ 2,007</u>	<u>\$ 865,943</u>

SUBLETTE COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019

	Governmental Activities		
	Recreation Board	Museum Board	Total
REVENUE			
Taxes	\$ 206,236	\$ 252,926	\$ 459,162
Investment income	252		252
Other	10,000		10,000
Total revenues	<u>\$ 216,488</u>	<u>\$ 252,926</u>	<u>\$ 469,414</u>
EXPENDITURES			
Current:			
Health, welfare, culture and recreation	\$ 189,846	\$ 253,484	\$ 443,330
Total expenditures	<u>\$ 189,846</u>	<u>\$ 253,484</u>	<u>\$ 443,330</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ 26,642	\$ (558)	\$ 26,084
OPERATING TRANSFERS	<u>(36,000)</u>		<u>(36,000)</u>
Revenues over (under) expenditures after operating transfers	\$ (9,358)	\$ (558)	\$ (9,916)
FUND BALANCE, BEGINNING	<u>867,305</u>	<u>(1,420)</u>	<u>865,885</u>
FUND BALANCE, ENDING	<u><u>\$ 857,947</u></u>	<u><u>\$ (1,978)</u></u>	<u><u>\$ 855,969</u></u>



SUBLETTE COUNTY, WYOMING  
COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS  
JUNE 30, 2019

	Library Board	Fair Board	Sublette County/ Town of Big Piney Community Impact Joint Powers Board	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 406,534	\$ 262,447	\$ 1,932	\$ 670,913
Receivables				
Property Taxes	3,181			3,181
Due from trust and agency	17,403			17,403
Capital assets (net of accumulated depreciation)	1,326,118	116,390		1,442,508
Total Assets	<u>\$ 1,753,236</u>	<u>\$ 378,837</u>	<u>\$ 1,932</u>	<u>\$ 2,134,005</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Retirement contributions	\$ 42,270	\$ -	\$ -	\$ 42,270
Difference between proportionate share of projected and actual earnings on pension plan investments (net)	133,286			133,286
Change in assumptions	47,037			47,037
Total deferred outflows of resources	<u>\$ 222,593</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222,593</u>
<b>LIABILITIES</b>				
Accounts and vouchers payable	\$ 828	\$ 3,631	\$ -	\$ 4,459
Tax rebate payable	12,822	5,943		18,765
Total current liabilities	<u>\$ 13,650</u>	<u>\$ 9,574</u>	<u>\$ -</u>	<u>\$ 23,224</u>
Compensated absences payable	\$ 18,833	\$ -	\$ -	\$ 18,833
Proportionate share of net pension liability	882,464			882,464
Tax rebate payable	8,607	1,978		10,585
Total non current liabilities	<u>\$ 909,904</u>	<u>\$ 1,978</u>	<u>\$ -</u>	<u>\$ 911,882</u>
Total liabilities	<u>\$ 923,554</u>	<u>\$ 11,552</u>	<u>\$ -</u>	<u>\$ 935,106</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Difference between contributions and proportionate share of contributions	\$ 82,951	\$ -	\$ -	\$ 82,951
Difference between expected and actual experience	23,283			23,283
Total deferred inflows of resources	<u>\$ 106,234</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,234</u>
<b>NET POSITION</b>				
Net investment in capital assets	\$ 1,326,118	\$ 116,390	\$ -	\$ 1,442,508
Unrestricted	(380,077)	250,895	1,932	(127,250)
Total net position	<u>\$ 946,041</u>	<u>\$ 367,285</u>	<u>\$ 1,932</u>	<u>\$ 1,315,258</u>

SUBLETTE COUNTY, WYOMING  
COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2019

	Library Board	Fair Board	Sublette County/ Town of Big Piney Community Impact Joint Powers Board	Total
EXPENSES				
Expenses other than depreciation	\$ 1,223,979	\$ 265,454	\$ -	\$ 1,489,433
Depreciation	117,235	8,104		125,339
Total expenses	<u>\$ 1,341,214</u>	<u>\$ 273,558</u>	<u>-</u>	<u>\$ 1,614,772</u>
SPECIFIC REVENUES				
Charges for services	17,784	69,384		87,168
Operating grants and contributions	1,690			1,690
Net revenues (expenses)	<u>\$ (1,321,740)</u>	<u>\$ (204,174)</u>	<u>\$ -</u>	<u>\$ (1,525,914)</u>
GENERAL REVENUES				
Property taxes	1,172,502	267,373		1,439,875
Auto fees	33,628	-		33,628
Miscellaneous	32	2,849		2,881
CHANGE IN NET POSITION	<u>\$ (115,578)</u>	<u>\$ 66,048</u>	<u>\$ -</u>	<u>\$ (49,530)</u>
NET POSITION AT BEGINNING OF YEAR	<u>1,061,619</u>	<u>301,237</u>	<u>1,932</u>	<u>1,364,788</u>
NET POSITION AT END OF YEAR	<u><u>\$ 946,041</u></u>	<u><u>\$ 367,285</u></u>	<u><u>\$ 1,932</u></u>	<u><u>\$ 1,315,258</u></u>

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

County Commissioners  
Sublette County, Wyoming  
Pinedale, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Sublette County, Wyoming as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Sublette County, Wyoming's basic financial statements and have issued our report thereon dated March 24, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Sublette County, Wyoming's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sublette County, Wyoming's internal control. Accordingly, we do not express an opinion on the effectiveness of Sublette County, Wyoming'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 in governance.

Our consideration of the 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 weakness or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiencies. See Item 2019-001.

## **Compliance and Other Matters**

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

## **Sublette County Wyoming's Response to Findings**

Sublette County, Wyoming's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Sublette County, Wyoming's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## **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.



Leo Pulley & Co.

March 24, 2020

SUBLETTE COUNTY, WYOMING  
SCHEDULE OF FINDINGS AND REPSONSES  
JUNE 30, 2019

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

**SIGNIFICANT DEFICIENCIES**

2019-001 Separation of Duties

**Criteria:** An effective internal control structure of an organization will include procedures and actions to:

1. Protect its assets against theft and waste.
2. Ensure compliance with the organization's policies, procedures and statutory requirements.
3. Evaluate the performance of personnel to promote efficient operations.
4. Ensure accurate and reliable operating and accounting data.

There are four general categories of duties or responsibilities which are examined when segregation of duties are discussed: authorization, custody, record keeping and reconciliation. In an ideal system, different employees would perform each of these four major functions. In other words, no one person should have control of two or more of these responsibilities. The more negotiable the asset, the greater the need for proper segregation of duties - especially when dealing with cash, negotiable checks and inventories.

In those instances where duties cannot be fully segregated, mitigating or compensating controls must be established. Mitigating or compensating controls are additional procedures designed to reduce the risk of errors or irregularities.

**Condition:** Due to the limited number of staff at component units of the County, the possibility of adequate separation of duties over certain transaction cycles is limited.

**Recommendation:** While we recognize that it is impractical for these entities to achieve complete separation of duties over all transaction cycles within the County's component units, it is important that the County Commissioners and the governing boards of the component units be aware of the chance of errors and irregularities not being timely detected is elevated.

**Auditee Response:** These entities have separated duties to the extent possible and have implemented compensating controls to monitor the accounting activities.

SUBLETTE COUNTY, WYOMING  
STATUS OF PRIOR YEAR FINDINGS  
JUNE 30, 2019

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

**SIGNIFICANT DEFICIENCIES**

2018-001

Separation of Duties

Ongoing comment and condition. See item 2018-001 in current Schedule of Findings and Responses.

2018-002 Disbursements Rendezvous Meadow Golf Course

During the year the golf committee made steps to address and correct the deficiency. In December of 2017 year the Committee terminated the relationship with the contract bookkeeper and obtained the services of a different contract bookkeeper which resolved the deficiency.

2018-003 Month End Reconciliations - Rendezvous Meadow Golf Course

During the year the golf committee made steps to address and correct the deficiency. In December of 2017 year the Committee terminated the relationship with the contract bookkeeper and obtained the services of a different contract bookkeeper which resolved the deficiency.