

SUBLETTE COUNTY, WYOMING

FINANCIAL REPORT
JUNE 30, 2022

LEO RILEY & Co.

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

County Commissioners
Sublette County, Wyoming
Pinedale, Wyoming

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sublette County, Wyoming, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sublette County, Wyoming's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sublette County, Wyoming's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 38 through 42 and information regarding the defined benefit retirement plan on pages 43 through 46, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the 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.

Supplementary 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 accompanying combining balance sheet – nonmajor funds, the combining statement of revenues, expenditures and changes in fund balance – nonmajor funds, combining statement of net position - component units, the combining statement of activities - component units and the schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the combining statement of net position - component units, the combining statement of activities - component units and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2023, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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, required supplementary information and our independent auditors' report are for the purpose of meeting local, state and federal requirements and are for the use of those entities, management, and the Board of Trustees, and should not be used or relied upon by any other party for any purpose. Additional users of these financial statements, required supplementary information, and our independent auditors' report 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 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.

Leo Riley & Company, CPAs

April 4, 2023

Government Wide- Financial Statements

SUBLETTE COUNTY, WYOMING

STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government			
	Govern- mental Activities	Business- Type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents (Note 6)	\$ 91,692,226	\$ 165,564	\$ 91,857,790	\$ 697,091
Receivables -				
Property taxes	2,606,558		2,606,558	119,189
Other governments	972,580		972,580	
Grants	70,687		70,687	
Trash collections	36,484		36,484	
Other	(3,602)	-	(3,602)	
Investments				
Certificates of deposit	31,231,049	25,000	31,256,049	100,181
Government securities (Note 6)	61,902,581		61,902,581	
Other	43,333		43,333	
Prepaid expenses	295,839		295,839	
Inventory	139,939		139,939	
Due from Trust and Agency	1,618		1,618	35,583
Capital assets (Notes 1 and 5)				
Non depreciable	19,774,813		19,774,813	
Depreciable (net of accumulated depreciation)	136,427,200	209,461	136,636,661	1,084,479
Total assets	<u>\$ 345,191,305</u>	<u>\$ 400,025</u>	<u>\$ 345,591,330</u>	<u>\$ 2,036,523</u>
DEFERRED OUTFLOWS OF RESOURCES				
Retirement contributions (Note 3)	\$ 1,047,265	\$ -	\$ 1,047,265	\$ 50,601
Assumption changes (Note 3)	5,668,650		5,668,650	35,630
Difference between expected and actual experience (Note 3)	564,518		564,518	7,638
Difference between contributions and proportionate share of contributions (Note 3)	32,777		32,777	
Total deferred outflows of resources	<u>\$ 7,313,210</u>	<u>\$ -</u>	<u>\$ 7,313,210</u>	<u>\$ 93,869</u>
LIABILITIES				
Current liabilities				
Accounts and vouchers payable	\$ 2,828,058	\$ -	\$ 2,828,058	\$ 4,227
Retainage payable	261,833		261,833	
Insurance claim liability	202,120		202,120	
Capital lease obligations		42,264	42,264	
Revenue received in advance	967,152		967,152	
Other	171,555		171,555	
Current liabilities	<u>\$ 4,430,718</u>	<u>\$ 42,264</u>	<u>\$ 4,472,982</u>	<u>\$ 4,227</u>
Noncurrent liabilities				
Estimated liability for compensated absences	\$ 605,721	\$ -	\$ 605,721	\$ 23,436
Capital lease obligations		-	-	
Proportionate share of net pension liability (Note 3)	14,076,474		14,076,474	440,311
Landfill post closure costs (Note 9)	814,665		814,665	
Total noncurrent liabilities	<u>\$ 15,496,860</u>	<u>\$ -</u>	<u>\$ 15,496,860</u>	<u>\$ 463,747</u>
Total liabilities	<u>\$ 19,927,578</u>	<u>\$ 42,264</u>	<u>\$ 19,969,842</u>	<u>\$ 467,974</u>
DEFERRED INFLOWS OF RESOURCES				
Difference between contributions and proportionate share of contributions (Note 3)	\$ 133,928	\$ -	\$ 133,928	\$ 11,176
Difference between proportionate share and actual earnings on pension plan investments (net) (Note 3)	6,216,600		6,216,600	293,556
Total deferred inflows of resources	<u>\$ 6,350,528</u>	<u>\$ -</u>	<u>\$ 6,350,528</u>	<u>\$ 304,732</u>
NET POSITION				
Net investment in capital assets	\$ 155,940,180	\$ 167,197	\$ 156,107,377	\$ 1,084,479
Restricted	12,250,873		12,250,873	
Unrestricted	158,035,356	190,564	158,225,920	273,207
Total net position	<u>\$ 326,226,409</u>	<u>\$ 357,761</u>	<u>\$ 326,584,170</u>	<u>\$ 1,357,686</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, 2022

					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	\$	5,744,471	\$	361,177	\$	118,216	\$	-	\$	(5,265,078)	\$	-	\$	(5,265,078)	
Public safety		10,911,534		107,544		154,035		330,310		(10,319,645)				(10,319,645)	
Public works		10,776,851		739,681						(10,037,170)				(10,037,170)	
Health, welfare, and recreation		4,674,220		54,427				332,884		(4,286,909)				(4,286,909)	
Conservation of natural resources		99,203								(99,203)				(99,203)	
Miscellaneous/general		11,044,132				0.00		-		(11,044,132)				(11,044,132)	
Total governmental activities	\$	43,250,411	\$	1,262,829	\$	605,135	\$	330,310	\$	(41,052,137)	\$	-	\$	(41,052,137)	
Business-type activities															
Golf course	\$	279,092	\$	238,829	\$	-	\$	-	\$	-	\$	(40,263)	\$	(40,263)	
Total primary government	\$	43,529,503	\$	1,501,658	\$	605,135	\$	330,310	\$	(41,052,137)	\$	(40,263)	\$	(41,092,400)	
COMPONENT UNITS															
Governmental activities															
Library	\$	1,079,154	\$	14,511	\$	18,000	\$	-	\$	-	\$	-	\$	-	\$ (1,046,643)
Fair		235,491		38,525											(196,966)
Total component units	\$	1,314,645	\$	53,036	\$	18,000	\$	-	\$	-	\$	-	\$	-	\$ (1,243,609)
General Revenues:															
Property taxes									\$	24,509,886	\$	-	\$	24,509,886	\$ 954,698
Auto fees										573,306				573,306	28,090
Sales tax collected										3,498,303				3,498,303	
Payments in lieu of property taxes										1,019,082				1,019,082	
State severance tax collections										203,226				203,226	
Fuel taxes										2,179,023				2,179,023	
Forest reserve funds										642,673				642,673	
Transfers										(35,263)		35,263		-	
Unrestricted investment earnings										(3,793,100)		55		(3,793,045)	137
Gain (loss) on asset disposal										47,000				47,000	-
Miscellaneous										1,085,599				1,085,599	-
Total general revenues									\$	29,929,735	\$	35,318	\$	29,965,053	\$ 982,925
Change in Net Position									\$	(11,122,402)	\$	(4,945)	\$	(11,127,347)	\$ (260,684)
Net position at beginning of year										337,348,811		362,706		337,711,517	1,618,370
Net position at end of year									\$	326,226,409	\$	357,761	\$	326,584,170	\$ 1,357,686

(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, 2022

	Major Funds General Fund	Nonmajor Funds	Total
ASSETS:			
Cash and cash equivalents (Note 5)	\$ 90,814,966	\$ 877,260	\$ 91,692,226
Receivables -			
Property taxes	2,606,558		2,606,558
Other governments	484,961		484,961
Grants	70,687		70,687
Trash collections	36,484		36,484
Other	(4,444)	842	(3,602)
Investments			
Certificates of deposit	31,231,049		31,231,049
Government securities (Note 5)	61,902,581		61,902,581
Other	43,333		43,333
Prepaid expenses	295,837		295,837
Inventory	139,939		139,939
Due from Trust and Agency		1,618	1,618
Total assets	<u>\$ 187,621,951</u>	<u>\$ 879,720</u>	<u>\$ 188,501,671</u>
LIABILITIES:			
Accounts and vouchers payable	\$ 2,828,058	\$ -	\$ 2,828,058
Retainages payable	261,833		261,833
Other accrued liabilities	171,555		171,555
Insurance claim liability	202,120		202,120
Revenue received in advance	967,152		967,152
	<u>\$ 4,430,718</u>	<u>\$ -</u>	<u>\$ 4,430,718</u>
DEFERRED INFLOWS			
Property taxes unavailable	<u>\$ 2,278,249</u>	<u>\$ -</u>	<u>\$ 2,278,249</u>
FUND BALANCE:			
Nonspendable	\$ 435,776	\$ -	\$ 435,776
Restricted	11,371,153	879,720	12,250,873
Committed	165,523,748		165,523,748
Unassigned	3,582,307		3,582,307
Total fund balances	<u>\$ 180,912,984</u>	<u>\$ 879,720</u>	<u>\$ 181,792,704</u>
Total liabilities deferred inflows and fund balances	<u>\$ 187,621,951</u>	<u>\$ 879,720</u>	<u>\$ 188,501,671</u>

(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, 2022

	Major Funds General Fund	Nonmajor Funds	Total
REVENUES:			
Taxes	\$ 27,698,223	\$ 609,571	\$ 28,307,794
Licenses and permits	8,790		8,790
Fees, and forfeitures	297,631		297,631
Charges for goods and services	1,029,777		1,029,777
Intergovernmental	3,299,579		3,299,579
Investment income/unrealized gain on investments	(3,793,179)	102	(3,793,077)
Other	349,058	4,800	353,858
Total revenues	<u>\$ 28,889,879</u>	<u>\$ 614,473</u>	<u>\$ 29,504,352</u>
EXPENDITURES:			
General government	\$ 17,175,543	\$ -	\$ 17,175,543
Public safety	8,642,963		8,642,963
Public works	7,157,215		7,157,215
Health, welfare, culture and recreation	1,550,329	533,840	2,084,169
Conservation of natural resources	82,464		82,464
Capital projects	4,326,958		4,326,958
Total expenditures	<u>\$ 38,935,472</u>	<u>\$ 533,840</u>	<u>\$ 39,469,312</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ (10,045,593)	\$ 80,633	\$ (9,964,960)
OTHER FINANCING SOURCES (USES)			
Transfer in(out)	-	(35,263)	(35,263)
Compensation for losses	<u>614,457</u>		<u>614,457</u>
REVENUES OVER (UNDER) EXPENDITURES AFTER OTHER FINANCING SOURCES (USES)	\$ (9,431,136)	\$ 45,370	\$ (10,000,223)
FUND BALANCE AT BEGINNING OF YEAR	<u>190,344,120</u>	<u>834,350</u>	<u>191,178,470</u>
FUND BALANCE AT END OF YEAR	<u>\$ 180,912,984</u>	<u>\$ 879,720</u>	<u>\$ 181,178,247</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, 2022

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

Total net change in fund balances - governmental funds \$ (10,000,223)

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	\$ 6,131,053	
(Gain) loss on asset disposal	(47,000)	
Cost basis of assets disposed	(160,974)	
Depreciation expense	<u>(9,374,548)</u>	(3,451,469)

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	247,598
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Property tax revenues	1,749,861
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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

Change in accrued compensated absences	85,255
Net additional pension expense for the year	<u>(367,905)</u>

Total change in net position - governmental activities	<u><u>\$ (11,736,883)</u></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, 2022

	Business- Type Activities
ASSETS	
Current assets:	
Cash	\$ 165,564
Certificates of deposit	25,000
Noncurrent assets:	
Capital assets, net of accumulated depreciation (Note 5)	209,461
Total assets	<u>\$ 400,025</u>
LIABILITIES	
Current liabilities:	
Current portion of lease obligations	\$ 42,264
Total liabilities	<u>\$ 42,264</u>
NET POSITION	
Net investment in capital assets	\$ 167,197
Unrestricted	<u>190,564</u>
Total net position	<u><u>\$ 357,761</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, 2022

	Business- Type Activities
Operating revenue:	
Charges for services	\$ 238,829
Total operating revenue	<u>\$ 238,829</u>
Operating expenses:	
Management fees	\$ 154,417
Depreciation	46,971
Advertising	486
Grounds maintenance and other supplies	6,831
Utilities and telephone	20,844
Repairs and maintenance	25,732
Fuel	6,409
Office expense	15,068
Total operating expenses	<u>\$ 276,758</u>
Operating loss	<u>\$ (37,929)</u>
Non-operating activities	
Interest income	\$ 55
Transfers in (out)	35,263
Interest expense	(2,334)
	<u>\$ 32,984</u>
Change in net position	\$ (4,945)
Net position at beginning of year	<u>362,706</u>
Net position at end of year	<u><u>\$ 357,761</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, 2022

	Business- Type Activities
Cash flows from operating activities:	
Cash received from customers	\$ 238,829
Cash paid to suppliers for goods and services	(229,488)
Net cash from (used in) operating activities	<u>\$ 9,341</u>
Cash flows from noncapital financing activities:	
Transfers in from other funds	\$ 35,263
Net cash from noncapital financing activities	<u>\$ 35,263</u>
Cash flows from capital and related finance activities:	
Purchases of fixed assets	\$ (12,757)
Interest	56
Net cash from (used in) capital and related finance activities	<u>\$ (12,701)</u>
Cash flows from financing activities	
Principal paid on lease obligation	\$ (7,416)
Interest on long term debt	(2,334)
	<u>\$ (9,750)</u>
Net increase (decrease) in cash	\$ 22,153
Cash, beginning of year	<u>143,411</u>
Cash, end of year	<u><u>\$ 165,564</u></u>
Reconciliation of operating loss to net cash from operating activities:	
Operating (loss) income	\$ (37,929)
Adjustments to reconcile operating loss to net cash in operating activities:	
Depreciation	46,971
Changes in assets and liabilities:	
Account receivable	299
Net cash from (used in) operating activities	<u><u>\$ 9,341</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 NET POSITION
 AGENCY FUNDS
 JUNE 30, 2022

	Agency Fund	Fire Fighter Donations
ASSETS		
Cash	\$ 6,250,018	\$ 65,693
Total assets	<u>\$ 6,250,018</u>	<u>\$ 65,693</u>
NET POSITION		
Restricted	\$ 6,250,018	\$ 65,693
Total Net Position	<u>\$ 6,250,018</u>	<u>\$ 65,693</u>

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

SUBLETTE COUNTY, WYOMING
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
JUNE 30, 2022

	<u>Tax Collections</u>	<u>Fire Fighter Donations</u>
ADDITIONS		
Tax and interest receipts	\$ 104,731,947	\$ -
Other	71,311	
Donations and fund raising		23,551
	<u>\$ 104,803,258</u>	<u>\$ 23,551</u>
DEDUCTIONS		
Payments to other taxing entities	\$ 104,814,451	\$ -
Other	72,071	
Expenditures firefighters		29,182
	<u>104,886,522</u>	<u>29,182</u>
CHANGE IN NET POSITION	\$ (83,264)	\$ (5,631)
NET POSITION -BEGINNING OF YEAR	6,333,282	71,324
NET POSITION -END OF YEAR	<u>\$ 6,250,018</u>	<u>\$ 65,693</u>

(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, and the Weed and Pest Control District,. 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.

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).

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.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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, 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.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

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 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 following classifications describe the relative strength of the spending constraints for fund balances:

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.
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.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, 2020, 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, 2020, 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.

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	Plan Member Contributions	Employer Contributions	Total
Public Employee Pension	9.25%	9.37%	18.62%
Law Enforcement	8.60%	8.60%	17.20%
Volunteer Firefighters and EMT	0.00%	\$18.75/month	\$18.75/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, 2022, equal to the required contributions for each year follows:

	Primary Government	Component Units
Public Employee Pension Plan	\$ 1,230,168	\$ 93,721
Law Enforcement Pension Plan	839,899	
Volunteer Firefighters and EMT Plan	18,863	
	<u>\$ 2,088,930</u>	<u>\$ 93,721</u>

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

At June 30, 2022, 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	\$ 5,470,312	\$ 440,311
Law Enforcement Pension Plan	8,185,158	-
Volunteer Firefighters and EMT Plan	421,004	-
	<u>\$ 14,076,474</u>	<u>\$ 440,311</u>

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

The net pension liability was measured as of December 31, 2021, 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, 2020 and 2019, the County's proportion was:

	December 31, 2021	December 31, 2020
Primary Government		
Public Employee Pension Plan	0.35877%	0.37290%
Law Enforcement Pension Plan	2.87664%	2.88018%
Volunteer Firefighters and EMT Plan	3.33454%	3.42100%
Component Units		
Library (Public Employee Pension Plan)	0.02888%	0.02910%

For the year ended June 30, 2022, the County recognized additional (reduction) in pension expense under contributions made due to the requirements of GASB 68 as follows:

	Primary Government	Component Units
Addition (reduction) in pension expense	<u>\$ 367,905</u>	<u>\$ (97,559)</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	\$ -	\$ 3,120,469
Law Enforcement		2,728,498
Volunteer Fire/EMT		367,633
Changes in proportion and differences between contributions and proportionate share of contributions		
Public Employee	22,781	
Law Enforcement		133,928
Volunteer Fire/EMT	9,996	
Difference between expected and actual experience		
Public Employee	97,974	
Law Enforcement	453,294	
Volunteer Fire/EMT	13,250	
Assumption Changes –		
Public Employee	442,660	
Law Enforcement	5,208,968	
Volunteer Fire/EMT	17,022	
	<u>\$ 6,265,945</u>	<u>\$ 6,350,528</u>
Contributions subsequent to the measurement date		
Public Employee	\$ 621,731	\$ -
Law Enforcement	417,040	
Volunteer Fire/EMT	8,494	
	<u>\$ 1,047,265</u>	<u>\$ -</u>
	<u>\$ 7,313,210</u>	<u>\$ 6,350,528</u>
Component Units		
Net differences between projected and actual earnings on pension plan investments	\$ -	\$ 293,556
Changes in proportion and differences between contributions and proportionate share of contributions		11,176
Difference between expected and actual experience	7,638	
Assumption changes	35,630	
	<u>\$ 43,268</u>	<u>\$ 304,732</u>
Contributions subsequent to the measurement date	50,601	
	<u>\$ 93,869</u>	<u>\$ 304,732</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 \$1,047,265 and \$50,601 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, 2022. 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
2023	\$	2,011,967	\$ 1,359,153
2024		1,975,778	2,387,757
2025		2,028,760	1,461,878
2026		249,440	1,141,740
	\$	<u>6,265,945</u>	<u>6,350,528</u>
Component Units			
For the Year Ended June 30,		Outflows	Inflows
2023	\$	18,102	\$ 76,228
2024		18,351	111,345
2025		6,815	66,440
2026		-	50,719
	\$	<u>43,268</u>	<u>304,732</u>

Actuarial Assumptions

The current actuarial assumptions and methods are set by the Board, based on recommendation made by the plan's actuary. The current assumptions used in the actuarial valuation were adopted by the Board effective November 17, 2021 and February 17, 2022 and were first utilized with the January 1, 2021 valuation report.

The results of the actuarial valuation are dependent upon the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities, calculated contribution rates and funding periods. The actuarial calculations presented in the report are intended to provide information for rational decision making

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

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

Public Employee Pension Plan

Actuarial cost method:	Entry Age Normal
Amortization method:	Level percentage of payroll, closed
Remaining amortization period:	26 years
Asset valuation method:	5-year smoothed market
Inflation:	2.25%
Salary increases:	2.50% to 6.50% including inflation
Payroll growth rate:	2.50%
Cost of living increase:	0.00%
Investment rate of return:	6.80%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 -2016.
Post-retirement mortality:	Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale.
	Males: No set back with a multiplier of 100%
	Females: No set back with a multiplier of 103%
Pre-retirement mortality	Pub-2010 General Active Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale.
	Males: No set back with a multiplier of 100%
	Females: No set back with a multiplier of 100%

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Law Enforcement Employee Pension Plan

Actuarial cost method:	Entry Age Normal
Amortization method:	Level percentage of payroll, closed
Remaining amortization period:	24 years
Asset valuation method:	5-year smoothed market
Inflation:	2.25%
Salary increases:	3.00% to 7.00% including inflation
Payroll growth rate:	2.50%
Cost of living increase:	0.00%
Investment rate of return:	6.80%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 -2016.
Post-retirement mortality:	Pub-2010 Safety Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%
Pre-retirement mortality:	Pub-2010 Safety Active Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

Volunteer Firefighter Employee Pension Plan

Actuarial cost method:	Entry Age Normal
Amortization method:	Level dollar, closed
Remaining amortization period:	27 years
Asset valuation method:	5-year smoothed market
Inflation:	2.25%
Salary increases:	0.00%
Investment rate of return:	6.80%
Retirement age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 -2016.
Post-retirement mortality:	Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 103%
Pre-retirement mortality:	Pub-2010 General Active Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Long-Term Expected Return on Plan Assets

The plan's trustees adopted the assumed rate of investment return after considering input from the plan's investment consultant and actuary. Additional information about the assumed rate of investment return is included in the Wyoming Retirement System actuarial valuation report as of January 1, 2021. In addition, a five-year experience study was completed as of December 31, 2020 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 6.80% (real return net of inflation of 4.55%) 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 arithmetic 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.

Each major asset class is included in the pension plans target asset allocation for the calendar year 2021. These best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Geometric Real Rate of Return	Long-term Expected Arithmetic Real Rate of Return
Cash	2.00%	-0.50%	-0.50%
Fixed income	21.00%	1.32%	1.63%
Equity	48.50%	5.63%	7.54%
Marketable alternatives	19.00%	3.74%	4.63%
Private markets	9.50%	4.84%	5.99%
Total	100.00%	4.17%	5.44%

Meketa Investment Group, the investment consulting firm for the Wyoming Retirement System, supplied the figures in the preceding table.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (CONTINUED)

Long-Term Expected Return on Plan Assets (Continued)

Wyoming Retirement System's success in achieving the 6.80% assumed investment return objective is evaluated on an ongoing basis over reasonably long periods of time (5 to 7 years). The reason for the long-term focus on the return objective is to preclude the temptation towards overreaction to short-term market events that have little to no bearing on long-term asset/liability management. The Board must reconcile its need to evaluate investment policy implementation decisions over shorter time frames while maintaining longer-term focus on managing and measuring the portfolio's overall performance relative to the long-term return objective.

Discount Rate

The discount rates were used to measure the total pension liability for the Plans the County participates in follows:

Public Employee Pension Plan	6.80%
Law Enforcement Pension Plan	5.17%
Volunteer Firefighter Pension Plan	6.80%

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects:

- A long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits using a 100-year analysis) and
- A tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For purposes of this valuation, the expected rate of return on pension plan investments is 6.80%, the municipal bond rate is 1.84% (based on the weekly rate closest to, but not later than, the measurement date of the Fidelity 20-year Municipal GO AA Index) and the resulting single discount rate listed above.

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 6.80% for the public employee plan and the volunteer fire fighter EMT plan and 5.17% for the law enforcement plan. that the County participates in, 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 (5.80%)</u>	<u>Current Discount Rate (6.80%)</u>	<u>1% Increase (7.80%)</u>
Primary Government Public Employee Pension Plan	<u>\$ 10,092,658</u>	<u>\$ 5,470,312</u>	<u>\$ 1,638,649</u>
Volunteer Firefighters and EMT Plan	<u>\$ 912,103</u>	<u>\$ 421,004</u>	<u>\$ 16,336</u>
Component Units - Library Public Employee Pension Plan	<u>\$ 812,368</u>	<u>\$ 440,311</u>	<u>\$ 131,896</u>
	<u>1% Decrease (4.17%)</u>	<u>Current Discount Rate (5.17%)</u>	<u>1% Increase (6.17%)</u>
Primary Government Law Enforcement Pension Plan	<u>\$ 13,430,607</u>	<u>\$ 8,185,158</u>	<u>\$ 3,983,772</u>

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

Primary Government/Governmental Activities				
	Balance June 30, 2021	Additions	Transfers	Balance June 30, 2022
Assets				
Non Depreciable:				
Land	\$ 9,323,033	\$ -	\$ -	\$ 9,323,033
Construction in progress	5,524,502	5,362,012	(434,734)	10,451,780
	<u>\$ 14,847,535</u>	<u>\$ 5,362,012</u>	<u>\$ (434,734)</u>	<u>\$ 19,774,813</u>
Depreciable				
Buildings and structures	\$ 133,165,616	\$ 22,314	\$ -	\$ 133,187,930
Machinery and equipment	35,633,814	654,933	(40,862)	36,247,885
Vehicles	12,141,386	263,875	-	12,405,261
Infrastructure	80,706,810	54,677	-	80,761,487
	<u>\$ 261,647,626</u>	<u>\$ 995,799</u>	<u>\$ (40,862)</u>	<u>\$ 262,602,563</u>
Accumulated Depreciation				
Buildings and structures	\$ 55,639,353	\$ 4,309,600	\$ -	\$ 59,948,953
Machinery and equipment	27,479,013	1,989,737	(40,862)	29,427,888
Vehicles	11,041,991	384,399	-	11,426,390
Infrastructure	22,681,320	2,690,812	-	25,372,132
	<u>\$ 116,841,677</u>	<u>\$ 9,374,548</u>	<u>\$ (40,862)</u>	<u>\$ 126,175,363</u>
Net depreciable assets	<u>\$ 144,805,949</u>	<u>\$ (8,378,749)</u>	<u>\$ -</u>	<u>\$ 136,427,200</u>
Total capital assets, net	<u>\$ 159,653,484</u>	<u>\$ (3,016,737)</u>	<u>\$ (434,734)</u>	<u>\$ 156,202,013</u>

Depreciation expense has been charged to the following functions:

General Government	\$ 1,143,683
Public safety	1,146,634
Public works	4,292,039
Health, welfare and recreation	2,762,279
Conservation of natural resources	29,914
	<u>\$ 9,374,549</u>

Primary Government/Business-Type Activities				
	Balance June 30, 2021	Additions	Transfers	Balance June 30, 2022
Assets				
Land, buildings and structure	\$ 1,122,414	\$ 12,757	\$ -	\$ 1,135,171
Assets under capital lease	72,011	-	-	72,011
Machinery and equipment	863,254	-	-	863,254
	<u>\$ 2,057,679</u>	<u>\$ 12,757</u>	<u>\$ -</u>	<u>\$ 2,070,436</u>
Accumulated depreciation	<u>\$ 1,814,004</u>	<u>\$ 46,971</u>	<u>\$ -</u>	<u>\$ 1,860,975</u>
Total capital assets, net	<u>\$ 254,453</u>			<u>\$ 209,461</u>

Component Units				
	Balance June 30, 2021	Additions	Transfers	Balance June 30, 2021
Assets				
Library	\$ 3,630,909	\$ 18,420	\$ -	\$ 3,649,329
Fair	1,295,237	-	-	1,295,237
	<u>\$ 4,926,146</u>	<u>\$ 18,420</u>	<u>\$ -</u>	<u>\$ 4,944,566</u>
Accumulated depreciation				
Library	\$ 2,539,242	\$ 117,686	\$ -	\$ 2,656,928
Fair	1,195,055	-	-	1,195,055
	<u>\$ 3,734,297</u>	<u>\$ 117,686</u>	<u>\$ -</u>	<u>\$ 3,851,983</u>
Total capital assets, net	<u>\$ 1,317,169</u>			<u>\$ 1,092,583</u>

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS

Investments

Wyoming State Statute 9-4-831 and the County's investment policies authorizes the County to invest in the following:

Securities issued or guaranteed by the U.S. Treasury or agencies of the United States Government
 Bank certificates of deposit
 Shares of savings certificates of savings and loan associations
 Tennessee Valley Authority bonds and notes
 Export-import bank notes and guaranteed participations.
 Wyoming State Treasurer's asset reserve account

The County's investment portfolio will be managed with a commitment toward the benefit of the County. To this end, investing in local institutions, domestic instruments, or through local brokers will be the preferred investment strategy. This strategy will be tempered with the County's fiducial responsibility and policy of attaining a market rate of return.

The County's investment strategy is active. The County will generally purchase instruments with the intent of holding the investments until maturity. Securities may be sold when market prices exceed original cost plus cost of sale by an amount that would contribute favorably to the County's rate of return on investments

The County will diversify its instrument by security type and institution. With the exception of U.S. Treasury securities, certificates of deposits, and authorized pools, no more than 25% of the County's total investment portfolio will be invested in a single security type. To provide assurance that the county will be able to continue financial operations without interruption and dependent upon interest rates, satisfaction with services, and practicality, the County will generally attempt to utilize at least two financial institutions as depositories.

As of June 30, 2022, 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	\$ 18,173,462	\$ 2,482,156	\$ 12,745,294	\$ 2,946,012	\$ -
Federal Home Loan Bank	17,550,930	12,316,413	3,278,283	1,959,234	-
Federal Home Loan Mortgage Corporation	831,389				831,389
Federal National Mortgage Association	14,190,177	295,860	9,477,966	3,532,931	883,420
Government National Mortgage Association	485,860				485,860
SBA Note	145,130			145,130	
U.S. Govt. Bond	10,525,631	1,699,389	5,323,833	3,305,933	196,476
	<u>\$ 61,902,579</u>	<u>\$ 16,793,818</u>	<u>\$ 30,825,376</u>	<u>\$ 11,889,240</u>	<u>\$ 2,397,145</u>

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.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS (Continued)

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 \$31,231,049.

External Investment Pools

The County also invests in the following external investments pools and are reflected in the financial statements as cash equivalents:

	Balance at
	<u>June 30, 2022</u>
Wyoming CLASS	\$92,915,596

Wyoming CLASS (Cooperative Liquid Assets Securities System) is administered by a Board of Trustees and Public Trust Advisors, LLC which is responsible for all program investments and administrative activities. This investment pool has 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. Wyoming CLASS operates similarly to a money market fund; each share is equal in value to \$1.00.

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.

Wyoming State Statutes require the County deposits in excess of Federal depository insurance amounts be collateralized, which statutes shall be followed. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution shall be granted. No withdrawal of such securities, in whole or in part, shall be made from safekeeping except by the Treasurer as authorized herein, or by their respective designee.

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS (Continued)

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	\$ 9,783,509	\$ 277,063	\$ 2,785,167	\$ -	\$ 94,839,972
Certificates of deposit	31,231,049	31,231,049	-	-	-
Non Major Funds					
Cash	877,260	539,811	329,426	-	-
Proprietary funds					
Cash	165,564	164,901	-	-	-
Certificates of deposit	25,000	25,000	-	-	-
Total	<u>\$ 42,082,382</u>	<u>\$ 32,237,824</u>	<u>\$ 3,114,593</u>	<u>\$ -</u>	<u>\$ 94,839,972</u>

A summary of the custodial credit risk for the component units 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>
Library Board					
Cash	\$ 423,875	\$ 250,000	\$ 173,871	\$ -	\$ -
Fair Board					
Cash	\$ 273,216	\$ 250,000	\$ 47,765	\$ -	\$ -
Certificates of deposit	101,181	101,181			
Total	<u>\$ 798,272</u>	<u>\$ 601,181</u>	<u>\$ 221,636</u>	<u>\$ -</u>	<u>\$ -</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 \$202,120 included in the financial statements as of June 30, 2022, 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, 2022.

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 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, 2022 are to be \$4,470,420. The County reflects \$814,664 as liability for the landfill closure and post closure care liability at June 30, 2022. This represents the cumulative amount reported to date based on the use of 14.94% 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, 2022. The engineer's estimate suggests the remaining life of the landfill to be 477.5 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. INTERFUND TRANSFERS

Operating Transfers In (Out) consist of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
Recreation Fund	\$	\$ 35,263
Enterprise Golf Course Fund	35,263	

The transfer from the Recreation Fund to the golf course fund is subsidize negative operating results of the golf course operations.

NOTE 11. CHANGE IN LONG-TERM LIABILITIES GOVERNMENTAL ACTIVITIES

	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>	<u>Within One Year</u>
Landfill closure and post closure estimate cost	\$ 814,665	\$ -	\$ -	\$ 814,665	\$ -
Proportionate share of net pension liability	10,851,595	3,224,879	-	14,076,474	-
Compensated absences	690,980	-	85,259	605,721	
	<u>\$ 12,357,240</u>	<u>\$ 3,224,879</u>	<u>\$ 85,259</u>	<u>\$ 15,496,860</u>	<u>\$ -</u>

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 12. CHANGE IN LONG-TERM LIABILITIES COMPONENT UNITS

	Balance June 30, 2021	Library		Balance June 30, 2022	Amount Due Within One Year
		Additions	Deletions		
Proportionate share of net pension liability	\$ 632,413	\$ -	\$ 192,102	\$ 440,311	\$ -
Compensated absences	34,253	-	10,817	23,436	
	<u>\$ 666,666</u>	<u>\$ -</u>	<u>\$ 202,919</u>	<u>\$ 463,747</u>	<u>\$ -</u>

NOTE 13. LEASING ARRANGEMENT PROPRIETARY FUND

At June 30, 2021, the County Golf Course had the following finance lease agreements:

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, 2022 is \$42,264.

Future minimum lease payments are as follows:

<u>Fiscal Year</u>	<u>Golf Cart Lease</u>
2023	44,250
	<u>\$ 44,250</u>
Amounts representing interest	1,986
Present value of lease payments	<u>\$ 42,264</u>

Changes

A summary of changes in the capital leases for the year ended June 30, 2022, is presented below:

	Balance at June 30, 2021	Additions	Reductions	Balance at June 30, 2022
Lease Purchase Obligations	<u>\$ 49,679</u>	<u>\$ -</u>	<u>\$ 7,416</u>	<u>\$ 42,264</u>

Cost basis and depreciation of assets under capital lease are as follows:

Carrying cost	\$ 72,011
Depreciation to date	51,608
Current depreciation	14,402

SUBLETTE COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. 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>\$ 11,371,153</u>
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Non Major Funds:

Recreation Board	842,280
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Museum Board	<u>37,440</u>
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	<u>\$ 879,720</u>
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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
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Equipment	11,848,00
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Property tax refunds	2,500,000
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Future construction costs	<u>136,370,000</u>
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	<u>\$ 156,218,000</u>
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Stabilization Amounts

Through the budgeting process and in accordance with Wyoming State Statutes, the County Commissioners have established a cash reserve for the 2022 fiscal year of \$10,000,000.

NOTE 15. 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.

Required Supplementary Information

SUBLETTE COUNTY, WYOMING

GENERAL FUND - BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2022

	REVENUES			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Taxes				
Property and Production	\$ 14,742,456	\$ 14,742,456	\$ 15,209,297	\$ 466,841
County Share of Motor Vehicle fees	500,000	500,000	573,306	73,306
Sales and Use Taxes	2,700,000	2,700,000	3,179,427	479,427
5% Reimbursement Use Tax	50,000	50,000	55,597	5,597
Sales Tax Penalty	10,000	10,000	18,187	8,187
Gas Taxes	500,000	500,000	618,724	118,724
Special Fuel	950,000	950,000	990,436	40,436
Cigarette Taxes	4,750	4,750	4,497	(253)
Total Taxes	<u>\$ 19,457,206</u>	<u>\$ 19,457,206</u>	<u>\$ 20,649,471</u>	<u>\$ 1,192,265</u>
Licenses and Permits				
Liquor Licenses	\$ 10,000	\$ 10,000	\$ 8,790	\$ (1,210)
Total Licenses and Permits	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 8,790</u>	<u>\$ (1,210)</u>
	-			
Fines and Forfeitures				
County Clerk Fees	\$ 240,000	\$ 240,000	\$ 237,012	\$ (2,988)
Clerk of Court Fees	43,000	43,000	41,904	(1,096)
Sheriff Fees	10,000	10,000	25,914	15,914
Total Fines and Forfeitures	<u>\$ 293,000</u>	<u>\$ 293,000</u>	<u>\$ 304,830</u>	<u>\$ 11,830</u>
Charges for Services				
Landfill\Transfer Station\Recycling	\$ 418,000	\$ 418,000	\$ 628,015	\$ 210,015
Fairgrounds	25,000	25,000		(25,000)
Ice arena	20,000	20,000	31,950	11,950
Public Health Nurse	145,000	145,000	124,324	(20,676)
Planning and Zoning	15,000	15,000	28,274	13,274
Fuel Reimbursement - Weed & Pest/Fair	30,000	30,000	63,100	33,100
E-911 Reimbursement	50,000	50,000		(50,000)
Search and Rescue			66,501	66,501
Other	43,305	43,305	84,085	40,780
Total Charges for Services	<u>\$ 746,305</u>	<u>\$ 746,305</u>	<u>\$ 1,026,249</u>	<u>\$ 279,944</u>
Intergovernmental				
State Severance Tax	\$ 95,000	\$ 95,000	\$ 202,226	\$ 107,226
State Severance Tax (Section 316)	60,000	60,000	62,298	2,298
Forest Reserve Funds	176,000	176,000	642,674	466,674
Grants	1,477,658	1,477,658	1,425,759	(51,899)
State and County Road Fund	500,000	500,000	454,441	(45,559)
Lottery	25,000	25,000	51,212	26,212
Attorney Reimbursement	110,000	110,000	105,717	(4,283)
Homeland Security	30,000	30,000	30,000	-
Payment in Lieu of Property Taxes	675,000	675,000	1,019,082	344,082
Total Intergovernmental	<u>\$ 3,148,658</u>	<u>\$ 3,148,658</u>	<u>\$ 3,993,409</u>	<u>\$ 844,751</u>
Investment income	<u>\$ 2,018,000</u>	<u>\$ 2,018,000</u>	<u>\$ 1,813,092</u>	<u>\$ (204,908)</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, 2022

REVENUES (Continued)				Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
Other				
Fairgrounds Budget	\$ 557,748	\$ 557,748	\$ 815,793	\$ 258,045
Ice arena Budget	333,300	333,300	435,857	102,557
United Fire Budget	1,553,902	1,553,902	5,695,914	4,142,012
Compensation for losses		234,116	614,457	
Other	75,110	75,110	278,080	202,970
Total Other	<u>\$ 2,520,060</u>	<u>\$ 2,754,176</u>	<u>\$ 7,840,101</u>	<u>\$ 4,705,584</u>
Total Revenues	<u>\$ 28,193,229</u>	<u>\$ 28,427,345</u>	<u>\$ 35,635,942</u>	<u>\$ 6,828,256</u>
EXPENDITURES				
Central Government				
County Commissioners	\$ 519,475	\$ 519,475	\$ 447,879	\$ 71,596
County Clerk	337,611	337,611	331,568	6,043
County Treasurer	336,255	336,255	299,440	36,815
County Assessor	476,735	476,735	480,648	(3,913)
County Attorney	595,507	595,507	439,947	155,560
Clerk of District Court	355,302	355,302	319,933	35,369
Information Technology	409,708	409,708	324,997	84,711
Geographic Information Systems	45,600	45,600	29,340	16,260
County Engineer	2,000	2,000	100	1,900
Courthouse and Maintenance	2,340,194	2,340,194	2,131,064	209,130
Elections	25,500	25,500	19,617	5,883
County Planning and Zoning	115,051	159,411	147,698	11,713
Treatment Court	197,615	197,615	134,607	63,008
Total Central Government	<u>\$ 5,756,553</u>	<u>\$ 5,800,913</u>	<u>\$ 5,106,838</u>	<u>\$ 694,075</u>
Public Safety				
Detention	\$ 2,015,534	\$ 2,015,534	\$ 1,993,065	\$ 22,469
Communications	905,216	976,536	955,009	21,527
Law Enforcement	3,315,097	3,727,547	3,681,127	46,420
Emergency Management	108,437	119,937	110,806	9,131
Search and Rescue	739,715	739,715	567,688	172,027
County Coroner	56,550	56,550	48,679	7,871
Fire Warden	1,553,902	1,678,457	1,222,847	455,610
Total Public Safety	<u>\$ 8,694,451</u>	<u>\$ 9,314,276</u>	<u>\$ 8,579,221</u>	<u>\$ 735,055</u>
Public Works				
Road and Bridge	\$ 5,697,960	\$ 5,697,960	\$ 5,487,128	\$ 210,832
Waste Management	1,049,309	1,049,309	742,911	306,398
Transfer Station	616,407	616,407	570,641	45,766
Recycling	95,915	95,915	72,437	23,478
Total Public Works	<u>\$ 7,459,591</u>	<u>\$ 7,459,591</u>	<u>\$ 6,873,117</u>	<u>\$ 586,474</u>
Health, Welfare and Recreation				
Health	\$ 623,363	\$ 623,363	\$ 621,485	\$ 1,878
Health Officer and Sanitation	47,474	47,474	28,248	19,226
Fair Grounds	557,748	557,748	551,480	6,268
Ice Arena	333,300	333,300	279,485	53,815
Visitor Center	-	40,711	33,770	6,941
Total Health, Welfare and Recreation	<u>\$ 1,561,885</u>	<u>\$ 1,602,596</u>	<u>\$ 1,514,468</u>	<u>\$ 88,128</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, 2022

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EXPENDITURES (Continued)

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Conservation of Natural Resources County Extension Department	\$ 105,156	\$ 105,156	\$ 82,669	\$ 22,487
Miscellaneous				
Capital Improvements	\$ 6,534,671	\$ 6,534,671	\$ 4,258,561	\$ 2,276,110
General	12,578,176	12,585,126	11,972,143	612,983
	<u>\$ 19,112,847</u>	<u>\$ 19,119,797</u>	<u>\$ 16,230,704</u>	<u>\$ 2,889,093</u>
Total Expenditures	<u>\$ 42,690,483</u>	<u>\$ 43,402,329</u>	<u>\$ 38,387,017</u>	<u>\$ 5,015,312</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (14,497,254)	\$ (14,974,984)	\$ (2,751,075)	
FUND BALANCE (NON-GAAP) - Beginning	<u>181,192,985</u>	<u>181,192,985</u>	<u>181,192,985</u>	
FUND BALANCE (NON-GAAP) - Ending	<u><u>\$ 166,695,731</u></u>	<u><u>\$ 166,218,001</u></u>	<u><u>\$ 178,441,910</u></u>	
COMPRISED OF:				
Cash reserve	\$ 10,000,000	\$ 10,000,000		
Equipment reserve	11,848,000	11,848,000		
Depreciation reserve	144,847,731	144,370,001		
	<u><u>\$ 166,695,731</u></u>	<u><u>\$ 166,218,001</u></u>		

(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 9 of this report is prepared on the generally accepted accounting principles (GAAP) basis. The financial statement General Fund - Budget and Actual contained on pages 38 to 40 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	\$ 35,635,942
Differences - budget to GAAP	
Receivables at June 30, 2021 received in the year ending June 30, 2021 included in 2022 budget data but not GAAP basis	
Sales and fuel taxes	(376,543)
Grants	(705,379)
Receivables at June 30, 2022 for GAAP purposes revenues not included in 2022 budget data	
Sales and fuel taxes	484,961
Grants	70,687
Unrealized loss on investments not recognized for budget purposes	(5,606,460)
Classification differences - compensation for losses	(614,457)
Other	1,128
Revenues fund financial statements	<u>\$ 28,889,879</u>

SUBLETTE COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY DATA

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

	General Fund
Expenditures/budgetary basis	<u>\$ 38,387,017</u>
Differences - budget to GAAP	
Payables at June 30, 2021 paid in the year ending June 30, 2022 included in budget data	
Accounts payable	(107,315)
Insurance claim liability	(265,990)
Retainage payable	(195,801)
Payables at June 30, 2021 not paid in the year ending June 30, 2021 included in GAAP data	
Accounts and retainage payable	500,445
Insurance claim liability	202,120
Retainage payable	261,833
Change in insurance cash reserve	-
Other difference	-
Change in prepaid expenses	41,673
Other	67,279
Reclassifications	44,211
Expenditures fund financial statements	<u><u>\$ 38,935,472</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, 2022 TO 2014

Public Employees Pension Plan									
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 1,228,318	\$ 1,230,168	\$ 1,178,262	\$ 1,080,174	\$ 1,006,670	\$ 991,799	\$ 986,406	\$ 957,237	\$ 853,728
Contribution in relation to the contractually required contribution	1,228,318	1,230,168	1,178,262	1,080,174	1,006,670	991,799	986,406	957,237	853,728
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 6,596,772	\$ 6,789,909	\$ 6,687,074	\$ 6,340,238	\$ 6,056,976	\$ 5,967,503	\$ 5,935,056	\$ 6,038,298	\$ 5,842,457
Contributions as a percentage of covered employee payroll	18.62%	18.12%	17.62%	17.04%	16.62%	16.62%	16.62%	15.85%	14.61%
Law Enforcement Pension Plan									
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 820,238	\$ 839,899	\$ 861,767	\$ 875,299	\$ 828,591	\$ 814,293	\$ 831,091	\$ 814,395	\$ 792,181
Contribution in relation to the contractually required contribution	820,238	839,899	861,767	875,299	828,591	814,293	831,091	814,395	792,181
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 4,768,826	\$ 4,883,132	\$ 5,010,273	\$ 5,090,888	\$ 4,817,389	\$ 4,734,260	\$ 4,831,925	\$ 4,763,141	\$ 4,540,859
Contributions as a percentage of covered employee payroll	17.20%	17.20%	17.20%	17.19%	17.20%	17.20%	17.20%	17.10%	17.45%
Volunteer Firefighter and EMT Plan									
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 17,968	\$ 18,863	\$ 15,480	\$ 12,810	\$ 13,710	\$ 13,035	\$ 12,600	\$ -	\$ -
Contribution in relation to the contractually required contribution	17,968	18,863	15,480	12,810	13,710	13,035	12,600	-	-
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered employee payroll	NA	NA	NA	NA	NA	NA	NA	NA	NA

SUBLETTE COUNTY, WYOMING
SCHEDULE OF CONTRIBUTIONS - WYOMING RETIREMENT SYSTEM
COMPONENT UNITS
FOR THE YEARS ENDED JUNE 30, 2022 TO 2014

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions									
Library	<u>\$ 100,421</u>	<u>\$ 93,721</u>	<u>\$ 95,499</u>	<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	<u>\$ 100,421</u>	<u>\$ 93,721</u>	<u>\$ 95,499</u>	<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Component Units covered payroll									
Library	<u>\$ 539,320</u>	<u>\$ 517,225</u>	<u>\$ 541,991</u>	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 593,436</u>	<u>\$ 511,132</u>
Contributions as a percentage of covered employee payroll									
Library	<u>18.62%</u>	<u>18.12%</u>	<u>17.62%</u>	<u>17.22%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>16.42%</u>	<u>16.64%</u>

SUBLETTE COUNTY, WYOMING
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - WYOMING RETIREMENT SYSTEM
PRIMARY GOVERNMENT
FOR THE YEARS ENDED JUNE 30, 2022 TO 2014

	2022	2021	2020	2019	2018	2017	2016	2015	2014
The Primary Government's proportionate share of the net pension liability (%)									
Public Employee Pension Plan	0.35888%	0.37290%	0.36019%	0.36049%	0.34013%	0.33177%	0.33505%	0.33259%	0.34017%
Law Enforcement Pension Plan	2.88660%	2.88000%	3.08396%	3.12864%	3.03181%	3.04344%	3.04072%	2.97249%	2.98999%
Volunteer Firefighter and EMT Plan	3.34540%	3.42100%	3.42979%	3.89700%	3.19506%	3.06114%	3.00025%	NA	NA
The Primary Government's proportionate share of the net pension liability (\$)									
Public Employee Pension Plan	\$ 5,470,312	\$ 8,104,498	\$ 8,464,143	\$ 10,977,905	\$ 7,752,684	\$ 8,020,603	\$ 7,804,491	\$ 5,869,173	\$ 5,171,996
Law Enforcement Pension Plan	\$ 8,185,158	\$ 1,962,041	\$ 2,658,333	\$ 7,573,573	\$ 2,608,704	\$ 2,297,554	\$ 2,284,187	\$ 875,805	\$ 545,941
Volunteer Firefighter and EMT Plan	\$ 421,004	\$ 785,056	\$ 959,841	\$ 1,170,824	\$ 913,958	\$ 971,782	\$ 950,832	NA	NA
The Primary Government's covered payroll									
Public Employee Pension Plan	\$ 6,596,772	\$ 6,789,909	\$ 6,687,074	\$ 6,340,238	\$ 6,056,976	\$ 5,967,503	\$ 5,935,056	\$ 6,038,298	\$ 5,842,457
Law Enforcement Pension Plan	\$ 4,768,826	\$ 4,883,132	\$ 5,010,273	\$ 5,090,888	\$ 4,817,389	\$ 4,734,260	\$ 4,831,925	\$ 4,763,141	\$ 4,540,859
Volunteer Firefighter and EMT Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The Primary Government's proportionate share of the net pension liability as a percentage of the Primary Government covered payroll									
Public Employee Pension Plan	82.92%	119.36%	126.57%	173.15%	128.00%	134.40%	131.50%	97.20%	88.52%
Law Enforcement Pension Plan	171.64%	40.18%	53.06%	148.77%	54.15%	48.53%	47.27%	18.39%	12.02%
Volunteer Firefighter and EMT Plan	NA	NA	NA	NA	NA	NA	NA	NA	NA
Plan fiduciary net position as a percentage of the total plan liability									
Public Employee Pension Plan	86.03%	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%	
Law Enforcement Pension Plan	75.62%	91.82%	89.05%	71.22%	87.99%	88.11%	87.49%	94.76%	
Volunteer Firefighter and EMT Plan	80.53%	80.53%	74.11%	74.11%	74.11%	69.99%	69.16%	95.35%	

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, 2022 TO 2014

	2022	2021	2020	2019	2018	2017	2016	2015	2014
The Component Unit's proportionate share of the net pension liability (%)									
Library	<u>0.02889%</u>	<u>0.02910%</u>	<u>0.02909%</u>	<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>\$ 440,311</u>	<u>\$ 632,413</u>	<u>\$ 683,549</u>	<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>\$ 539,320</u>	<u>\$ 517,225</u>	<u>\$ 541,991</u>	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 593,436</u>	<u>\$ 511,132</u>
The Component Unit's proportionate share of the net pension liability as a percentage of the Component Unit's covered payroll									
Library	<u>81.64%</u>	<u>122.27%</u>	<u>126.12%</u>	<u>177.21%</u>	<u>137.86%</u>	<u>140.87%</u>	<u>128.87%</u>	<u>102.79%</u>	<u>100.77%</u>
Plan fiduciary net position as a percentage of the total plan liability									
Library	<u>86.03%</u>	<u>79.24%</u>	<u>76.83%</u>	<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, 2022

	Governmental Activities		
	Recreation Board	Museum Board	Total
ASSETS			
Cash	\$ 841,438	\$ 35,822	\$ 877,260
Receivables other	842		842
Due from Trust and Agency		1,618	1,618
Total assets	<u>\$ 842,280</u>	<u>\$ 37,440</u>	<u>\$ 879,720</u>
FUND BALANCE			
Restricted	<u>\$ 842,280</u>	<u>\$ 37,440</u>	<u>\$ 879,720</u>
Total liabilities and fund balance	<u>\$ 842,280</u>	<u>\$ 37,440</u>	<u>\$ 879,720</u>

SUBLETTE COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Governmental Activities		
	Recreation Board	Museum Board	Total
REVENUE			
Taxes	\$ 298,728	\$ 310,843	\$ 609,571
Investment income	102		102
Other	4,800		4,800
Total revenues	<u>\$ 303,630</u>	<u>\$ 310,843</u>	<u>\$ 614,473</u>
EXPENDITURES			
Current:			
Health, welfare, culture and recreation	\$ 233,686	\$ 300,154	\$ 533,840
Total expenditures	<u>\$ 233,686</u>	<u>\$ 300,154</u>	<u>\$ 533,840</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ 69,944	\$ 10,689	\$ 80,633
OPERATING TRANSFERS	<u>(35,263)</u>		<u>(35,263)</u>
Revenues over (under) expenditures after operating transfers	\$ 34,681	\$ 10,689	\$ 45,370
FUND BALANCE, BEGINNING	<u>807,599</u>	<u>26,751</u>	<u>834,350</u>
FUND BALANCE, ENDING	<u><u>\$ 842,280</u></u>	<u><u>\$ 37,440</u></u>	<u><u>\$ 879,720</u></u>

SUBLETTE COUNTY, WYOMING

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2022

	Library Board	Fair Board	Total
ASSETS			
Cash and cash equivalents	\$ 423,875	\$ 273,216	\$ 697,091
Certificates of deposit		100,181	100,181
Receivables			
Property Taxes	119,189		119,189
Due from trust and agency	35,583		35,583
Capital assets (net of accumulated depreciation)	992,401	92,078	1,084,479
Total Assets	<u>\$ 1,571,048</u>	<u>\$ 465,475</u>	<u>\$ 2,036,523</u>
DEFERRED OUTFLOWS OF RESOURCES			
Retirement contributions	\$ 50,601	\$ -	\$ 50,601
Difference between expected and actual experience	7,638		7,638
Change in assumptions	35,630		35,630
Total deferred outflows of resources	<u>\$ 93,869</u>	<u>\$ -</u>	<u>\$ 93,869</u>
LIABILITIES			
Accounts and vouchers payable	\$ 690	\$ 3,537	\$ 4,227
Total current liabilities	<u>\$ 690</u>	<u>\$ 3,537</u>	<u>\$ 4,227</u>
Compensated absences payable	\$ 23,436	\$ -	\$ 23,436
Proportionate share of net pension liability	440,311		440,311
Total non current liabilities	<u>\$ 463,747</u>	<u>\$ -</u>	<u>\$ 463,747</u>
Total liabilities	<u>\$ 464,437</u>	<u>\$ 3,537</u>	<u>\$ 467,974</u>
DEFERRED INFLOWS OF RESOURCES			
Difference between contributions and proportionate share of contributions	\$ 11,176	\$ -	\$ 11,176
Difference between proportionate share of projected and actual earnings on pension plan investments (net)	293,556		293,556
Total deferred inflows of resources	<u>\$ 304,732</u>	<u>\$ -</u>	<u>\$ 304,732</u>
NET POSITION			
Net investment in capital assets	\$ 992,401	\$ 92,078	\$ 1,084,479
Unrestricted	(96,653)	369,860	273,207
Total net position	<u><u>\$ 895,748</u></u>	<u><u>\$ 461,938</u></u>	<u><u>\$ 1,357,686</u></u>

SUBLETTE COUNTY, WYOMING
 COMBINING STATEMENT OF ACTIVITIES
 COMPONENT UNITS
 FOR THE YEAR ENDED JUNE 30, 2022

	Library Board	Fair Board	Total
EXPENSES			
Expenses other than depreciation	\$ 961,468	\$ 227,387	\$ 1,188,855
Depreciation	117,686	8,104	125,790
Total expenses	<u>\$ 1,079,154</u>	<u>\$ 235,491</u>	<u>\$ 1,314,645</u>
SPECIFIC REVENUES			
Charges for services	14,511	38,525	53,036
Operating grants and contributions	18,000		18,000
Net revenues (expenses)	<u>\$ (1,046,643)</u>	<u>\$ (196,966)</u>	<u>\$ (1,243,609)</u>
GENERAL REVENUES			
Property taxes	756,628	198,070	954,698
Auto fees	28,090		28,090
Interest	62	75	137
CHANGE IN NET POSITION	<u>\$ (261,863)</u>	<u>\$ 1,179</u>	<u>\$ (260,684)</u>
NET POSITION AT BEGINNING OF YEAR	<u>1,157,611</u>	<u>460,759</u>	<u>1,618,370</u>
NET POSITION AT END OF YEAR	<u><u>\$ 895,748</u></u>	<u><u>\$ 461,938</u></u>	<u><u>\$ 1,357,686</u></u>

SUBLETTE COUNTY WYOMING
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2022

Federal Grantor/Pass - Through Grantor/Program Title	CFDA Number	Pass Through Number	Amount	Amount Passed though to Other Entities
U.S. Department of Agriculture Forest Service Schools and Roads Cluster				
Passed through the Wyoming State Treasurer's Office Schools and Roads				
Grants to State (Forest Reserve)	10.665		<u>\$ 673,800</u>	673,800 \$ 31,127
U.S. Department of Health and Human Services				
Passed through Wyoming Department of Health				
County Health Officer Grant	93.069		\$ 9,600	
Public Health Emergency Response	93.354		91,321	
Substance Abuse and Mental Health Services	93.243		24,290	
Immunization Cooperative Agreement	93.268		14,017	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		10,284	
National and State Tobacco Control Program	93.387		15,314	
Temporaty Assistance for Needy Families- TANF Cluster	93.558		41,938	
Block Grant for Treatment and Prevention of Substance Abuse	93.959		<u>29,571</u>	236,335
U.S. Department of Homeland Security				
Passed through Wyoming Office of Homeland Security				
Emergency Management Grant	97.042		<u>\$ 30,000</u>	30,000
			<u>\$ 940,135</u>	<u>\$ 31,127</u>

* Denotes funding related to COVID 19 programs

(See accompanying notes to the Scedule of Expenditures of Federal Awards)

SUBLETTE COUNTY, WYOMING
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Sublette County, Wyoming is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, "Audits of State, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

The County has not used the de minimis 10% indirect cost rate.

NOTE 2. CONTINGENCIES

The County receives funds under various federal grant programs and such assistance is to be expended in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have a material financial impact.

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, 2022 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 April 4, 2023.

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 2022-001.

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 Riley & Company, C.P.A.'s

April 4, 2023

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

County Commissioners
Sublette County, Wyoming
Pinedale, Wyoming

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance (Continued)

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

Leo Riley & Company, CPAs

April 4, 2023

SUBLETTE COUNTY, WYOMING

SUMMARY OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Sublette County, Wyoming,
2. One significant deficiency is disclosed during the audit of the financial statements is reported in the Schedule of Findings and Questioned Costs.
3. No significant deficiencies are disclosed during the audit of the major federal award programs is reported in the Schedule of Findings and Questioned Costs.
4. The auditors' report on compliance for the major federal award programs for Sublette County, Wyoming expresses an unmodified opinion on all major federal programs.
5. No audit findings relative to the major federal award programs for Sublette County, Wyoming are reported in this Schedule.
6. The threshold for distinguishing Types A and B programs was \$750,000.
7. The program tested as major programs was the U.S. Department of Agriculture – Forest Reserve (CFDA 10.666)
8. Sublette County, Wyoming determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCIES

2022-001 Separation of Duties – Component Units

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.

Separation of duties requires that someone other than the employee responsible for safeguarding the asset must maintain the accounting records for that asset. When an organization separates duties of the employees, it minimizes the probability of an error or irregularity occurring and not being timely detected.

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.

SUBLETTE COUNTY, WYOMING

SUMMARY OF FINDINGS AND QUESTIONED COSTS

FINDINGS - FINANCIAL STATEMENTS AUDIT (Continued)

Auditee Response: The Sublette County Commissioners and the member of the governing boards are aware of the situation, but due to the small office staff they have relied on a system of compensating control by members of the governing boards.

The component unit Boards and management take an active involvement in the financial reporting process as part of the board responsibilities. First and foremost, in this involvement their review of disbursements prior to payment at their monthly meetings.

Several of the entities (Recreation Board and golf course) employ outside contracted bookkeeping services to further provide another level of oversight and compensating control.

The Commissioners are implementing a Board training policy requiring Board training program that will be required for any newly appointed board members and highly recommended for existing Board members.

FINDINGS - MAJOR FEDERAL AWARDS PROGRAMS AUDIT

None

SUBLETTE COUNTY, WYOMING
STATUS OF PRIOR YEAR FINDINGS
JUNE 30, 2022

FINDINGS - FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCIES

2021-001

Separation of Duties

Ongoing comment and condition. See item 2021-001 in current Schedule of Findings and Responses.