

SUBLETTE COUNTY, WYOMING

FINANCIAL REPORT
JUNE 30, 2020

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INDEPENDENT AUDITORS' REPORT

County Commissioners
Sublette County, Wyoming
Pinedale, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Sublette County, Wyoming as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business activities, the aggregate discretely presented component units, except for the effects of the omission of Sublette County Weed and Pest from the component units as described in the preceding paragraph, each major fund and the aggregate remaining fund information of Sublette County, Wyoming as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 36 through 40 and information regarding the defined benefit pension plan on pages 41 to 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consist of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sublette County, Wyoming's basic financial statements. The combining balance sheet - non major governmental funds, combining statement of revenues, expenditures and changes in fund balances non-major governmental funds, statement of net position - component units and the combining statement of activities - component units are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The combining balance sheet - non major governmental funds, combining statement of revenues, expenditures and changes in fund balance - non major governmental funds, combining statement of net position - component units, and the combining statement of activities - component units are the responsibility of management on pages 45 to 48 and the schedule of expenditures of federal awards on pages 49 and 50 were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining balance sheet - non major governmental funds, combining statement of revenues, expenditures and changes in fund balance - non major governmental funds, the combining statement of net position - component units, the combining statement of activities - component units, 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 March 16, 2021 on our consideration of Sublette County, Wyoming's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Sublette County, Wyoming's the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sublette County Wyoming's internal control over financial reporting and compliance.

NOTICE

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


March 16, 2021

Government Wide- Financial Statements

SUBLETTE COUNTY, WYOMING

STATEMENT OF NET POSITION
JUNE 30, 2020

	Primary Government			Component Units
	Govern- mental Activities	Business- Type Activities	Total	
ASSETS				
Cash and cash equivalents (Note 6)	\$ 959,597	\$ 53,861	\$ 1,013,458	\$ 778,879
Receivables -				
Property taxes	364,502		364,502	27,731
Other governments	614,834		614,834	
Grants	1,193,152		1,193,152	
Trash collections	36,484		36,484	
Other	(5,301)	301	(5,000)	
Investments				
Certificates of deposit	79,477,377	25,000	79,502,377	
Government securities (Note 6)	118,907,049		118,907,049	
Other	43,334		43,334	
Prepaid expenses	308,478		308,478	
Inventory	139,939		139,939	
Due from Trust and Agency	1,168		1,168	3,216
Capital assets (Notes 1 and 5)				
Non depreciable	13,988,313		13,988,313	
Depreciable (net of accumulated depreciation)	145,937,905	254,452	146,192,357	1,317,169
Total assets	<u>\$ 361,966,831</u>	<u>\$ 333,614</u>	<u>\$ 362,300,445</u>	<u>\$ 2,126,995</u>
DEFERRED OUTFLOWS OF RESOURCES				
Retirement contributions (Note 3)	\$ 1,035,939	\$ -	\$ 1,035,939	\$ 47,875
Assumption changes (Note 3)	332,433		332,433	25,605
Difference between expected and actual experience (Note 3)	250,798		250,798	
Difference between contributions and proportionate share of contributions (Note 3)	413,639		413,639	
Total deferred outflows of resources	<u>\$ 2,032,809</u>	<u>\$ -</u>	<u>\$ 2,032,809</u>	<u>\$ 73,480</u>
LIABILITIES				
Current liabilities				
Accounts and vouchers payable	\$ 1,670,253	\$ -	\$ 1,670,253	\$ 3,672
Retainage payable	39,397		39,397	
Insurance claim liability	216,895		216,895	
Tax rebate payable	256,758		256,758	10,585
Capital lease obligations		7,083	7,083	
Other	39,883		39,883	
Current liabilities	<u>\$ 2,223,186</u>	<u>\$ 7,083</u>	<u>\$ 2,230,269</u>	<u>\$ 14,257</u>
Noncurrent liabilities				
Estimated liability for compensated absences	\$ 651,296	\$ -	\$ 651,296	\$ 28,570
Capital lease obligations		49,680	49,680	
Proportionate share of net pension liability (Note 3)	12,082,318		12,082,318	683,549
Landfill post closure costs (Note 9)	814,665		814,665	
Total noncurrent liabilities	<u>\$ 13,548,279</u>	<u>\$ 49,680</u>	<u>\$ 13,597,959</u>	<u>\$ 712,119</u>
Total liabilities	<u>\$ 15,771,465</u>	<u>\$ 56,763</u>	<u>\$ 15,828,228</u>	<u>\$ 726,376</u>
DEFERRED INFLOWS OF RESOURCES				
Difference between contributions and proportionate share of contributions (Note 3)	\$ 39,649	\$ -	\$ 39,649	\$ 54,838
Difference between proportionate share and actual earnings on pension plan investments (net) (Note 3)	2,277,033		2,277,033	105,501
Difference between expected and actual experience (Note 3)	208,455		208,455	13,747
Assumption changes	-		-	
Assumption changes (Note 3)	426,667		426,667	
Total deferred inflows of resources	<u>\$ 2,951,804</u>	<u>\$ -</u>	<u>\$ 2,951,804</u>	<u>\$ 174,086</u>
NET POSITION				
Net investment in capital assets	\$ 159,926,218	\$ 197,689	\$ 160,123,907	\$ 1,317,169
Restricted	10,841,457		10,841,457	
Unrestricted	174,508,696	79,162	174,587,858	(17,156)
Total net position	<u>\$ 345,276,371</u>	<u>\$ 276,851</u>	<u>\$ 345,553,222</u>	<u>\$ 1,300,013</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, 2020

	Net Revenue (Expenses) and Changes in Net Position							
	Primary Government							Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
PRIMARY GOVERNMENT								
Governmental activities								
General government	\$ 6,752,947	\$ 271,532	\$ 138,988	\$ -	\$ (6,342,427)	\$ -	\$ (6,342,427)	
Public safety	10,229,991	79,912	1,236,888		(8,913,191)		(8,913,191)	
Public works	10,490,490	583,783			(9,906,707)		(9,906,707)	
Health, welfare, and recreation	4,717,471	149,570	290,533		(4,277,368)		(4,277,368)	
Conservation of natural resources	108,928				(108,928)		(108,928)	
Miscellaneous/general	13,634,016			1,025,803	(12,608,213)		(12,608,213)	
Total governmental activities	<u>\$ 45,933,843</u>	<u>\$ 1,084,797</u>	<u>\$ 1,666,409</u>	<u>\$ 1,025,803</u>	<u>\$ (42,156,834)</u>	<u>\$ -</u>	<u>\$ (42,156,834)</u>	
Business-type activities								
Golf course	\$ 250,296	\$ 175,733	\$ -	\$ -	\$ -	\$ (74,563)	\$ (74,563)	
Total primary government	<u>\$ 46,184,139</u>	<u>\$ 1,260,530</u>	<u>\$ 1,666,409</u>	<u>\$ 1,025,803</u>	<u>\$ (42,156,834)</u>	<u>\$ (74,563)</u>	<u>\$ (42,231,397)</u>	
COMPONENT UNITS								
Governmental activities								
Library	\$ 1,305,868	\$ 11,102	\$ 4,916	\$ -	\$ -	\$ -	\$ -	\$ (1,289,850)
Fair	246,942	47,305						(199,637)
Total component units	<u>\$ 1,552,810</u>	<u>\$ 58,407</u>	<u>\$ 4,916</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,489,487)</u>
General Revenues:								
Property taxes					\$ 33,200,159	\$ -	\$ 33,200,159	\$ 1,442,294
Auto fees					605,208		605,208	30,375
Sales tax collected					3,402,465		3,402,465	
Payments in lieu of property taxes					992,122		992,122	
State severance tax collections					122,817		122,817	
Fuel taxes					2,360,758		2,360,758	
Forest reserve funds					525,906		525,906	
Transfers					(36,000)	36,000	-	
Unrestricted investment earnings					7,157,456		7,157,456	405
Miscellaneous					392,490		392,490	1,168
Total general revenues					<u>\$ 48,723,381</u>	<u>\$ 36,000</u>	<u>\$ 48,759,381</u>	<u>\$ 1,474,242</u>
Change in Net Position					\$ 6,566,547	\$ (38,563)	\$ 6,527,984	\$ (15,245)
Net position at beginning of year					338,709,824	315,414	339,025,238	1,315,258
Net position at end of year					<u>\$ 345,276,371</u>	<u>\$ 276,851</u>	<u>\$ 345,553,222</u>	<u>\$ 1,300,013</u>

(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, 2020

	Major Funds General Fund	Nonmajor Funds	Total
ASSETS:			
Cash and cash equivalents (Note 5)	\$ 154,081	\$ 805,516	\$ 959,597
Receivables -			
Property taxes	364,502		364,502
Other governments	402,934		402,934
Grants	1,193,152		1,193,152
Trash collections	36,484		36,484
Other	(6,143)	842	(5,301)
Investments			
Certificates of deposit	79,477,377		79,477,377
Government securities (Note 5)	118,907,049		118,907,049
Other	43,334		43,334
Prepaid expenses	308,476		308,476
Inventory	139,939		139,939
Due from Trust and Agency		1,168	1,168
Total assets	<u>\$ 201,021,185</u>	<u>\$ 807,526</u>	<u>\$ 201,828,711</u>
LIABILITIES:			
Accounts and vouchers payable	\$ 1,670,253	\$ -	\$ 1,670,253
Tax rebate payable	250,886	5,872	256,758
Retainages payable	39,397		39,397
Other accrued liabilities	39,867		39,867
Insurance claim liability	216,895		216,895
Total liabilities	<u>\$ 2,217,298</u>	<u>\$ 5,872</u>	<u>\$ 2,223,170</u>
DEFERRED INFLOWS			
Property taxes unavailable	<u>\$ 328,224</u>	<u>\$ -</u>	<u>\$ 328,224</u>
FUND BALANCE:			
Nonspendable	\$ 448,415	\$ -	\$ 448,415
Restricted	10,039,803	801,654	10,841,457
Committed	160,747,018		160,747,018
Unassigned	27,240,427		27,240,427
Total fund balances	<u>\$ 198,475,663</u>	<u>\$ 801,654</u>	<u>\$ 199,277,317</u>
Total liabilities deferred inflows and fund balances	<u>\$ 201,021,185</u>	<u>\$ 807,526</u>	<u>\$ 201,828,711</u>

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

SUBLETTE COUNTY, WYOMING

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020

Total fund balance per balance sheet		\$ 199,277,317
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Amounts reported for governmental activities in the statement of net position total governmental funds are different because:

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

Property taxes	\$ 328,223	
Sales and fuel	<u>211,887</u>	540,110

Add capital assets not reported above

Non depreciable	\$ 13,988,313	
Depreciable	<u>145,937,905</u>	159,926,218

Deferred outflows related to pension obligation		2,032,809
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Less liabilities not reported above

Long-term liabilities

Estimated liability for compensated absences	\$ (651,296)	
Proportionate share of net pension liability (Note 3)	(12,082,318)	
Landfill post closure costs (Note 9)	<u>(814,665)</u>	(13,548,279)

Deferred inflows related to pension obligation		<u>(2,951,804)</u>
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Net position of governmental activities		<u><u>\$ 345,276,371</u></u>
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(The accompanying notes to the financial statements are an integral part of this statement)

SUBLETTE COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Major Funds General Fund	Nonmajor Funds	Total
REVENUES:			
Taxes	\$ 38,630,506	\$ 634,467	\$ 39,264,973
Licenses and permits	15,152		15,152
Fees, and forfeitures	268,872		268,872
Charges for goods and services	757,887		757,887
Intergovernmental	4,958,282		4,958,282
Investment income/unrealized gain on investments	7,193,274	209	7,193,483
Other	311,527	-	311,527
Total revenues	<u>\$ 52,135,500</u>	<u>\$ 634,676</u>	<u>\$ 52,770,176</u>
EXPENDITURES:			
General government	\$ 23,350,411	\$ -	\$ 23,350,411
Public safety	9,891,519		9,891,519
Public works	8,240,421		8,240,421
Health, welfare, culture and recreation	1,341,174	652,991	1,994,165
Conservation of natural resources	98,596		98,596
Total expenditures	<u>\$ 42,922,121</u>	<u>\$ 652,991</u>	<u>\$ 43,575,112</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ 9,213,379	\$ (18,315)	\$ 9,195,064
TRANSFERS IN(OUT)		(36,000)	(36,000)
REVENUES OVER (UNDER) EXPENDITURES AFTER OPERATING TRANSFERS	\$ 9,213,379	\$ (54,315)	\$ 9,159,064
FUND BALANCE, BEGINNING	<u>189,262,284</u>	<u>855,969</u>	<u>190,118,253</u>
FUND BALANCE, ENDING	<u>\$ 198,475,663</u>	<u>\$ 801,654</u>	<u>\$ 199,277,317</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, 2020

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

Total net change in fund balances - governmental funds	\$ 9,159,064
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All capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those capital outlays other than non-capitalized items are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period

Capital outlay	\$ 7,763,643	
Depreciation expense	<u>(9,044,173)</u>	(1,280,531)

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	(408,690)
Property tax revenues	(84,033)
Long term portion of property tax rebates	256,762

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	15,389
Net additional pension expense for the year	<u>(1,091,414)</u>

Total change in net position - governmental activities	<u><u>\$ 6,566,547</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, 2020

	Business- Type Activities
ASSETS	
Current assets:	
Cash	\$ 53,861
Certificates of deposit	25,000
Accounts receivable	301
Noncurrent assets:	
Capital assets, net of accumulated depreciation (Note 4)	254,452
Total assets	<u>\$ 333,614</u>
LIABILITIES	
Current liabilities:	
Current portion of lease obligations	\$ 7,083
Long term liabilities	
Capital lease obligations	49,680
Total liabilities	<u>\$ 56,763</u>
NET POSITION	
Net investment in capital assets	\$ 197,689
Unrestricted	79,162
Total net position	<u><u>\$ 276,851</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, 2020

	Business- Type Activities
Operating revenue:	
Charges for services	\$ 175,733
Total operating revenue	<u>\$ 175,733</u>
Operating expenses:	
Management fees	\$ 133,987
Depreciation	51,980
Advertising	375
Grounds maintenance and other supplies	6,356
Utilities and telephone	20,450
Repairs and maintenance	18,128
Fuel	3,208
Office expense	12,033
Miscellaneous	100
Total operating expenses	<u>\$ 246,617</u>
Operating loss	<u>\$ (70,884)</u>
Non-operating activities	
Transfers in (out)	\$ 36,000
Interest expense	(3,679)
	<u>\$ 32,321</u>
Change in net position	\$ (38,563)
Net position, beginning	<u>315,414</u>
Net position, ending	<u><u>\$ 276,851</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, 2020

	Business- Type Activities
Cash flows from operating activities:	
Cash received from customers	\$ 185,953
Cash paid to suppliers for goods and services	(204,857)
Net cash from (used in) operating activities	<u>\$ (18,904)</u>
Cash flows from noncapital financing activities:	
Transfers in from other funds	\$ 36,000
Net cash from noncapital financing activities	<u>\$ 36,000</u>
Cash flows from financing activities	
Principal paid on lease obligation	\$ (27,852)
Interest on long term debt	(3,681)
	<u>\$ (31,533)</u>
Net increase (decrease) in cash	\$ (14,437)
Cash, beginning of year	<u>68,298</u>
Cash, end of year	<u><u>\$ 53,861</u></u>
Reconciliation of operating loss to net cash from operating activities:	
Operating (loss) income	\$ (70,884)
Adjustments to reconcile operating loss to net cash in operating activities:	
Depreciation	51,980
Net cash from (used in) operating activities	<u><u>\$ (18,904)</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, 2020

	<u>Tax Collections</u>	<u>Fire Fighter Donations</u>
ASSETS		
Cash	\$ 1,668,334	\$ 58,191
Total assets	<u>\$ 1,668,334</u>	<u>\$ 58,191</u>
NET POSITION		
Restricted	\$ 1,668,334	\$ 58,191
Total Net Position	<u>\$ 1,668,334</u>	<u>\$ 58,191</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 FUND
JUNE 30, 2020

	<u>Tax Collections</u>	<u>Fire Fighter Donations</u>
ADDITIONS		
Tax and interest receipts	\$ 155,951,862	\$ -
Donations and fund raising		11,813
	<u>\$ 155,951,862</u>	<u>\$ 11,813</u>
DEDUCTIONS		
Payments to other entities	\$ 160,744,792	\$ -
Expenditures firefighters		32,035
	<u>160,744,792</u>	<u>32,035</u>
CHANGE IN NET POSITION	\$ (4,792,930)	\$ (20,222)
NET POSITION -BEGINNING OF YEAR	6,461,264	78,413
NET POSITION -END OF YEAR	<u><u>\$ 1,668,334</u></u>	<u><u>\$ 58,191</u></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, the Weed and Pest Control District, and Sublette County/Town of Big Piney Community Impact Joint Powers Board. The Weed and Pest Control District financial data is not included in these financial statements.

Discretely Presented Component Units

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

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Government-Wide Financial Statements

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

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Statements

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

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

Fund Based Statements

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

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Financial Statement Amounts

Investments

Investments are carried at fair market value.

Inventory

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

Capital Assets

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

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

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

Deferred Outflows/Inflows of Resources

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

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

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

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

Fund Balance

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

1. Non-spendable fund balance - amounts that are not in non-spendable form (such as inventory) or are required to be maintained intact.
2. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
3. Committed fund balance - amounts constrained to specific purposes by the County itself enacted by resolution of the Board of County Commissioners. Committed fund balances cannot be used for any other purpose unless the commitment expires as set forth in the resolution, or a new Board resolution amends the commitment.
4. Assigned fund balance - amounts the County intends to use for a specific purpose. Intent can be expressed by the County Commissioners or by an official or body to which the County Commissioners delegates the authority.
5. Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the general fund.

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

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

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

Compensated Absences

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

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

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

Cash and Cash Equivalents

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

Estimates

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Restricted/Unrestricted Net Assets

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

Pensions

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

New GASB Accounting Pronouncements

GASB Statement No. 84, Fiduciary Activities, will be effective for the County for the year ended June 30, 2020. The objective of GASB Statement No. 84 is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. GASB Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

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.

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

– 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.

Benefits (Continued)

– Normal Form of Payment

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

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

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

Contributions

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

	Plan Member Contributions	Employer Contributions	Total
Public Employee Pension Plan	8.75%	8.87%	17.62%
Law Enforcement Plan	8.60%	8.60%	17.20%
Volunteer Firefighters and EMT Plan	0.00%	\$15/month	\$15/month

Legislation enacted in 1979 allows the employer to pay any or all of the employee's contribution in addition to the matching contribution. The County currently pays 100% of the required employee contribution. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The County's contributions to the System for the year ended June 30, 2020, equal to the required contributions for each year follows:

	Primary Government	Component Units
Public Employee Pension Plan	\$ 1,178,262	\$ 95,499
Law Enforcement Pension Plan	861,767	
Volunteer Firefighters and EMT Plan	15,480	
	<u>\$ 2,055,509</u>	<u>\$ 95,499</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

At June 30, 2020, 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	\$ 8,464,143	\$ 683,549
Law Enforcement Pension Plan	2,658,333	
Volunteer Firefighters and EMT Plan	959,842	
	<u>\$ 12,082,318</u>	<u>\$ 683,549</u>

The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At December 31, 2019 and 2018, the County's proportion was:

	December 31, 2019	December 31, 2018
Primary Government		
Public Employee Pension Plan	0.36019%	0.36049%
Law Enforcement Pension Plan	3.08396%	3.12864%
Volunteer Firefighters and EMT Plan	3.42980%	3.28970%
Component Units		
Library (Public Employee Pension Plan)	0.02909%	0.02897%

For the year ended June 30, 2020, the County recognized an additional pension expense over and above contributions made due to the requirements of GASB 68 as follows:

	Primary Government	Component Units
Additional pension expense	<u>\$ 1,091,414</u>	<u>\$ 18,050</u>

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Primary Government		
Net differences between projected and actual earnings on pension plan investments		
Public Employee	\$ -	\$ 1,226,284
Law Enforcement		924,529
Volunteer Fire/EMT		126,220
Changes in proportion and differences between contributions and proportionate share of contributions		
Public Employee	336,647	
Law Enforcement		39,649
Volunteer Fire/EMT	76,992	
Difference between expected and actual experience		
Public Employee		163,744
Law Enforcement	250,798	
Volunteer Fire/EMT		44,711
Contributions subsequent to the measurement date		
Public Employee	600,303	
Law Enforcement	428,106	
Volunteer Fire/EMT	7,530	
Assumption Changes –		
Public Employee	281,707	
Law Enforcement		426,667
Volunteer Fire/EMT	50,726	
	<u>\$ 2,032,809</u>	<u>\$ 2,951,804</u>
Component Units		
Net differences between projected and actual earnings on pension plan investments	\$ -	\$ 105,501
Changes in proportion and differences between contributions and proportionate share of contributions		54,838
Difference between expected and actual experience		13,747
Assumption changes	25,605	
Contributions subsequent to the measurement date	47,875	
	<u>\$ 73,480</u>	<u>\$ 174,086</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 \$1,035,939 and \$47,875 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, 2021. 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
2021	\$ 2,618,689	\$ 267,994
2022	1,876,534	239,865
2023	1,538,783	152,065
2024	1,489,626	31,110
	<u>\$ 7,523,632</u>	<u>\$ 691,034</u>

Component Units

For the Year Ended June 30,

	Outflows	Inflows
2021	\$ 77,923	\$ 36,503
2022	39,087	29,826
2023	19,370	30,890
2024	43,943	9,015
	<u>\$ 180,323</u>	<u>\$ 106,234</u>

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Actuarial Assumptions

The current assumptions used in the actuarial valuation were adopted by the Board effective April 8, 2019 and were first utilized with the January 1, 2019 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.

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	29 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:	7.00%
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:	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 88%
Pre-retirement mortality:	RP-2014 Employee Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

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

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Long-Term Expected Return on Plan Assets

The 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, 2019. In addition, a five-year experience study was completed as of December 31, 2016 and this study provides a detailed analysis regarding recommendations on the long-term rates for inflation and the real rate of return. The assumed rate of investment return of 7.00% (real return net of inflation of 4.75%) 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 fiscal year 2019. 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%	-0.20%	-0.20%
Fixed Income	21.00%	1.32%	1.67%
Equity	48.50%	5.43%	7.42%
Market Alternatives	19.00%	3.46%	4.33%
Private Markets	9.50%	4.46%	5.58%
	100.00%	3.99%	5.30%

Single Discount Rate

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 3. PENSION PLAN (Continued)

Sensitivity of Results

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.00% for all plans 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 (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
Primary Government Public Employee Pension Plan	\$ 12,787,892	\$ 8,464,143	\$ 4,855,577
Law Enforcement Pension Plan	\$ 5,926,325	\$ 2,658,333	\$ (13,191)
Volunteer Firefighters and EMT Plan	\$ 1,441,615	\$ 959,841	\$ 561,625
Component Units - Library Public Employee Pension Plan	\$ 1,032,727	\$ 683,549	\$ 392,128

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, 2020
	Balance June 30, 2019	Additions	Transfers	
Assets				
Non Depreciable:				
Land	\$ 8,297,230	\$ 1,025,803	\$ -	\$ 9,323,033
Construction in progress	2,110,908	4,808,440	(2,254,068)	4,665,280
	<u>\$ 10,408,138</u>	<u>\$ 5,834,243</u>	<u>\$ (2,254,068)</u>	<u>\$ 13,988,313</u>
Depreciable				
Buildings and structures	\$ 130,257,975	\$ 94,380	\$ 549,216	\$ 130,901,571
Machinery and equipment	32,160,469	1,412,973	-	33,573,442
Vehicles	11,250,201	422,047		11,672,248
Infrastructure	76,169,605	-	1,704,852	77,874,457
	<u>\$ 249,838,250</u>	<u>\$ 1,929,400</u>	<u>\$ 2,254,068</u>	<u>\$ 254,021,718</u>
Accumulated Depreciation				
Buildings and structures	\$ 47,116,636	\$ 4,213,856	\$ -	\$ 51,330,492
Machinery and equipment	24,168,907	1,887,969		26,056,876
Vehicles	10,252,357	404,575		10,656,932
Infrastructure	17,501,740	2,537,773		20,039,513
	<u>\$ 99,039,640</u>	<u>\$ 9,044,173</u>	<u>\$ -</u>	<u>\$ 108,083,813</u>
Net depreciable assets	<u>\$ 150,798,610</u>	<u>\$ (7,114,773)</u>	<u>\$ 2,254,068</u>	<u>\$ 145,937,905</u>
Total capital assets, net	<u>\$ 161,206,748</u>	<u>\$ (1,280,530)</u>	<u>\$ -</u>	<u>\$ 159,926,218</u>

Depreciation expense has been charged to the following functions:

General Government	\$ 1,143,383
Public safety	1,039,635
Public works	4,082,555
Health, welfare and recreation	2,768,268
Conservation of natural resources	10,332
	<u>\$ 9,044,173</u>

	Primary Government/Business-Type Activities			Balance June 30, 2020
	Balance June 30, 2019	Additions	Transfers	
Assets				
Land, buildings and structure	\$ 1,122,413	\$ -	\$ -	\$ 1,122,413
Assets under capital lease	172,387			172,387
Machinery and equipment	724,252			724,252
	<u>\$ 2,019,052</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,019,052</u>
Accumulated depreciation	<u>\$ 1,712,620</u>	<u>\$ 51,980</u>	<u>\$ -</u>	<u>\$ 1,764,600</u>
Total capital assets, net	<u>\$ 306,432</u>			<u>\$ 254,452</u>

	Component Units			Balance June 30, 2020
	Balance June 30, 2019	Additions	Transfers	
Assets				
Library	\$ 3,630,909	\$ -	\$ -	\$ 3,630,909
Fair	1,295,237			1,295,237
	<u>\$ 4,926,146</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,926,146</u>
Accumulated depreciation				
Library	\$ 2,304,790	\$ 117,234	\$ -	\$ 2,422,024
Fair	1,178,848	8,105		1,186,953
	<u>\$ 3,483,638</u>	<u>\$ 125,339</u>	<u>\$ -</u>	<u>\$ 3,608,977</u>
Total capital assets, net	<u>\$ 1,442,508</u>			<u>\$ 1,317,169</u>

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS

Investments

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

As of June 30, 2020, 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	\$ 50,782,410	\$ 5,285,186	\$ 38,765,374	\$ 6,731,850	\$ -
Federal Home Loan Bank	46,070,965	15,129,419	28,669,026	2,272,520	-
Federal Home Loan Mortgage Corporation	2,203,812				2,203,812
Federal National Mortgage Association	17,640,736		1,753,059	10,692,270	5,195,407
Government National Mortgage Association	1,043,471				1,043,471
SBA Note	198,947				198,947
U.S. Govt. Bond	966,708			966,708	
	<u>\$ 118,907,049</u>	<u>\$ 20,414,605</u>	<u>\$ 69,187,459</u>	<u>\$ 20,663,348</u>	<u>\$ 8,641,637</u>

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

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

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

Certificates of Deposit

The County has invested in numerous publicly traded certificates of deposit. Each of these certificates is under \$250,000 with a total value of \$79,477,377.

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 6. CASH AND INVESTMENTS (Continued)

External Investment Pools

The County also invests in the WYO-STAR Investment Fund which is administered by the Wyoming State Treasurer. These approved investments are carried at cost, which approximates market and may be liquidated as needed. These investment pools have not been assigned a risk category since the County is not issued securities, but rather owns an undivided beneficial interest in the assets of these pools. Due to the short-term nature of the pool's assets and liabilities, the carrying value as recorded in the statement of assets and liabilities approximates fair value. At June 30, 2020, the County's balance in this pool was \$33,319,262 and is included as a cash equivalent in these financial statements

Custodial Credit Risk

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

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

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

	<u>Carrying Value</u>	<u>FDIC Insured</u>	<u>Secured by pledging</u>	<u>Uninsured and unsecured</u>	<u>Other</u>
General and Agency Fund					
Cash	\$ 35,490,135	\$ 268,620	\$ 1,995,898	\$ -	\$ 33,682,206
Certificates of deposit	45,795,170	45,795,170			
Non Major Funds					
Cash	805,517	528,662	276,923		
Proprietary funds					
Cash	53,861	56,351			
Certificates of deposit	25,000	25,000			
Total	<u>\$ 82,169,683</u>	<u>\$ 46,673,803</u>	<u>\$ 2,272,821</u>	<u>\$ -</u>	<u>\$ 33,682,206</u>

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

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 \$216,895 included in the financial statements as of June 30, 2020, 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, 2020.

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.

NOTE 8. RISK MANAGEMENT

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

NOTE 9. LANDFILL CLOSURE AND POST CLOSURE CARE

State and federal laws and regulations require the County to place a final cover on its Big Piney landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure costs as an operating expenditure in the general fund in each period based on landfill capacity used as of each balance sheet date. Estimated costs at June 30, 2020 are to be \$4,205,787. The County reflects \$814,664 as liability for the landfill closure and post closure care liability at June 30, 2020. This represents the cumulative amount reported to date based on the use of 19.37% of the estimated capacity of the landfill. These amounts are based on estimates of the costs necessary to perform all closure and post closure care as of June 30, 2020. The engineer's estimate suggests the remaining life of the landfill to be eighty-one years. These estimates have potential for change due to inflation, technology, and/or applicable laws or regulations. Sublette County expects to close the landfill in the year 2074. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 10. RESTRICTED\COMMITTED FUND BALANCES AND NET POSITION

Restricted Fund Balances

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

General Fund:	
County road construction fund	<u>\$ 10,039,803</u>
Non Major Funds:	
Recreation Board	774,485
Museum Board	<u>27,169</u>
	<u>\$ 801,654</u>

Committed Fund Balances

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

Landfill closure costs	\$ 5,500,000
Equipment	12,468,561
Future construction costs	<u>142,778,457</u>
	<u>\$ 160,747,018</u>

Stabilization Amounts

Through the budgeting process and in accordance with Wyoming State Statutes, the County Commissioners have established a cash reserve for the 2020 fiscal year of \$10,000,000.

NOTE 11. INTERFUND TRANSFERS

Operating Transfers In (Out) consist of the following:

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

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

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 12. TAX REBATE PAYABLE

Several major property taxpayers successfully won an appeal on the assessed value of their property. In accordance with Wyoming Statute the County elected to repay these over 5 a year period. This resulted in the County having to repay the property tax mill levy revenue previously received.

The following schedule shows repayments to be made:

For the year ending June 30	General Fund	Recreation Fund	Museum Fund	Fire Fund	Fair Board	Library Board
2021	<u>\$ 245,824</u>	<u>\$ 3,280</u>	<u>\$ 2,596</u>	<u>\$ 5,062</u>	<u>\$ 1,978</u>	<u>\$ 8,607</u>

NOTE 13. LEASING ARRANGEMENT PROPRIETARY FUND

At June 30, 2020, the County Golf Course had the following 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, 2020 is \$56,754.

Future minimum lease payments are as follows:

<u>Fiscal Year</u>	<u>Golf Cart Lease</u>
2021	9,750
2022	9,750
2023	44,250
	<u>\$ 63,750</u>
Amounts representing interest	6,997
Present value of lease payments	<u>\$ 56,753</u>

Changes

A summary of changes in the capital leases for the year ended June 30, 2020, is presented below:

	<u>Balance at June 30, 2019</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2020</u>
Lease Purchase Obligations	<u>\$ 84,616</u>	<u>\$ -</u>	<u>\$ 27,853</u>	<u>\$ 56,763</u>

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

Carrying cost	\$ 72,011
Depreciation to date	22,804
Current depreciation	14,402

SUBLETTE COUNTY, WYOMING
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14. CHANGE IN LONG-TERM LIABILITIES GOVERNMENTAL ACTIVITIES

	June 30, 2019	Additions	Deletions	June 30, 2020	Within One Year
Landfill closure and post closure estimate cost	\$ 814,665	\$ -	\$ -	\$ 814,665	\$ -
Proportionate share of net pension liability	19,722,302	-	7,639,984	12,082,318	-
Compensated absences	666,685	-	15,389	651,296	-
	<u>\$ 21,203,652</u>	<u>\$ -</u>	<u>\$ 7,655,373</u>	<u>\$ 13,548,279</u>	<u>\$ -</u>

NOTE 15. CHANGE IN LONG-TERM LIABILITIES COMPONENT UNITS

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020	Amount Due Within One Year
Proportionate share of net pension liability	\$ 882,464	\$ -	\$ 198,915	\$ 683,549	\$ -
Compensated absences	18,833	9,737	-	28,570	-
	<u>\$ 901,297</u>	<u>\$ 9,737</u>	<u>\$ 198,915</u>	<u>\$ 712,119</u>	<u>\$ -</u>

Required Supplementary Information

SUBLETTE COUNTY, WYOMING

GENERAL FUND - BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2020

REVENUES

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Taxes				
Property and Production	\$ 24,583,256	\$ 24,583,256	\$ 24,843,440	\$ 260,184
County Share of Motor Vehicle fees	500,000	500,000	605,208	105,208
Sales and Use Taxes	5,000,000	5,000,000	4,031,381	(968,619)
5% Reimbursement Use Tax	85,000	85,000	40,648	(44,352)
Sales Tax Penalty	10,000	10,000	14,489	4,489
Gas Taxes	500,000	500,000	788,330	288,330
Special Fuel	900,000	900,000	1,145,001	245,001
Cigarette Taxes	5,000	5,000	5,191	191
Total Taxes	<u>\$ 31,583,256</u>	<u>\$ 31,583,256</u>	<u>\$ 31,473,688</u>	<u>\$ (109,568)</u>
Licenses and Permits				
Liquor Licenses	\$ 7,300	\$ 7,300	\$ 15,152	\$ 7,852
Business Licenses	120	120	-	(120)
Total Licenses and Permits	<u>\$ 7,420</u>	<u>\$ 7,420</u>	<u>\$ 15,152</u>	<u>\$ 7,732</u>
Fines and Forfeitures				
County Clerk Fees	\$ 150,000	\$ 150,000	\$ 200,610	\$ 50,610
Clerk of Court Fees	35,000	35,000	41,491	6,491
Sheriff Fees	15,000	15,000	26,770	11,770
Total Fines and Forfeitures	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 268,871</u>	<u>\$ 68,871</u>
Charges for Services				
Landfill\Transfer Station\Recycling	\$ 210,000	\$ 210,000	\$ 406,699	\$ 196,699
Fairgrounds	50,000	50,000	23,243	(26,757)
Ice arena	20,000	20,000	24,464	4,464
Public Health Nurse	83,500	83,500	173,068	89,568
Planning and Zoning	11,000	11,000	21,453	10,453
Prisoner Room and Board	-	-	7,599	7,599
Fuel Reimbursement - Weed & Pest/Fair	35,000	35,000	42,028	7,028
E-911 Reimbursement	25,000	25,000	53,733	28,733
Search and Rescue	51,000	51,000	-	(51,000)
Other	5,407	5,407	5,600	193
Total Charges for Services	<u>\$ 490,907</u>	<u>\$ 490,907</u>	<u>\$ 757,887</u>	<u>\$ 266,980</u>
Intergovernmental				
State Severance Tax	\$ 101,735	\$ 101,735	\$ 122,817	\$ 21,082
State Severance Tax (Section 316)	52,489	52,489	-	(52,489)
Forest Reserve Funds	400,000	400,000	525,906	125,906
Grants	152,000	1,425,357	1,360,072	(65,285)
State and County Road Fund	443,727	443,727	508,053	64,326
Lottery	25,000	25,000	26,042	1,042
Attorney Reimbursement	140,000	140,000	138,988	(1,012)
Homeland Security	9,600	9,600	59,606	50,006
Payment in Lieu of Property Taxes	525,000	525,000	992,122	467,122
Total Intergovernmental	<u>\$ 1,849,551</u>	<u>\$ 3,122,908</u>	<u>\$ 3,733,606</u>	<u>\$ 610,698</u>
Investment income	<u>\$ 900,000</u>	<u>\$ 900,000</u>	<u>\$ 3,504,700</u>	<u>\$ 2,604,700</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, 2020

REVENUES (Continued)				
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Other				
Fairgrounds Budget	\$ 571,000	\$ 571,000	\$ -	\$ (571,000)
Ice arena Budget	343,500	343,500		(343,500)
United Fire Budget	2,542,992	1,422,965	7,399,394	5,976,429
Other	50,500	50,500	311,775	261,275
Total Other	<u>\$ 3,507,992</u>	<u>\$ 2,387,965</u>	<u>\$ 7,711,169</u>	<u>\$ 5,323,204</u>
Total Revenues	<u>\$ 38,539,126</u>	<u>\$ 38,692,456</u>	<u>\$ 47,465,073</u>	<u>\$ 8,772,617</u>
EXPENDITURES				
Central Government				
County Commissioners	\$ 290,000	\$ 381,969	\$ 375,618	\$ 6,351
County Clerk	347,605	347,605	341,276	6,329
County Treasurer	336,718	336,718	307,714	29,004
County Assessor	493,987	493,987	462,745	31,242
County Attorney	704,937	704,937	473,717	231,220
Clerk of District Court	374,002	374,002	343,079	30,923
Information Technology	696,858	700,745	348,150	352,595
Geographic Information Systems	45,600	45,600	42,935	2,665
County Engineer	12,000	12,000	415	11,585
Courthouse and Maintenance	2,851,659	2,867,721	2,590,111	277,610
Elections	17,500	17,500	115	17,385
County Planning and Zoning	122,020	122,020	107,887	14,133
Treatment Court	221,930	223,945	154,881	69,064
Total Central Government	<u>\$ 6,514,816</u>	<u>\$ 6,628,749</u>	<u>\$ 5,548,643</u>	<u>\$ 1,080,106</u>
Public Safety				
Detention	\$ 2,469,859	\$ 2,470,028	\$ 2,154,831	\$ 315,197
Communications	946,345	989,345	989,248	97
Law Enforcement	3,976,241	4,023,183	3,851,437	171,746
Emergency Management	113,966	140,569	132,568	8,001
Search and Rescue	782,866	785,606	640,954	144,652
County Coroner	56,550	56,550	44,226	12,324
Fire Warden	2,542,998	2,390,835	2,093,878	296,957
Total Public Safety	<u>\$ 10,888,825</u>	<u>\$ 10,856,116</u>	<u>\$ 9,907,142</u>	<u>\$ 948,974</u>
Public Works				
Road and Bridge	\$ 7,316,227	\$ 7,320,803	\$ 7,007,140	\$ 313,663
Waste Management	1,160,161	1,160,161	846,341	313,820
Transfer Station	453,800	453,800	358,980	94,820
Recycling	61,650	61,650	46,147	15,503
Total Public Works	<u>\$ 8,991,838</u>	<u>\$ 8,996,414</u>	<u>\$ 8,258,608</u>	<u>\$ 737,806</u>
Health, Welfare and Recreation				
Health	\$ 477,235	\$ 563,350	\$ 563,922	\$ (572)
Health Officer and Sanitation	48,159	48,359	44,830	3,529
Fair Grounds	571,000	571,438	437,232	134,206
Ice Arena	343,500	343,500	282,281	61,219
Total Health, Welfare and Recreation	<u>\$ 1,439,894</u>	<u>\$ 1,526,647</u>	<u>\$ 1,328,265</u>	<u>\$ 198,382</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, 2020

EXPENDITURES (Continued)

	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
Conservation of Natural Resources County Extension Department	\$ 131,994	\$ 132,051	\$ 98,573	\$ 33,478
Miscellaneous General	\$ 20,791,716	\$ 23,739,625	\$ 17,865,761	\$ 5,873,864
Total Expenditures	\$ 48,759,083	\$ 51,879,602	\$ 43,006,992	\$ 8,872,610
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (10,219,957)	\$ (13,187,146)	\$ 4,458,081	
FUND BALANCE (NON-GAAP) - Beginning	183,934,164	183,934,164	183,934,164	
FUND BALANCE (NON-GAAP) - Ending	\$ 173,714,207	\$ 170,747,018	\$ 188,392,245	
COMPRISED OF:				
Cash reserve	\$ 10,000,000	\$ 10,000,000		
Equipment reserve	13,360,960	12,468,561		
Depreciation reserve	150,353,247	148,278,457		
	\$ 173,714,207	\$ 170,747,018		

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

SUBLETTE COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY DATA

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING

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

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

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

	General Fund
Resources/inflows budgetary basis	\$ 47,465,073
Differences - budget to GAAP	
Receivables at June 30, 2019 received in the year ending June 30, 2020 included in 2020 budget data but not GAAP basis	
Sales and fuel taxes	(764,114)
Receivables at June 30, 2020 for GAAP purposes revenues not included in 2020 budget data	
Sales and fuel taxes	402,934
Grants	1,193,152
Unrealized loss on investments not recognized for budget purposes	3,688,942
Accrual of tax rebate payable	150,127
Classification differences	(614)
Revenues fund financial statements	<u>\$ 52,135,500</u>

SUBLETTE COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY DATA

NOTE 1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

	General Fund
Expenditures/budgetary basis	<u>\$ 43,006,992</u>
Differences - budget to GAAP	
Payables at June 30, 2019 paid in the year ending June 30, 2020 included in budget data	
Accounts payable	(263,359)
Insurance claim liability	(214,815)
Payables at June 30, 2020 not paid in the year ending June 30, 2020 included in GAAP data	
Accounts and retainage payable	243,555
Insurance claim liability	216,896
Change in insurance cash reserve	(66,188)
Other difference	(960)
Expenditures fund financial statements	<u><u>\$ 42,922,121</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, 2020 TO 2014

Public Employees Pension Plan							
	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 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	1,178,262	1,080,174	1,006,670	991,799	986,406	957,237	853,728
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 6,687,074	\$ 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	17.62%	17.04%	16.62%	16.62%	16.62%	15.85%	14.61%
Law Enforcement Pension Plan							
	2020	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 861,767	\$ 875,299	\$ 828,591	\$ 814,293	\$ 831,091	\$ 814,395	\$ 792,181
Contribution in relation to the contractually required contribution	861,767	875,299	828,591	814,293	831,091	814,395	792,181
Contribution (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 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%	17.19%	17.20%	17.20%	17.20%	17.10%	17.45%
Volunteer Firefighter and EMT Plan							
	2019	2019	2018	2017	2016	2015	2014
Contractually required contributions	\$ 15,480	\$ 12,810	\$ 13,710	\$ 13,035	\$ 12,600	\$ -	\$ -
Contribution in relation to the contractually required contribution	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

SUBLETTE COUNTY, WYOMING
SCHEDULE OF CONTRIBUTIONS - WYOMING RETIREMENT SYSTEM
COMPONENT UNITS
FOR THE YEARS ENDED JUNE 30, 2020 TO 2014

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contributions							
Library	<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>
	<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>\$ 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>
	<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Component Units covered payroll							
Library	<u>\$ 541,991</u>	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 614,599</u>	<u>\$ 582,190</u>
	<u>\$ 541,991</u>	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 614,599</u>	<u>\$ 582,190</u>
Contributions as a percentage of covered employee payroll							
Library	<u>17.62%</u>	<u>17.22%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>16.62%</u>	<u>15.85%</u>	<u>14.61%</u>

SUBLETTE COUNTY, WYOMING
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY - WYOMING RETIREMENT SYSTEM
PRIMARY GOVERNMENT
FOR THE YEARS ENDED JUNE 30, 2020 TO 2014

	2020	2019	2018	2017	2016	2015	2014
The Primary Government's proportionate share of the net pension liability (%)							
Public Employee Pension Plan	0.36019%	0.36049%	0.34013%	0.33177%	0.33505%	0.33259%	0.34017%
Law Enforcement Pension Plan	3.08396%	3.12864%	3.03181%	3.04344%	3.04072%	2.97249%	2.98999%
Volunteer Firefighter and EMT Plan	0.03430%	0.03897%	3.19506%	3.06114%	3.00025%	NA	NA
The Primary Government's proportionate share of the net pension liability (\$)							
Public Employee Pension Plan	\$ 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	\$ 2,658,333	\$ 7,573,573	\$ 2,608,704	\$ 2,297,554	\$ 2,284,187	\$ 875,805	\$ 545,941
Volunteer Firefighter and EMT Plan	\$ 959,841	\$ 1,170,824	\$ 913,958	\$ 971,782	\$ 950,832	NA	NA
The Primary Government's covered payroll							
Public Employee Pension Plan	\$ 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	\$ 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	126.57%	173.15%	128.00%	134.40%	131.50%	97.20%	88.52%
Law Enforcement Pension Plan	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
Plan fiduciary net position as a percentage of the total plan liability							
Public Employee Pension Plan	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%	
Law Enforcement Pension Plan	89.05%	71.22%	87.99%	88.11%	87.49%	94.76%	
Volunteer Firefighter and EMT Plan	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, 2020 TO 2014

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
The Component Unit's proportionate share of the net pension liability (%)							
Library	<u>0.02909%</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>\$ 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>\$ 541,991</u>	<u>\$ 497,982</u>	<u>\$ 511,132</u>	<u>\$ 593,436</u>	<u>\$ 607,894</u>	<u>\$ 614,599</u>	<u>\$ 582,190</u>
The Component Unit's proportionate share of the net pension liability as a percentage of the Component Unit's covered payroll							
Library	<u>126.12%</u>	<u>177.21%</u>	<u>137.86%</u>	<u>140.87%</u>	<u>128.87%</u>	<u>99.25%</u>	<u>88.47%</u>
Plan fiduciary net position as a percentage of the total plan liability							
Library	<u>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, 2020

	Governmental Activities		
	Recreation Board	Museum Board	Total
ASSETS			
Cash	\$ 776,923	\$ 28,593	\$ 805,516
Receivables other	842		842
Due from Trust and Agency		1,168	1,168
Total assets	<u>\$ 777,765</u>	<u>\$ 29,761</u>	<u>\$ 807,526</u>
LIABILITIES			
Tax rebate payable	\$ 3,280	\$ 2,592	\$ 5,872
Total Liabilities	<u>\$ 3,280</u>	<u>\$ 2,592</u>	<u>\$ 5,872</u>
FUND BALANCE			
Restricted	<u>\$ 774,485</u>	<u>\$ 27,169</u>	<u>\$ 801,654</u>
Total liabilities and fund balance	<u>\$ 777,765</u>	<u>\$ 29,761</u>	<u>\$ 807,526</u>

SUBLETTE COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities		
	Recreation Board	Museum Board	Total
REVENUE			
Taxes	\$ 249,531	\$ 384,936	\$ 634,467
Investment income	209		209
Total revenues	<u>\$ 249,740</u>	<u>\$ 384,936</u>	<u>\$ 634,676</u>
EXPENDITURES			
Current:			
Health, welfare, culture and recreation	\$ 297,202	\$ 355,789	\$ 652,991
Total expenditures	<u>\$ 297,202</u>	<u>\$ 355,789</u>	<u>\$ 652,991</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ (47,462)	\$ 29,147	\$ (18,315)
OPERATING TRANSFERS	<u>(36,000)</u>		<u>(36,000)</u>
Revenues over (under) expenditures after operating transfers	\$ (83,462)	\$ 29,147	\$ (54,315)
FUND BALANCE, BEGINNING	<u>857,947</u>	<u>(1,978)</u>	<u>855,969</u>
FUND BALANCE, ENDING	<u><u>\$ 774,485</u></u>	<u><u>\$ 27,169</u></u>	<u><u>\$ 801,654</u></u>

SUBLETTE COUNTY, WYOMING

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2020

	Library Board	Fair Board	Sublette County/ Town of Big Piney Community Impact Joint Powers Board	Total
ASSETS				
Cash and cash equivalents	\$ 411,492	\$ 365,455	\$ 1,932	\$ 778,879
Receivables				
Property Taxes	27,731			27,731
Due from trust and agency	3,216			3,216
Capital assets (net of accumulated depreciation)	1,208,885	108,284		1,317,169
Total Assets	<u>\$ 1,651,324</u>	<u>\$ 473,739</u>	<u>\$ 1,932</u>	<u>\$ 2,126,995</u>
DEFERRED OUTFLOWS OF RESOURCES				
Retirement contributions	\$ 47,875	\$ -	\$ -	\$ 47,875
Change in assumptions	25,605			25,605
Total deferred outflows of resources	<u>\$ 73,480</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,480</u>
LIABILITIES				
Accounts and vouchers payable	\$ 206	\$ 3,466	\$ -	\$ 3,672
Tax rebate payable	8,607	1,978		10,585
Total current liabilities	<u>\$ 8,813</u>	<u>\$ 5,444</u>	<u>\$ -</u>	<u>\$ 14,257</u>
Compensated absences payable	\$ 28,570	\$ -	\$ -	\$ 28,570
Proportionate share of net pension liability	683,549			683,549
Total non current liabilities	<u>\$ 712,119</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 712,119</u>
Total liabilities	<u>\$ 720,932</u>	<u>\$ 5,444</u>	<u>\$ -</u>	<u>\$ 726,376</u>
DEFERRED INFLOWS OF RESOURCES				
Difference between contributions and proportionate share of contributions	\$ 54,838	\$ -	\$ -	\$ 54,838
Difference between proportionate share of projected and actual earnings on pension plan investments (net)	105,501			105,501
Difference between expected and actual experience	13,747			13,747
Total deferred inflows of resources	<u>\$ 174,086</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,086</u>
NET POSITION				
Net investment in capital assets	\$ 1,208,885	\$ 108,284	\$ -	\$ 1,317,169
Unrestricted	(379,099)	360,011	1,932	(17,156)
Total net position	<u>\$ 829,786</u>	<u>\$ 468,295</u>	<u>\$ 1,932</u>	<u>\$ 1,300,013</u>

SUBLETTE COUNTY, WYOMING
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2020

	Library Board	Fair Board	Sublette County/ Town of Big Piney Community Impact Joint Powers Board	Total
EXPENSES				
Expenses other than depreciation	\$ 1,188,642	\$ 238,838	\$ -	\$ 1,427,480
Depreciation	117,226	8,104		125,330
Total expenses	<u>\$ 1,305,868</u>	<u>\$ 246,942</u>	<u>-</u>	<u>\$ 1,552,810</u>
SPECIFIC REVENUES				
Charges for services	11,102	47,305		58,407
Operating grants and contributions	4,916			4,916
Net revenues (expenses)	<u>\$ (1,289,850)</u>	<u>\$ (199,637)</u>	<u>\$ -</u>	<u>\$ (1,489,487)</u>
GENERAL REVENUES				
Property taxes	1,142,016	300,278		1,442,294
Auto fees	30,375			30,375
Interest	36	369		405
Miscellaneous	<u>1,168</u>	<u></u>	<u></u>	<u>1,168</u>
CHANGE IN NET POSITION	\$ (116,255)	\$ 101,010	\$ -	\$ (15,245)
NET POSITION AT BEGINNING OF YEAR	<u>946,041</u>	<u>367,285</u>	<u>1,932</u>	<u>1,315,258</u>
NET POSITION AT END OF YEAR	<u><u>\$ 829,786</u></u>	<u><u>\$ 468,295</u></u>	<u><u>\$ 1,932</u></u>	<u><u>\$ 1,300,013</u></u>

SUBLETTE COUNTY WYOMING
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2020

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>\$ 551,377</u>	551,377	\$ 25,471
U.S. Department of Health and Human Services					
Passed through Wyoming Department of Health and Human Services					
County Health Officer Grant	93.069		\$ 9,600		
Public Health Emergency Response	93.354		118,853		
TANF Maternal and Child Health	93.558		2,854		
Block Grant for Treatment and Prevention of Substance Abuse	93.959		<u>124,424</u>	255,731	
COVID 19 AWARDS					
U.S. Treasury					
Passed through the Office of State Land & Investments, Forestry Assistance					
Coronavirus Aid, Relief & Economic Security Grant	21.019	CRF-375	<u>\$ 1,193,152</u>	<u>1,193,152</u>	
				<u>\$ 2,000,260</u>	<u>\$ 25,471</u>

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

SUBLETTE COUNTY, WYOMING
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

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, 2020, and the related notes to the financial statements, which collectively comprise Sublette County, Wyoming's basic financial statements and have issued our report thereon dated March 16, 2021.

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 2020-001.

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.

A handwritten signature in blue ink that reads "Leo Riley & Co." with a stylized flourish at the end.

Mach 16, 2021

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

We have audited the Sublette County, Wyoming 's compliance with the types of compliance requirements described 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, 2020. Sublette County, Wyoming 's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sublette County, Wyoming's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Laramie County School District No. Two's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination Sublette County, Wyoming compliance.

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control Over Compliance

Management of Sublette County, Wyoming is responsible for establishing and maintaining effective internal control over compliance with the type of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sublette County, Wyoming internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sublette County, Wyoming internal control over compliance.

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

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

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

Leo Riley & Co.

March 16, 2021

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 Treasury – Coronavirus Aid and Relief & Economic Security Grant
8. Sublette County, Wyoming was not qualified to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCIES

2020-001 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

SUBLETTE COUNTY, WYOMING

SUMMARY OF FINDINGS AND QUESTIONED COSTS

boards of the component units be aware of the chance of errors and irregularities not being timely detected is elevated.

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.

SUBLETTE COUNTY, WYOMING
STATUS OF PRIOR YEAR FINDINGS
JUNE 30, 2020

FINDINGS - FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCIES

2019-001

Separation of Duties

Ongoing comment and condition. See item 2020-001 in current Schedule of Findings and Responses.