

WESTON COUNTY, WYOMING

FINANCIAL AND COMPLIANCE REPORT

June 30, 2014

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INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Weston County, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Weston County, Wyoming (the "County"), as of and for the year ended June 30, 2014, 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 statement 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 of 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.

Basis for Qualified Opinion on the Aggregate Discretely Presented Component Units

The financial statements referred to above do not include the financial statements of the Weston County Weed and Pest Control District (the "District"), and we were not engaged to audit the District's financial statements as part of our audit of the County's basic financial statements. Weston County Weed and Pest Control District's financial activities have not been included in the County's basic financial statements as a discretely presented component unit which accounting principles generally accepted in the United States of America require to be reported with the financial data of the primary government. Based on information audited by another auditor and prepared on a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, the assets, net position and revenues of the aggregate discretely presented component units would have increased by \$1,005,030, \$1,005,030, and \$1,478,426 respectively.

In addition, management of the Solid Waste District has not performed an evaluation of the estimated total closure and postclosure monitoring costs for its landfill. Accounting principles generally accepted in the United States of America require recording a liability and related expense for closure and postclosure monitoring costs as the landfill capacity is used. Without a professional evaluation the effect on the liabilities and expenses of the solid waste fund cannot be quantified or determined.

Qualified Opinion

In our opinion, except for the possible effects of the matters described in the "Basis for Qualified Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the aggregate discretely presented component units of Weston County, Wyoming, as of June 30, 2014, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Weston County, Wyoming, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity 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 management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the 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.

The budgetary comparison information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied during 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Supplementary Information and Schedule of Expenditures of Federal Awards

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Additionally, the accompanying schedule of expenditures of federal awards as listed in the table of contents is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements Weston County, Wyoming.

The other supplementary information and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary information and the schedule of expenditures of federal awards have 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 other supplementary information 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 on our consideration of Weston 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 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 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 Weston County, Wyoming's internal control over financial reporting and compliance.



Porter, Muirhead, Cornia & Howard
Certified Public Accountants

Casper, Wyoming

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

As management of Weston County, Wyoming, (the "County") we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ending June 30, 2014.

Financial Highlights

The assets of Weston County exceeded its liabilities at the close of the most recent fiscal year by \$38,216,631 (net position). Of this amount, \$8,288,715 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$10,938,083, of this total amount, \$7,644,618, is available for spending at the government's discretion (unassigned fund balance). At the end of the current fiscal year, this unassigned fund balance was in the general fund.

The County at this time does not have any major debt and the significant capital assets added during this fiscal year were upgrades to various county roads, runway improvements and purchases of equipment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

The government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The County currently does not have any business-type activities.

The governmental activities of the County include general government, public safety, public works, health, welfare, and recreation and conservation of natural resources. The government-wide financial statements can be found on subsequent pages of this report.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Weston County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Weston County can be divided into two categories: governmental funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Weston County maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the County Road Fund, the Airport Project Fund, and the Fair Building Grant Fund, each of which are considered to be major funds. Other governmental funds include several two additional capital project funds and several special revenue funds.

Weston County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14 through 19 of this report.

Fiduciary funds - Fiduciary funds (agency funds) are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of the funds are not available to support Weston County's own programs. However, the fiduciary funds are included in the County's financial statements because the County is financially accountable for these resources, even though they belong to other parties.

The basic fiduciary fund financial statement can be found on page 20 of this report.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 through 35 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Weston County's budgets for the general fund. This required supplementary information can be found on pages 37 through 41 of this report.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Weston County's net position, 72% reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that is still outstanding. Weston County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although Weston County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

For the year, ended June 30, 2014 net position for governmental activities changed as follows:

Beginning net position	\$ 38,875,313
Decrease in net position	(658,682)
Ending net position	<u>\$ 38,216,631</u>

The following table displays a comparison between the current and prior year.

	Governmental Activities	
	2014	2013
Current and other assets	\$ 12,687,811	\$ 11,694,578
Capital assets	27,331,839	28,138,306
Total assets	<u>40,019,650</u>	<u>39,832,884</u>
Long-term liabilities outstanding	53,291	118,737
Other liabilities	192,200	838,834
Total liabilities	<u>245,491</u>	<u>957,571</u>
Deferred inflows of resources	<u>1,557,528</u>	<u>-</u>
Net position:		
Net investment in capital assets	27,331,839	28,069,456
Restricted	2,545,616	2,289,956
Unrestricted	8,288,715	8,515,901
Total net position	<u>\$ 38,166,170</u>	<u>\$ 38,875,313</u>

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Weston County's Changes in Net Position

	<u>2014</u>	<u>2013</u>
Revenues		
Program revenues		
Charges for services	\$ 285,864	\$ 373,201
Operating grants and contributions	253,185	737,830
Capital grants and contributions	1,969,068	514,235
General revenues		
Property taxes	1,475,414	1,837,099
Motor vehicle fees	234,754	267,415
Sales taxes	1,278,857	1,093,794
Gas taxes	411,855	240,861
Other taxes	2,029,196	973,490
Miscellaneous revenue	140,912	92,934
Unrestricted investment earnings	63,553	87,714
Total revenues	<u>8,142,658</u>	<u>6,218,573</u>
Expenses		
General government	3,831,362	2,546,308
Public safety	1,208,419	1,172,877
Public works	2,937,460	4,348,918
Health, welfare and recreation	744,952	380,741
Conservation of natural resources	79,147	85,830
Total expenses	<u>8,801,340</u>	<u>8,534,674</u>
Change in net position	(658,682)	(2,316,101)
Net position - beginning of year	<u>38,875,313</u>	<u>41,191,414</u>
Net position - end of year	<u>\$ 38,216,631</u>	<u>\$ 38,875,313</u>

General County revenue as reported by the County Treasurer increased by \$1,041,234, which is a 23% increase from the previous fiscal year. This increase can be attributed to an increase in severance taxes received during this fiscal year.

General budget expenditures increased by \$266,666 or about 3%. This increase can be attributed to an increase in expenditures in projects funded through the County Road Fund.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Financial Analysis of the Government's Funds

As noted earlier, Weston County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds - The focus on Weston County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Weston County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Weston County's governmental funds reported combined ending fund balances of \$10,938,083 an increase of \$87,432, in comparison with the prior year including the decrease in reserve of inventory.

The general fund is the chief operating fund of Weston County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$7,644,618 while total fund balance reached \$8,132,270. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 129% percent of total general fund expenditures, while total fund balance represents 137% percent of that same amount.

The fund balance of Weston County's general fund decreased by \$200,053 during the current fiscal year.

General Fund Budgetary Highlights

The difference between the final budget and the actual results for FY 2013-2014 was primarily due to decreases in grant funding for Homeland Security and Public Health. The difference between the original FY 2013-2014 budget for the General Fund and the final amended budget amounted to an increase of \$2,133,187 primarily due to unanticipated grant funding for capital projects.

Capital Asset and Debt Administration

Capital assets - Weston County's net investment in capital assets for its governmental type activities as of June 30, 2014, amounts to \$27,331,839. This investment in capital assets included land, buildings, machinery and equipment, infrastructure, and roads. The total decrease in Weston County's investment in capital assets for the current fiscal year was 3% percent.

Major capital asset expenditures during the current fiscal year were improvements to the Mondell Airport Runway; two belly dump trailers, two loaders and a compactor for the Road & Bridge Department; upgrades to the law enforcement fire alarm system, video cameras for law enforcement vehicles; new carpeting in the Newcastle Branch Library; and improvements to various county roads totaling.

The increase in infrastructure was due to the completion of the Federal Emergency Management Agency (FEMA) projects which mitigated flood issues on the Ponderosa Road, Upper Skull Creek Road, Clay Spur Road, Oil Creek Road, and Cheyenne River Road. County Road Funds were used to improve conditions and realign Skull Creek Road and Breakneck Road.

Weston County has no debt other than accrued compensated absences.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

(Unaudited)

Weston County's Capital Assets

(Net of depreciation)

	Governmental Activities	
	2014	2013
Land	\$ 306,250	\$ 306,250
Buildings	1,566,232	1,612,496
Machinery and equipment	1,641,457	1,637,288
Infrastructure	20,367,546	22,944,235
Construction in progress	3,450,354	1,638,037
Total	<u>\$ 27,331,839</u>	<u>28,138,306</u>

Contacting the County's Financial Management

This Financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Weston County Clerk's Office at One West Main, Newcastle, WY 82701.

BASIC FINANCIAL STATEMENTS

WESTON COUNTY, WYOMING

STATEMENT OF NET POSITION
June 30, 2014

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	\$ 756,801	\$ 756,801
Investments	9,708,432	9,708,432
Receivables	2,023,488	2,023,488
Due from primary government	-	-
Inventory	199,090	199,090
Restricted assets		
Cash and cash equivalents	-	-
Investments, at fair value	-	-
Beneficial interest in assets held by others	-	-
Capital assets (not being depreciated)	3,756,604	3,756,604
Capital assets (net of accumulated depreciation)	23,575,235	23,575,235
Total assets	40,019,650	40,019,650
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Accounts payable	162,548	162,548
Unearned grant revenue	6,230	6,230
Funds held in trust	23,422	23,422
Noncurrent liabilities		
Due within one year	18,652	18,652
Due in more than one year	34,639	34,639
Total liabilities	245,491	245,491
Deferred inflows of resources		
Deferred property tax revenue	1,557,528	1,557,528
Total deferred inflows of resources	1,557,528	1,557,528
NET POSITION		
Net investment in capital assets	27,331,839	27,331,839
Restricted for		
Road construction	2,545,616	2,545,616
Library foundation:		
Expendable	-	-
Nonexpendable	-	-
Friends of the Fair	-	-
Health and welfare related programs	31,721	31,721
Public safety related programs	18,740	18,740
Unrestricted	8,288,715	8,288,715
Total net position	\$ 38,216,631	\$ 38,216,631

See accompanying notes to financial statements

Component Units

County Library	County Fair Board	Solid Waste District	Total Component Units
\$ 6,540	\$ 17,935	\$ 21,738	\$ 46,213
-	20,091	-	20,091
258,922	159,337	-	418,259
4,296	21,135	-	25,431
-	-	-	-
20,881	32,957	-	53,838
142,658	-	-	142,658
541,431	-	-	541,431
27,700	49,237	-	76,937
305,445	25,568	-	331,013
<u>1,307,873</u>	<u>326,260</u>	<u>21,738</u>	<u>1,655,871</u>
-	454	-	454
-	-	-	-
-	-	-	-
-	-	-	-
16,509	-	890,120	906,629
<u>16,509</u>	<u>454</u>	<u>890,120</u>	<u>907,083</u>
250,463	152,695	-	403,158
<u>250,463</u>	<u>152,695</u>	<u>-</u>	<u>403,158</u>
333,145	74,805	-	407,950
-	-	-	-
-	-	-	-
163,539	-	-	163,539
499,528	-	-	499,528
-	26,372	-	26,372
-	-	-	-
-	-	-	-
44,689	71,934	(868,382)	(751,759)
<u>\$1,040,901</u>	<u>\$ 173,111</u>	<u>\$ (868,382)</u>	<u>\$ 345,630</u>

WESTON COUNTY, WYOMING

STATEMENT OF ACTIVITIES

Year Ended June 30, 2014

	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Function/Programs				
Primary government				
Governmental activities				
General government	\$ 3,831,362	\$ 163,412	\$ 54,756	\$ -
Public safety	1,208,419	-	71,674	-
Public works	2,937,460	-	61,828	1,923,768
Health, welfare, and recreation	744,952	122,452	64,927	45,300
Conservation of natural resources	79,147	-	-	-
Total governmental activities	8,801,340	285,864	253,185	1,969,068
Total primary government	\$ 8,801,340	\$ 285,864	\$ 253,185	\$ 1,969,068
Component units				
County Library	\$ 402,806	\$ -	\$ -	\$ -
County Fair Board	164,934	26,003	-	-
Solid Waste District	917,733	6,083	-	-
Total component units	\$ 567,740	\$ 26,003	\$ -	\$ -
General revenues				
Property taxes				
Motor vehicle fees				
Sales taxes				
Gas taxes				
Other taxes				
Unrestricted investment earnings				
Miscellaneous revenue				
Total general revenues				
Change in position				
Net position - beginning of year				
Net position - end of year				

See accompanying notes to financial statements

Net (Expense) Revenue and Changes in Net Position

Primary Government		Component Units			
Governmental Activities	Totals	County Library	County Fair Board	Solid Waste District	Total Component Units
\$ (3,613,194)	\$ (3,613,194)	\$ -	\$ -	\$ -	\$ -
(1,136,745)	(1,136,745)	-	-	-	-
(951,864)	(951,864)	-	-	-	-
(512,273)	(512,273)	-	-	-	-
(79,147)	(79,147)	-	-	-	-
<u>(6,293,223)</u>	<u>(6,293,223)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(6,293,223)</u>	<u>(6,293,223)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	(402,806)	-	-	(402,806)
-	-	-	(138,931)	-	(138,931)
-	-	-	-	(911,650)	(911,650)
<u>-</u>	<u>-</u>	<u>(402,806)</u>	<u>(138,931)</u>	<u>(911,650)</u>	<u>(1,453,387)</u>
1,475,414	1,475,414	299,770	162,953	30,048	492,771
234,754	234,754	-	-	-	-
1,278,857	1,278,857	-	-	7,525	7,525
411,855	411,855	-	-	-	-
2,029,196	2,029,196	-	-	-	-
63,553	63,553	95,137	(1,248)	-	93,889
140,912	140,912	13,118	7,914	-	21,032
<u>5,634,541</u>	<u>5,634,541</u>	<u>408,025</u>	<u>169,619</u>	<u>37,573</u>	<u>615,217</u>
(658,682)	(658,682)	5,219	30,688	(874,077)	(838,170)
<u>38,875,313</u>	<u>38,875,313</u>	<u>1,035,682</u>	<u>142,423</u>	<u>5,695</u>	<u>1,183,800</u>
<u>\$ 38,216,631</u>	<u>\$ 38,216,631</u>	<u>\$ 1,040,901</u>	<u>\$ 173,111</u>	<u>\$ (868,382)</u>	<u>\$ 345,630</u>

WESTON COUNTY, WYOMING

BALANCE SHEET -
GOVERNMENTAL FUNDS

June 30, 2014

	General Fund	County Road Fund	Airport Project Fund
ASSETS			
Cash and cash equivalents	\$ (60,046)	\$ 472,300	\$ -
Investments	7,698,360	2,010,073	-
Accounts receivable	319,086	35,573	-
Property taxes receivable	1,567,465	-	-
Accrued interest receivable	39,167	27,670	-
Grants receivable	-	-	5,598
Inventory	199,090	-	-
Total assets	\$ 9,763,122	\$ 2,545,616	\$ 5,598
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 47,004	\$ -	\$ 5,598
Unearned grant revenue	2,897	-	-
Funds held in trust	23,422	-	-
Total liabilities	73,323	-	5,598
 Deferred inflows of resources			
Deferred property tax revenue	1,557,529	-	-
Total deferred inflows of resources	1,557,529	-	-
 Fund balances			
Nonspendable	199,090	-	-
Restricted for road construction	-	2,545,616	-
Restricted for health and welfare related programs	-	-	-
Restricted for public safety related programs	-	-	-
Committed for Mallo Camp	-	-	-
Assigned for			
Economic development	56,019	-	-
Emergencies	133,511	-	-
Future construction projects	99,032	-	-
Unassigned	7,644,618	-	-
Total fund balances (deficit)	8,132,270	2,545,616	-
Total liabilities, deferred inflows of resources and fund balances	\$ 9,763,122	\$ 2,545,616	\$ 5,598

See accompanying notes to financial statement

Fair Building Grant Fund	Other Governmental Funds	Totals
\$ 83,527	\$ 261,020	\$ 756,801
-	-	9,708,433
-	1,512	356,171
-	-	1,567,465
-	-	66,837
-	27,416	33,014
-	-	199,090
<u>\$ 83,527</u>	<u>\$ 289,948</u>	<u>\$ 12,687,811</u>

\$ 86,334	\$ 23,611	\$ 162,547
-	3,333	6,230
-	-	23,422
<u>86,334</u>	<u>26,944</u>	<u>192,199</u>

-	-	1,557,529
-	-	1,557,529

-	-	199,090
-	-	2,545,616
-	31,721	31,721
-	18,740	18,740
-	112,627	112,627
-	-	56,019
-	-	133,511
(2,807)	99,916	196,141
-	-	7,644,618
<u>(2,807)</u>	<u>263,004</u>	<u>10,938,083</u>
<u>\$ 83,527</u>	<u>\$ 289,948</u>	<u>\$ 12,687,811</u>

WESTON COUNTY, WYOMING

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

June 30, 2014

Total fund balances - governmental funds		\$ 10,938,083
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Compensated absences		(53,291)
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the governmental funds statements. As capital assets used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in the governmental funds. This is the total capital assets reported in the government-wide statements.		
Capital assets, at cost	\$ 286,498,697	
Capital assets, accumulated depreciation	<u>(259,166,858)</u>	<u>27,331,839</u>
Net position of governmental activities		<u><u>\$ 38,216,631</u></u>

See accompanying notes to financial statement

WESTON COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	General	County Road Fund	Airport Projects Fund	Fair Building Grant Fund
Revenues				
Taxes	\$ 3,166,126	\$ -	-	\$ -
Intergovernmental revenues	2,083,952	431,538	1,492,230	-
Charges for services	163,412	-	-	-
Investment earnings	43,109	20,202	-	-
Miscellaneous revenues	375,666	-	-	-
Total revenues	5,832,265	451,740	1,492,230	-
Expenditures				
Current				
General government	3,440,997	-	-	-
Public safety	977,310	-	-	-
Public works	1,274,526	-	-	-
Health, welfare and recreation	102,589	-	-	-
Conservation and development	79,147	-	-	-
Capital outlay	-	183,457	1,512,324	4,668
Debt service				
Principal	68,850	-	-	-
Interest	4,228	-	-	-
Total expenditures	5,947,647	183,457	1,512,324	4,668
Excess (deficiency) of revenues over expenditures	(115,382)	268,283	(20,094)	(4,668)
Other financing sources (uses)				
Transfers in	390,091	-	20,094	-
Transfers out	(423,462)	(12,623)	-	-
Total other financing sources (uses)	(33,371)	(12,623)	20,094	-
Net change in fund balance	(148,753)	255,660	-	(4,668)
Fund balances - beginning of year	8,332,323	2,289,956	-	1,861
Increase in reserve for inventory	(51,300)	-	-	-
Fund balances (deficit) - end of year	\$ 8,132,270	\$ 2,545,616	\$ -	\$ (2,807)

See accompanying notes to financial statements

Other Governmental Funds	Totals
\$ -	\$ 3,166,126
238,888	4,246,608
122,452	285,864
241	63,552
-	375,666
<u>361,581</u>	<u>8,137,816</u>
-	3,440,997
47,055	1,024,365
13,789	1,288,315
228,316	330,905
-	79,147
61,828	1,762,277
-	68,850
-	4,228
<u>350,988</u>	<u>7,999,084</u>
<u>10,593</u>	<u>138,732</u>
25,900	436,085
<u>-</u>	<u>(436,085)</u>
<u>25,900</u>	<u>-</u>
36,493	138,732
226,511	10,850,651
<u>-</u>	<u>(51,300)</u>
<u>\$ 263,004</u>	<u>\$ 10,938,083</u>

WESTON COUNTY, WYOMING

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2014

Net change in fund balances - total governmental funds \$ 138,732

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

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

These changes are detailed as follows:

Capital purchases	\$ 2,874,684	
Depreciation expense	<u>(3,681,151)</u>	(806,467)

The change in long-term liabilities (compensated absences and lease purchase obligations) does not require the use of current financial resources of governmental funds. Thus the change is not recorded in the governmental funds. This is the effect of these differences in the statement.

Lease purchase obligations as of June 30, 2013	68,850	
Compensated absences as of June 30, 2014	(53,291)	
Compensated absences as of June 30, 2013	<u>49,887</u>	65,446

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred property tax revenue as of June 30, 2013		(5,093)
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The governmental funds report the purchase of inventory using the purchase method. However, in the statement of activities the change in inventory has been accounted for using the consumption method.

This is the net effect of this difference in the treatment of inventory.

Inventory as of June 30, 2014	199,090	
Inventory as of June 30, 2013	<u>(250,390)</u>	<u>(51,300)</u>

Change in net position of governmental activities		<u><u>\$ (658,682)</u></u>
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WESTON COUNTY, WYOMING

**STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS**

June 30, 2014

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 1,407,220
Property taxes receivable	<u>114,930</u>
Total assets	<u>\$ 1,522,150</u>
LIABILITIES	
Due to other governments	\$ 1,496,719
Due to component units	<u>25,431</u>
Total liabilities	<u>\$ 1,522,150</u>

See accompanying notes to financial statements

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 1. Summary of Significant Accounting Policies

Reporting Entity

Weston County, Wyoming (the "County") (primary government) is a municipal corporation governed by five elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge maintenance and operation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. As required by generally accepted accounting principles, these financial statements present the County and its component units, entities for which the County is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from those units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the County. Each discretely presented component unit has a June 30 year-end. The County has no blended component units.

Discretely Presented Component Units

The component units column in the basic financial statements include the financial data of the County's other component units. They are reported in a separate column to emphasize that they are legally separate from the County. The Board of County Commissioners appoints the governing boards of each of these component units.

The Weed and Pest Control District (the "District") was established for the purpose of implementing and pursuing an effective program for the control of weeds and pests within the County. The District is fiscally dependent upon the County because the Board of Commissioners approve the District's budget and levy taxes (if necessary) on behalf of the District. Another auditor audited the Weed and Pest Control District. Their financial statements were prepared and reviewed on a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America and therefore have not been included in the County's financial statements. Based on audited information prepared on the cash basis of accounting, the total assets of the District at June 30, 2014 were \$1,005,030, total revenues were \$1,478,426, and total expenditures were \$1,339,106. The District's financial statements may be obtained at the District's offices.

The County Fair Board ("Fair") maintains and manages the operations of the County Fair and conducts agricultural, industrial and other fairs and exhibitions within the County. The County Fair Board is fiscally dependent upon the County because the Board of Commissioners approves the County Fair Board's budget, levies taxes (if necessary), and must approve any debt issuances. The Fair's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. Also included in the County Fair Board amounts is the financial data of the Fair's fund-raising foundation, The Friends of the Weston County Fair. Although the County Fair Board does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the Fair by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the Fair, the Foundation is considered a component unit of the Fair and is included in the Fair's financial statements. The Foundation operates on a calendar year and the results of its operations have not been restated to conform to the County's year-end. The Fair is presented as a governmental fund type component unit. The Fair does not prepare separately issued financial statements.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 1. Summary Of Significant Accounting Policies (Continued)

Discretely Presented Component Units (Continued)

The County Library Board (“Library”) maintains and manages the operations of the County Library and library system. The Library is fiscally dependent upon the County because the Board of Commissioners approves the Library's budget, levies taxes (if necessary), and must approve any debt issuances. The Library's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. Also included in the Library are the financial data of the Library’s fund-raising foundation. Although the Library does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, which the Foundation holds and invests, is restricted to the activities of the Library by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the Library, the Foundation is considered a component unit of the Library and is included in the Library’s financial statements. The Foundation operates on a calendar year end the results of its operations have not been restated to conform to the County’s year-end. The Library is presented as a governmental fund type component unit. The Library does not prepare separately issued financial statements.

The Central Weston County Solid Waste District (“Solid Waste District”) maintains and manages the operations of the Osage Landfill. The Solid Waste District is fiscally dependent upon the County because the Board of Commissioners approves the Solid Waste District's budget, levies taxes, and must approve any debt issuances. The Solid Waste District's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The County is also responsible for any residual liabilities for the Solid Waste District. The District is presented as a governmental fund type component unit. The District does not prepare separately issued financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 1. Summary Of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

For this purpose, the government considers revenues 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 claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when the government receives cash.

The government reports the following major governmental funds:

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

The *County Road fund* is a capital projects fund and is used to account for the acquisition and construction of major road and bridge projects.

The *Airport Project fund* is a capital projects fund used to account for the construction of major projects at the airport.

The *Fair Building Grant fund* is a capital project fund used to account for the revenue and expenditures of grant monies related to the construction of a fair building.

Additionally, the government reports the following fund types:

Other *Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Other *Capital project funds* are used to account for the expenditures and construction of major capital construction projects.

The *agency funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 1. Summary Of Significant Accounting Policies (Continued)

Deposits and Investments

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

Wyoming Statutes authorize the types of investment in which counties may invest. Among these authorized investments are certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, and repurchase agreements involving U.S. Government securities. The County invests in certificates of deposit, National Mortgage Association bonds, and Federal Home Loan Bank bonds.

Investments for the County are reported at fair value. Fair value is determined using the latest bid price or by the closing exchange price at the statement of net position date.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Accounts Receivable

The County considers all accounts receivable to be fully collectible at June 30, 2014 and, therefore no allowance for doubtful accounts is deemed necessary.

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 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 levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period.

The County is permitted by Wyoming Statutes to levy taxes up to 12 mills of assessed valuation for all purposes, exclusive of state revenue, except for the payment of public debt and 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, 2014, was 12 mills, which means that the County has levied to the maximum amount available.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 1. Summary Of Significant Accounting Policies (Continued)

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed (purchases method), within the fund level financial statements. On the other hand, the consumption method is used for reporting these inventories at the government-wide level.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financials statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	10 to 50
Infrastructure	20 to 50
Machinery and Equipment	5 to 10

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and governmental funds balance sheet 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 that time. The government has one item that qualifies for reporting in the category. Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds currently report unavailable revenues from property taxes. The amount is deferred and recognized as inflow of resources in the period that the amounts become available. In the government-wide statement of net position, only property taxes are reported as a deferred inflow of resources. Property taxes are recognized as in inflow of resources in the year they are levied.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 1. Summary Of Significant Accounting Policies (Continued)

Compensated Absences

At June 30, 2014, the County's policy in relation to vacation, sick pay, and other employee benefits are as follows:

Paid Vacation - All eligible employees earning vacation time are required to use the time during the year earned, or receive compensation (at regular hourly rates) during the current year. No carryover of vacation time is allowed, therefore, no accrual has been made for vacation benefits.

Sick Leave - Eligible employees earn 64 hours of sick leave each year, up to a maximum of 480 hours. At separation from service, employees receive compensation for accumulated hours at the current federal minimum wage rate. A liability for accumulated sick pay has been accrued in the government-wide statements.

Long-Term Obligations

In the government-wide financial statement long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types recognize proceeds from lease purchase obligations, which are reported as other financing sources. Repayment of long-term debt (lease purchase obligations) are reported as debt service expenditures.

Fund Equity

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the Board of County Commissioners, the highest level of authority in the County through approval of resolutions. Assigned fund balances is a limitation imposed by a designee of the Board of Commissioners. Unassigned fund balance in the general fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

For the government-wide financial statements, net position are reported as restricted when constraints placed on net position are either: (1) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of the governments or (2) imposed by law through constitutional provision or enabling legislation.

Accounting Estimates

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

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 2. Stewardship, Compliance, and Accountability

Budgetary Information

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

1. Prior to May 15, the County Clerk submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted on the third Monday in July to obtain public comments.
3. The budget is adopted on the third Tuesday of July.
4. At the request of the County Clerk or upon its own motion after publication of notice, the Board of County Commissioners may by resolution transfer any unencumbered or unexpended appropriation balance or part thereof from one fund, department or account to another. All appropriations, excluding appropriations for capital projects, lapse at the close of the budget year to the extent they are not expended or encumbered. The level of expenditure control for budget purposes is the department level.
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue Funds, and Capital Project Funds.
6. Budgets for the General, Special Revenue and Capital Projects Funds are adopted on a cash basis (budgetary). Such basis is not consistent with generally accepted accounting principles (GAAP).

During the 2014 fiscal year, it was necessary to amend the originally adopted budget. The expenditures of the following general fund departments and funds were amended through transfers between departments or funds and from unanticipated revenues:

General Fund	
General government	\$ (58,653)
Public safety	47
Public works	1,333
Special Revenue Funds	
Miscellaneous Grants Fund	2,109
Homeland Security Fund	45,339
Public Health Grants Fund	5,000
Capital Projects Funds	
County Road Fund	174,760
Airport Project Fund	1,965,962
	<u>\$ 2,135,897</u>

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration by the County.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds

Deposits and Investments

As of June 30, 2014, the County had the following investments:

Type	Fair Value	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Federal National Mortgage Association Notes	\$ 51,712	1.55%	\$ -	\$ -	\$ 51,712	\$ -	AA+
Federal Home Loan Bank Notes	398,123	1.00-1.25%	-	-	398,123	-	AA+
Certificates of deposit	9,258,597	0.40-1.25%	7,789,988	1,468,610	-	-	N/A
	<u>\$ 9,708,432</u>		<u>#####</u>	<u>#####</u>	<u>398,123</u>	<u>\$ -</u>	

As of June 30, 2014, the Library had the following investments:

Type	Fair Value	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Certificates of deposit	<u>\$ 142,658</u>	0.40-1.05%	<u>\$ 69,223</u>	<u>\$ 73,435</u>	<u>\$ -</u>	<u>\$ -</u>	N/A

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County attempts to match its investment maturities to expected cash flow needs. With this investment focus, investments are expected to reach maturity with limited gains or losses.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Deposits and Investments (Continued)

Credit risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County's investments at June 30, 2014 were 100% invested in certificates of deposit and federally guaranteed bonds; therefore, the County is not exposed to credit risk.

Concentration of credit risk. The County does not have a formal policy that allows for an investment in any one issuer that is in excess of a specified percentage of the County's total investments.

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal policy for custodial credit risk; however, State statutes require that the County's deposits in excess of the Federal depository insurance amount be collateralized. At June 30, 2014, the County's deposits were fully collateralized as required by statutes.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a formal policy for custodial credit risk; however, since all of the County's investments are certificates of deposit and federally guaranteed bonds no custodial credit risk exists other than those discussed above.

Receivables

The County's receivables are comprised of the following components:

	Governmental Activities	County Library	County Fair Board
Accounts receivable	\$ 375,611	\$ 6,403	\$ 5,667
Property taxes receivable	1,567,465	252,519	153,670
Accrued interest receivable	66,838	-	-
Grants receivable	13,574	-	-
Total receivables	<u>\$ 2,023,488</u>	<u>\$ 258,922</u>	<u>\$ 159,337</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	306,250	\$ -	\$ -	306,250
Construction in progress	1,638,037	1,831,313	(18,996)	3,450,354
Total capital assets, not being depreciated	1,944,287	1,831,313	(18,996)	3,756,604
Capital assets, being depreciated				
Buildings	7,243,618	81,429	-	7,325,047
Machinery and equipment	5,618,736	492,382	(11,214)	6,099,904
Infrastructure	268,828,586	488,556	-	269,317,142
Total capital assets, being depreciated	281,690,940	1,062,367	(11,214)	282,742,093
Less accumulated depreciation for				
Buildings	5,631,122	127,693	-	5,758,815
Machinery and equipment	3,981,427	534,495	(57,475)	4,458,447
Infrastructure	245,884,372	3,018,963	46,261	248,949,596
Total accumulated depreciation	255,496,921	3,681,151	(11,214)	259,166,858
Total capital assets, being depreciated, net	26,194,019	(2,618,784)	-	23,575,235
Governmental activities capital assets, net	\$ 28,138,306	\$ (787,471)	\$ (18,996)	\$ 27,331,839

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Capital Assets (Continued)

Primary Government (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General government	\$ 2,908,109
Public safety	184,058
Public works	478,550
Health, welfare and recreation	110,434
	<u>110,434</u>
Total depreciation expense - governmental activities	<u>\$ 3,681,151</u>

Discretely Presented Component Units

Activity for the County Library for the year ended June 30, 2014, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 22,500	\$ -	\$ -	\$ 22,500
Works of art	5,200	-	-	5,200
Total capital assets, not being depreciated	<u>27,700</u>	<u>-</u>	<u>-</u>	<u>27,700</u>
Capital assets, being depreciated				
Buildings	855,741	5,433	-	861,174
Equipment	47,627	-	-	47,627
Books and collections	375,429	16,118	59,415	332,132
Total capital assets, being depreciated	<u>1,278,797</u>	<u>21,551</u>	<u>59,415</u>	<u>1,240,933</u>
Less accumulated depreciation for				
Buildings	655,151	20,291	-	675,442
Equipment	10,106	-	-	10,106
Books and collections	286,990	22,365	59,415	249,940
Total accumulated depreciation	<u>952,247</u>	<u>42,656</u>	<u>59,415</u>	<u>935,488</u>
Total capital assets being depreciated, net	<u>326,550</u>	<u>(21,105)</u>	<u>-</u>	<u>305,445</u>
Capital assets, net	<u>\$ 354,250</u>	<u>\$ (21,105)</u>	<u>\$ -</u>	<u>\$ 333,145</u>

Depreciation expense of \$42,656 was charged to the County Library for the year ended June 30, 2014.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Capital Assets (Continued)

Discretely Presented Component Units (Continued)

Activity for the County Fair Board for the year ended June 30, 2014, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 49,237	\$ -	\$ -	\$ 49,237
Total capital assets, not being depreciated	<u>49,237</u>	<u>-</u>	<u>-</u>	<u>49,237</u>
Capital assets, being depreciated				
Buildings	554,067	4,125	-	558,192
Machinery and equipment	353,547	-	-	353,547
Total capital assets, being depreciated	<u>907,614</u>	<u>4,125</u>	<u>-</u>	<u>911,739</u>
Less accumulated depreciation for				
Buildings	541,487	1,349	-	542,836
Machinery and equipment	341,328	2,007	-	343,335
Total accumulated depreciation	<u>882,815</u>	<u>3,356</u>	<u>-</u>	<u>886,171</u>
Total capital assets being depreciated, net	<u>24,799</u>	<u>769</u>	<u>-</u>	<u>25,568</u>
Capital assets, net	<u>\$ 74,036</u>	<u>\$ 769</u>	<u>\$ -</u>	<u>\$ 74,805</u>

Depreciation expense of \$3,356 was charged to the County Fair Board for the year ended June 30, 2013.

Long-Term Debt

Changes in Long-Term Debt

The following is a summary of debt transactions of the primary government of the County for the year ended June 30, 2014:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Primary Government					
Compensated absences	\$ 49,887	\$ 3,404	\$ -	\$ 53,291	\$ 18,652
Lease purchase obligations	68,850	-	68,850	-	-
	<u>\$ 118,737</u>	<u>\$ 3,404</u>	<u>\$ 68,850</u>	<u>\$ 53,291</u>	<u>\$ 18,652</u>

These debts are being serviced by the General Fund.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Long-Term Debt (Continued)

Discretely Presented Component Unit

The following is a summary of debt transactions of the County Library as of June 30, 2014:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Compensated absences	\$ 14,199	\$ 2,310	\$ -	\$ 16,509	\$ -

This debt is being serviced by the County Library.

Discretely Presented Component Unit

The following is a summary of debt transactions of the Solid Waste District as of June 30, 2014:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Estimated closure and post-closure costs for the landfill	\$ -	\$ 890,120	\$ -	\$ 890,120	\$ -

This debt will be serviced by the Solid Waste District.

Transfers

Transfers between funds during the year were as follows:

	In	Out
Primary Government		
General Fund	\$ 390,091	\$ 423,462
Capital Projects Funds		
County Road Fund	-	12,623
Airport Projects Fund	20,094	-
Special Revenue Funds		
Mallo Camp	20,900	-
Miscellaneous Grant Fund	5,000	-
	\$ 436,085	\$ 436,085

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Beneficial Interest

The Library Foundation transferred investments to the Wyoming Community Foundation specifying itself as the beneficiary. The Wyoming Community Foundation ("WCF") is a Wyoming not-for-profit organization. The WCF receives contributions that are specifically designated for the benefit of the Foundation. The WCF established an endowment fund to account for these permanently restricted contributions. Distributions of interest and dividend income to the Foundation for unrestricted use are to be made not less than annually. Professional accounting standards require the Foundation to record its beneficial interest in the fund and record as permanently restricted those contributions received by the WCF for the benefit of the Foundation. The Foundation's beneficial interest in WCF was \$541,431 as of December 31, 2013.

Risk Management

Weston County, Wyoming is a member of Wyoming Local Government Liability Pool (LGLP). LGLP administers a risk management fund providing Weston County with loss protection for general liability, public official liability, and automobile liability to include elected and appointed officials, employees, and authorized volunteers. Under most circumstances, the County's maximum loss per occurrence is limited to \$250,000 per claimant/\$500,000 per occurrence.

Annually LGLP calculates the premiums for risk coverage required by participating agencies. This premium is calculated upon actuarially sound and recognized pooling practices including such items as insurable value, loss history exposure, and risk management programs. The Articles of Association of LGLP defines the premium to be calculated based upon the County's payroll and a Pool Assessment Factor rate. During each coverage year, supplementary assessments may be made.

The County pays into the State Workers' Compensation System a premium based on a rate per covered payroll. This rate is calculated based on accident history and administrative costs.

Fund Balance Assignments

The County has assigned a portion of fund balance for emergency expenditures within several different funds as allowed by Wyoming Statute §16-4-105. The purpose of the assignment is to provide cash to finance expenditures from the beginning of the budget year until general property taxes and other revenues are collected and to meet emergency expenditures.

The Board of County Commissioners has established tentative plans for financial resource utilization in a future period. Such plans or intent are subject to change and may never be legally authorized or result in expenditures.

As of June 30, 2014 the Board of County Commissioners had established the following tentative plans:

Emergencies	\$	133,511
Future construction projects		99,032
Economic development		53,859

Net Position Restricted by Legislation

The government-wide statement of net position and the governmental funds balance sheet reports \$2,545,616 of restricted net position and fund balance, which are restricted for road construction by state legislation.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 3. Detailed Notes on All Funds (Continued)

Retirement Plan

The County, County Fair Board and County Library (component units) participate 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 full-time employees are eligible to participate. The System provides retirement, disability and death benefits according to predetermined formulas. Benefits are established Wyoming Statutes. The System issues a publicly available financial report, which includes audited financial statements and required supplementary information. The report may be obtained by writing to the Wyoming Retirement System, Fifth Floor West, 6101 Yellowstone Road, Cheyenne, Wyoming 82002 or by calling (307)777-7691.

Retirement Plan (Continued)

Plan members are required to contribute 7.50% of their annual covered salary and the employer is required to contribute 7.12% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees’ contribution in addition to the matching contribution. The County and its component units the Fair Board and Library currently pay 100% of the required employee’s contribution. Title 9, Chapter 3 of the Wyoming Statutes, establishes contribution rates. In September 2014, the employer contribution rate will increase by 0.50% from 7.12% to 7.62%. The County will have the option to pay or not pay the additional employee contribution. The County and its component units (the Fair and the Library) contributions to the System for the years ended June 30, 2014, 2013, and 2012 were as follows:

	2014	2013	2012
Primary Government			
General Fund	\$ 291,089	\$ 283,870	\$ 272,861
Component Units			
County Library	20,341	19,799	18,175
County Fair Board	5,384	4,970	5,467

Payments for all years equaled 100% of the required contribution.

Note 4. Commitments and Contingencies

As of June 30, 2014, the County had the Weston County Event Center facility, which is substantially complete, recorded as construction in progress for a total of \$1,042,561. This amount includes a retainage payable of \$86,282. Although the building is substantially completed, there are ongoing issues with possible structural defects and water damage. As of the date of this report, the County has retained legal counsel and continues to hold the retainage payable. Other items in construction in progress include the Mondell Field Airport Runway Project for a total of \$2,323,268, a new cabin for Mallo Camp, and some architect fees for potential law enforcement building projects. There are no significant remaining commitments on these construction projects.

Note 5. Primary Government and Component Units Transactions

The County has business transactions with its component units throughout the year which are recorded as arm’s length transactions. For the year ended June 30, 2014, the County remitted property taxes to the component units in accordance with the approved levies. No other funding was provided to the component units for the year ended June 30, 2014.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2014

Note 6. Accounting Standards Issued, But Not Implemented

As of June 30, 2014, the Governmental Accounting Standards Board had issued the following standards which the County will implement in its next fiscal year.

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* was issued to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions in regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

Governmental Accounting Standards Board Statement No. 71, *Pensions Transition for Contributions Made Subsequent to the Measurement Date (an amendment of GASB Statement No. 68)*, amends Statement 68 related to transition provisions for certain pension contributions made to defined benefit pension plans prior to implementation of Statement 68 by employers and non-employer contributing entities.

Management has not concluded its assessment of the effect of implementing this guidance.

REQUIRED SUPPLEMENTARY INFORMATION

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes and other taxes	\$ 1,054,371	\$ 1,054,371	\$ 2,985,360	\$ 1,930,989
Intergovernmental revenues	1,684,443	1,684,443	1,790,416	105,973
Charges for services	145,500	145,500	163,412	17,912
Miscellaneous revenues	127,874	127,874	375,092	247,218
Investment earnings	60,000	60,000	19,013	(40,987)
Total revenues	<u>3,072,188</u>	<u>3,072,188</u>	<u>5,333,293</u>	<u>2,261,105</u>
Expenditures				
Current				
General government	6,163,154	6,104,501	3,482,398	2,622,103
Public safety	1,105,682	1,105,682	981,168	124,514
Public works	1,602,453	1,601,120	1,378,363	222,757
Health, welfare and recreation	106,409	106,409	102,366	4,043
Conservation and development	84,952	84,952	79,186	5,766
Total expenditures	<u>9,062,650</u>	<u>9,002,664</u>	<u>6,023,481</u>	<u>2,979,183</u>
Excess (deficiency) of revenues over expenditures	<u>(5,990,462)</u>	<u>(5,930,476)</u>	<u>(690,188)</u>	<u>5,240,288</u>
Other financing sources (uses)				
Transfers in	-	-	390,091	390,091
Transfers out	-	-	(407,480)	(407,480)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(17,389)</u>	<u>(17,389)</u>
Net change in fund balance	(5,990,462)	(5,930,476)	(707,577)	<u>\$ 5,222,899</u>
Fund balances - beginning of year	<u>8,345,891</u>	<u>8,345,891</u>	<u>8,345,891</u>	
Fund balances - end of year	<u>\$ 2,355,429</u>	<u>\$ 2,415,415</u>	<u>\$ 7,638,314</u>	

See accompanying note to required supplementary information

WESTON COUNTY WYOMING

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2014

Note 1. Reconciliation of Budgetary Basis and GAAP Basis

Explanation of Differences between Budgetary Basis and GAAP Basis

	<u>General Fund</u>
Revenues	
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 5,333,293
Differences - Budget Basis to GAAP	
Accrual of accounts receivable	474,612
Accrual of property taxes receivable	264
Accrual of interest receivable	<u>24,096</u>
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u><u>\$ 5,832,265</u></u>
Expenditures	
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 6,023,481
Differences - Budget Basis to GAAP	
Accrual of accounts payable	<u>(75,835)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u><u>\$ 5,947,646</u></u>

OTHER SUPPLEMENTARY INFORMATION

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS) -
 COUNTY ROAD FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 405,000	\$ 405,000	\$ 403,920	\$ (1,080)
Investment earnings	-	-	3,305	3,305
Total revenues	<u>405,000</u>	<u>405,000</u>	<u>407,225</u>	<u>2,225</u>
Expenditures				
Public works	25,245	200,005	183,456	16,549
Total expenditures	<u>25,245</u>	<u>200,005</u>	<u>183,456</u>	<u>16,549</u>
Excess (deficiency) of revenues over expenditures	379,755	204,995	223,769	18,774
Other financing sources (uses)				
Transfers out	-	-	(12,622)	(12,622)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(12,622)</u>	<u>(12,622)</u>
Net change in fund balance	379,755	204,995	211,147	<u>\$ 6,152</u>
Fund balance - beginning of year	<u>2,271,227</u>	<u>2,271,227</u>	<u>2,271,227</u>	
Fund balance - end of year	<u>\$ 2,650,982</u>	<u>\$ 2,476,222</u>	<u>\$ 2,482,374</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS) -
 AIRPORT PROJECTS FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 1,911,617	\$ 1,911,617	\$ 1,741,800	\$ (169,817)
Total revenues	<u>1,911,617</u>	<u>1,911,617</u>	<u>1,741,800</u>	<u>(169,817)</u>
Expenditures				
Public works	91,593	2,057,557	1,766,812	290,745
Total expenditures	<u>91,593</u>	<u>2,057,557</u>	<u>1,766,812</u>	<u>290,745</u>
Deficiency of revenues over expenditures	1,820,024	(145,940)	(25,012)	120,928
Other financing sources (uses)				
Transfers in	-	-	25,012	25,012
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>25,012</u>	<u>25,012</u>
Net change in fund balance	1,820,024	(145,940)	-	<u>\$ 145,940</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balance (deficit) - end of year	<u>\$ 1,820,024</u>	<u>\$ (145,940)</u>	<u>\$ -</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS) -
 FAIR BUILDING GRANT FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 88,195	\$ 88,195	\$ 4,668	\$ (83,527)
Total revenues	<u>88,195</u>	<u>88,195</u>	<u>4,668</u>	<u>(83,527)</u>
Expenditures				
Public works	88,195	88,195	4,668	83,527
Total expenditures	<u>88,195</u>	<u>88,195</u>	<u>4,668</u>	<u>83,527</u>
Deficiency of revenues over expenditures	-	-	-	-
Fund balance - beginning of year	<u>83,527</u>	<u>83,527</u>	<u>83,527</u>	-
Fund balance - end of year	<u><u>\$ 83,527</u></u>	<u><u>\$ 83,527</u></u>	<u><u>\$ 83,527</u></u>	<u><u>\$ -</u></u>

WESTON COUNTY, WYOMING

COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2014

	<u>Special Revenue Funds</u>	<u>Capital Project Funds</u>	<u>Total</u>
ASSETS			
Cash and cash equivalent	\$ 161,104	\$ 99,916	\$ 261,020
Accounts receivable	1,512	-	1,512
Grants receivable	7,976	19,440	27,416
	<u>\$ 170,592</u>	<u>\$ 119,356</u>	<u>\$ 289,948</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Unearned grant revenue	\$ 3,333	\$ -	\$ 3,333
Accounts payable	4,171	19,440	23,611
	<u>7,504</u>	<u>19,440</u>	<u>26,944</u>
Fund balances			
Restricted for health and welfare related programs	31,721	-	31,721
Restricted for public safety related programs	18,740	-	18,740
Committed for Mallo Camp	112,627	-	112,627
Assigned for future construction projects	-	99,916	99,916
	<u>163,088</u>	<u>99,916</u>	<u>263,004</u>
Total liabilities and fund balances	<u>\$ 170,592</u>	<u>\$ 119,356</u>	<u>\$ 289,948</u>

WESTON COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	Special Revenue Funds	Capital Project Funds	Total
Revenues			
Intergovernmental revenues	\$ 177,060	\$ 61,828	\$ 238,888
Charges for services	122,452	-	122,452
Investment earnings	241	-	241
Miscellaneous revenues	#REF!	-	#REF!
Total revenues	#REF!	61,828	#REF!
Expenditures			
Current			
Public safety	47,055	-	47,055
Public works	13,789	-	13,789
Health, welfare and recreation	228,316	-	228,316
Capital outlay	-	61,828	61,828
Total expenditures	289,160	61,828	350,988
Deficiency of revenues over expenditures	#REF!	-	#REF!
Other financing sources (uses)			
Transfers in	25,900	-	25,900
Total other financing sources (uses)	25,900	-	25,900
Net change in fund balance	#REF!	-	#REF!
Fund balances - beginning of year	126,595	99,916	226,511
Fund balances - end of year	#REF!	\$ 99,916	#REF!

WESTON COUNTY, WYOMING

COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS

June 30, 2014

	Special Revenue Funds		
	Mallo Camp	Public Health Grants Fund	Family Planning Fund
ASSETS			
Cash	\$ 116,097	\$ 5,442	\$ 26,590
Accounts receivable	701	-	811
Grants receivable	-	2,211	-
Total assets	\$ 116,798	\$ 7,653	\$ 27,401
LIABILITIES AND FUND BALANCES			
Liabilities			
Unearned grant revenue	\$ -	\$ 3,333	\$ -
Accounts payable	4,171	-	-
Total liabilities	4,171	3,333	-
Fund balances			
Restricted for health and welfare related programs		4,320	27,401
Restricted for public safety related programs			
Committed for Mallo Camp	112,627	-	-
Total fund balances	112,627	4,320	27,401
Total liabilities and fund balances	\$ 116,798	\$ 7,653	\$ 27,401

Special Revenue Funds

Homeland Security Fund	Law Enforcement Grants Fund	Miscellaneous Grants Fund	Total
\$ 1,598	\$ -	\$ 11,377	\$ 161,104
-	-	-	1,512
-	-	5,765	7,976
<u>\$ 1,598</u>	<u>\$ -</u>	<u>\$ 17,142</u>	<u>\$ 170,592</u>
\$ -	\$ -	\$ -	\$ 3,333
-	-	-	4,171
-	-	-	7,504
			31,721
1,598	-	17,142	18,740
-	-	-	112,627
<u>1,598</u>	<u>-</u>	<u>17,142</u>	<u>163,088</u>
<u>\$ 1,598</u>	<u>\$ -</u>	<u>\$ 17,142</u>	<u>\$ 170,592</u>

WESTON COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS
Year Ended June 30, 2014

	Special Revenue Funds		
	Mallo Camp	Public Health Grants Fund	Family Planning Fund
Revenues			
Intergovernmental revenues	\$ 45,300	\$ 58,329	\$ 6,598
Charges for services	122,452	-	-
Investment earnings	241	-	-
Total revenues	<u>167,993</u>	<u>58,329</u>	<u>6,598</u>
Expenditures			
Current			
Public safety	-	-	-
Public works	-	-	-
Health, welfare and recreation	165,756	56,765	5,795
Total expenditures	<u>165,756</u>	<u>56,765</u>	<u>5,795</u>
Excess of revenues over expenditures	<u>2,237</u>	<u>1,564</u>	<u>803</u>
Other financing sources			
Transfers in	20,900	-	-
Total other financing sources	<u>20,900</u>	<u>-</u>	<u>-</u>
Net change in fund balance	23,137	1,564	803
Fund balances - beginning of year	<u>89,490</u>	<u>2,756</u>	<u>26,598</u>
Fund balances - end of year	<u><u>\$ 112,627</u></u>	<u><u>\$ 4,320</u></u>	<u><u>\$ 27,401</u></u>

Special Revenue Funds

Homeland Security Fund	Law Enforcement Grants Fund	Miscellaneous Grants Fund	Total
\$ 42,393	\$ 4,894	\$ 19,546	\$ 177,060
-	-	-	122,452
-	-	-	241
<u>42,393</u>	<u>4,894</u>	<u>19,546</u>	<u>299,753</u>
42,161	4,894	-	47,055
-	-	13,789	13,789
-	-	-	228,316
<u>42,161</u>	<u>4,894</u>	<u>13,789</u>	<u>289,160</u>
<u>232</u>	<u>-</u>	<u>5,757</u>	<u>10,593</u>
-	-	5,000	25,900
-	-	5,000	25,900
232	-	10,757	36,493
1,366	-	6,385	126,595
<u>\$ 1,598</u>	<u>\$ -</u>	<u>\$ 17,142</u>	<u>\$ 163,088</u>

WESTON COUNTY, WYOMING

**COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS**

June 30, 2014

	<u>Congestion Mitigation Fund</u>	<u>Federal Mineral Royalty Over the Cap Fund</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 99,916	\$ -	\$ 99,916
Grants receivable	-	19,440	19,440
Total assets	<u>\$ 99,916</u>	<u>\$ 19,440</u>	<u>\$ 119,356</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 19,440	\$ 19,440
Total liabilities	<u>-</u>	<u>19,440</u>	<u>19,440</u>
Fund balances			
Assigned for			
Future construction projects	99,916	-	99,916
Total fund balances	<u>99,916</u>	<u>-</u>	<u>99,916</u>
Total liabilities and fund balances	<u>\$ 99,916</u>	<u>\$ 19,440</u>	<u>\$ 119,356</u>

WESTON COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECTS FUNDS
Year Ended June 30, 2014

	Congestion Mitigation Fund	Federal Mineral Royalty Over the Cap Fund	Total
Revenues			
Intergovernmental revenues	\$ -	\$ 61,828	\$ 61,828
Total revenues	<u>-</u>	<u>61,828</u>	<u>61,828</u>
Expenditures			
Current			
Capital outlay	-	61,828	61,828
Total expenditures	<u>-</u>	<u>61,828</u>	<u>61,828</u>
Net change in fund balance	-	-	-
Fund balances - beginning of year	<u>99,916</u>	<u>-</u>	<u>99,916</u>
Fund balances - end of year	<u>\$ 99,916</u>	<u>\$ -</u>	<u>\$ 99,916</u>

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS)

MALLO CAMP

Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$ 39,500	\$ 39,500	\$ 66,200	\$ 26,700
Charges for services	101,500	-	134,695	134,695
Investment earnings	-	-	282	282
Total revenues	<u>101,500</u>	<u>-</u>	<u>201,177</u>	<u>134,977</u>
Expenditures				
Health, welfare and recreation	<u>226,140</u>	<u>226,140</u>	<u>161,804</u>	<u>64,336</u>
Total expenditures	<u>226,140</u>	<u>226,140</u>	<u>161,804</u>	<u>64,336</u>
Net change in fund balance	(124,640)	(226,140)	39,373	<u>\$ 199,313</u>
Fund balance - beginning of year	<u>81,493</u>	<u>81,493</u>	<u>81,493</u>	
Fund balance (deficit)- end of year	<u>\$ (43,147)</u>	<u>\$ (144,647)</u>	<u>\$ 120,866</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 PUBLIC HEALTH GRANTS FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 62,200	\$ 62,200	\$ 60,511	\$ (1,689)
Total revenues	<u>62,200</u>	<u>62,200</u>	<u>60,511</u>	<u>(1,689)</u>
Expenditures				
Health, welfare and recreation	131,679	136,679	56,804	79,875
Total expenditures	<u>131,679</u>	<u>136,679</u>	<u>56,804</u>	<u>79,875</u>
Net change in fund balance	<u>(69,479)</u>	<u>(74,479)</u>	<u>3,707</u>	<u>\$ 78,186</u>
Fund balance (deficit) - beginning of year	<u>1,735</u>	<u>1,735</u>	<u>1,735</u>	
Fund balance (deficit) - end of year	<u>\$ (67,744)</u>	<u>\$ (72,744)</u>	<u>\$ 5,442</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 FAMILY PLANNING FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 34,500	\$ 34,500	\$ 7,439	\$ (27,061)
Total revenues	<u>34,500</u>	<u>34,500</u>	<u>7,439</u>	<u>(27,061)</u>
Expenditures				
Health, welfare and recreation	36,446	36,446	5,814	30,632
Total expenditures	<u>36,446</u>	<u>36,446</u>	<u>5,814</u>	<u>30,632</u>
Net change in fund balance	(1,946)	(1,946)	1,625	<u>\$ 3,571</u>
Fund balance - beginning of year	<u>24,965</u>	<u>24,965</u>	<u>24,965</u>	
Fund balance - end of year	<u>\$ 23,019</u>	<u>\$ 23,019</u>	<u>\$ 26,590</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 HOMELAND SECURITY FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 43,667	\$ 43,667	43,667	\$ -
Total revenues	<u>43,667</u>	<u>43,667</u>	<u>43,667</u>	<u>-</u>
Expenditures				
Public safety	154,529	199,868	43,257	156,611
Total expenditures	<u>154,529</u>	<u>199,868</u>	<u>43,257</u>	<u>156,611</u>
Net change in fund balance	(110,862)	(156,201)	410	<u>\$ 156,611</u>
Fund balance - beginning of year	<u>1,188</u>	<u>1,188</u>	<u>1,188</u>	
Fund balance (deficit) - end of year	<u>\$ (109,674)</u>	<u>\$ (155,013)</u>	<u>\$ 1,598</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 LAW ENFORCEMENT GRANTS FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 4,900	\$ 4,900	4,894	\$ (6)
Total revenues	<u>4,900</u>	<u>4,900</u>	<u>4,894</u>	<u>(6)</u>
Expenditures				
Public safety	4,900	4,900	4,894	6
Total expenditures	<u>4,900</u>	<u>4,900</u>	<u>4,894</u>	<u>6</u>
Net change in fund balance	-	-	-	<u>\$ -</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 MISCELLANEOUS GRANTS FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenue	\$ 84,875	\$ 84,875	\$ 13,780	\$ (71,095)
Total revenues	<u>84,875</u>	<u>84,875</u>	<u>13,780</u>	<u>(71,095)</u>
Expenditures				
Public works	80,000	80,000	13,788	66,212
Total expenditures	<u>80,000</u>	<u>80,000</u>	<u>13,788</u>	<u>66,212</u>
Excess (deficiency) of revenues over expenditures	<u>4,875</u>	<u>4,875</u>	<u>(8)</u>	<u>(4,883)</u>
Other financing sources (uses)				
Transfers in	-	-	5,000	5,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Net change in fund balance	4,875	4,875	4,992	<u>\$ 117</u>
Fund balance - beginning of year	<u>6,385</u>	<u>6,385</u>	<u>6,385</u>	
Fund balance (deficit) - end of year	<u>\$ 11,260</u>	<u>\$ 11,260</u>	<u>\$ 11,377</u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 CONGESTION MITIGATION FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 452,925	\$ 452,925	\$ -	\$ (452,925)
Total revenues	<u>452,925</u>	<u>452,925</u>	<u>-</u>	<u>(452,925)</u>
Expenditures				
Public works	929,109	929,109	-	929,109
Total expenditures	<u>929,109</u>	<u>929,109</u>	<u>-</u>	<u>929,109</u>
Net change in fund balance	(476,184)	(476,184)	-	476,184
Fund balance - beginning of year	<u>99,916</u>	<u>99,916</u>	<u>99,916</u>	
Fund balance - end of year	<u><u>\$ 99,916</u></u>	<u><u>\$ 99,916</u></u>	<u><u>\$ 99,916</u></u>	

WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 FEDERAL MINERAL ROYALTY OVER THE CAP FUND
 Year Ended June 30, 2014

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 1,103,057	\$ 1,103,057	\$ 42,388	\$ (1,060,669)
Total revenues	<u>1,103,057</u>	<u>1,103,057</u>	<u>42,388</u>	<u>(1,060,669)</u>
Expenditures				
Public works	1,103,057	1,103,057	42,388	1,060,669
Total expenditures	<u>1,103,057</u>	<u>1,103,057</u>	<u>42,388</u>	<u>1,060,669</u>
Net change in fund balance	-	-	-	<u>\$ -</u>
Fund balance - beginning of year	-	-	-	
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

SINGLE AUDIT SECTION

WESTON COUNTY, WYOMING

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(MODIFIED ACCRUAL BASIS)**

Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<i><u>U.S. Department of Agriculture</u></i>			
Passed Through Wyoming Department of Health Special Supplemental Nutrition Program for Women, Infants, and Children	-	10.557	\$ 6,184
Direct Funding:			
Forest Service Schools and Roads Cluster Schools and Roads - Grants to Counties	-	10.666	434,108
Total U.S. Department of Agriculture			<u>440,292</u>
<i><u>U.S. Department of Transportation</u></i>			
Passed Through the Wyoming Department of Transportation			
Airport Improvement Program	3-56-0019-13/14	20.106	462,611
Total U.S. Department of Transportation			<u>462,611</u>
<i><u>U.S. Department of Health and Human Services</u></i>			
Passed Through Wyoming Department of Health Public Health Emergency Preparedness	-	93.069	\$ 21,639
Total Public Health Emergency Preparedness			<u>21,639</u>
Passed Through Wyoming Department of Family Services			
CCDF Cluster			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	-	93.596	2,780
Passed Through Wyoming Department of Health HIV Prevention Activities - Health Department Based	-	93.940	199
Preventive Health Services Sexually Transmitted Diseases Control Grants	-	93.977	156
Total U.S. Department of Health and Human Services			<u>24,774</u>
			<u>(Continued)</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

WESTON COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
(MODIFIED ACCRUAL BASIS)

Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Federal Expenditures
<i>U.S. Department of Homeland Security</i>			
Passed Through the State Office of Homeland Security Disaster Grants - Public Assistance (Presidentially Declared Disasters)	-	97.036	42,667
Emergency Management Performance Grants	12-GDP-WES-EM-GCF12	97.042	30,000
Homeland Security Grant Program	11-GDP-WES-LS-HLE11	97.067	36,400
Homeland Security Grant Program	12-GDP-WES-LS-HLE12	97.067	11,625
Homeland Security Grant Program	13-GDP-WES-LS-HLE13	97.067	11,600
Homeland Security Grant Program	11-GDP-WES-SC-HSG11	97.067	6,167
Homeland Security Grant Program	12-GDP-WES-SC-HSG12	97.067	2,014
Total Homeland Security Grant Program			<u>67,806</u>
Total U.S. Department of Homeland Security			<u>140,473</u>
 Total Expenditures of Federal Awards			 <u><u>\$ 1,068,150</u></u>

See accompanying notes to the Schedule of Expenditures of Federal Awards

WESTON COUNTY, WYOMING

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2014

Note 1. *Basis of Presentation*

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Weston County, Wyoming and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 *Audits of States, 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.

Note 2. *CFDA No. 15.226 - Payments in Lieu of Taxes (PILT)*

To compensate local taxing units for the loss of taxes from Federally-owned and acquired lands, the Office of the Secretary, Department of the Interior makes direct payments to local governments that lost real property taxes because the jurisdiction contains eligible acres of PILT entitlement land under public law 97-258, as amended, 31 U.S.C. 6901-6907. Payments are unrestricted as to use by local governments and the program is excluded from coverage under OMB Circular No. A-87. Consequently, the program has been excluded from the Schedule of Expenditures of Federal Awards and the determination of major programs, as there are no expenditure or other requirements for the entitlement program. During the fiscal year ended June 30, 2014, the County recognized \$338,827 of PILT entitlement as income.

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*

INDEPENDENT AUDITOR’S REPORT

Honorable Board of County Commissioners
Weston County, 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 statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Weston County, Wyoming (the "County"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Weston County, Wyoming’s basic financial statement, and have issued our report thereon dated . The financial statements do not include the financial statements of the Weston County Weed and Pest Control District, and we were not engaged to audit the Weston County Weed and Pest Control District as part of the County’s basic financial statements. Weston County Weed and Pest Control District’s financial activities have not been included in the County’s basic financial statements as a discretely presented component unit which accounting principles generally accepted in the United States of America require to be reported with the financial data of the primary government. The financial statements of the Weston County Weed and Pest Control District were audited by another auditor and prepared on another comprehensive basis of accounting, which is not in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Weston 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 Weston County, Wyoming’s internal control. Accordingly, we do not express an opinion on the effectiveness of Weston County, Wyoming’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a deficiency in internal control that we consider to be a material weakness.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questions costs as 2013-001 to be a material weakness. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weston 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 tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Weston County, Wyoming

Report on Compliance for the Major Federal Program

We have audited Weston County, Wyoming's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on Weston County, Wyoming's major federal programs for the year ended June 30, 2014. Weston County, Wyoming's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Weston 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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Weston County, Wyoming'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 the major federal programs. However, our audit does not provide a legal determination of Weston County, Wyoming's compliance.

Opinion on Each Major Federal Program

In our opinion, Weston 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 its major federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of Weston County, Wyoming is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Weston County, Wyoming's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major programs and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Weston County, Wyoming's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *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. 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Porter, Muirhead, Cornia & Howard

Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming

WESTON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2014

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	Qualified
Internal control over financial reporting:	
Material weaknesses identified?	Yes
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of Circular A-133?	No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
10.666	Schools and Roads – Grants to Counties
20.106	Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000
Auditee qualified as low-risk auditee?	No

(Continued)

WESTON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended June 30, 2014

Section II - Financial Statement Findings

2014-001

Financial Reporting

Criteria

The Auditing Standards Board (ASB) issued guidance to auditors related to an entity's internal controls over external financial reporting (i.e. financial statements presented in conformity with generally accepted accounting principles [GAAP] and issued to outside third parties). Many small organizations rely on their auditor to generate these annual financial statements including the related footnotes. Statement on Auditing Standards (SAS) No. 115 emphasizes that the auditor cannot be part of the entity's system of internal control over external financial reporting. Consequently, the entity must have personnel who are capable of preparing external financial statements in conformity with GAAP even though the auditor may draft the statements on behalf of the entity.

Condition

The County has controls in place and operating over the preparation of budget-basis financial reports, including in-depth review by management and the Board of County Commissioners and a high level of awareness of all transactions being reported. However, budgetary basis financial reporting (non-GAAP) differs significantly from GAAP financial reporting. In our judgment, the County's accounting personnel and those charged with governance, in the course of their assigned duties, lack the skills to prepare the external financial statements and related footnotes in accordance with GAAP and to detect and correct a material misstatement, if present.

Recommendation

In our judgment, management and those charged with governance need to understand the importance of this communication as it relates to external GAAP basis financial statements. While accounting personnel, management, and those charged with governance have the skills to understand non-GAAP financial reports, we recommend accounting personnel attend training to improve their understanding of GAAP basis financial reporting specifically geared towards reporting for governmental organizations. We also recommend accounting personnel receive additional training to improve utilization of the software to produce accounting information on a GAAP basis in addition to the budgetary basis. Management may also mitigate this weakness by utilizing the services of another accounting firm to assist in compiling the external financial statements.

Response

While the County understands the guidelines under SAS No. 115, the County does not see a significant value from the technical compliance with this statement. The County feels that there is no justifiable benefit to employ a certified public accountant for the sole purpose of converting the County's budgetary basis reporting to the GAAP based annual financial statement. The County's accounting personnel have the skills and understand the County's finances to find and correct material misstatements on the budgetary basis. The lack of familiarity with all required disclosures for formal financial reporting in accordance with GAAP reflects more on the esoteric nature of many required disclosures than the management/oversight capabilities of the County's personnel.

WESTON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
Year Ended June 30, 2014

Section III - Federal Award Findings and Questioned Costs

None

WESTON COUNTY, WYOMING

SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2014

Summary Schedule of Prior Audit Findings

None