



WESTON COUNTY, WYOMING

FINANCIAL AND COMPLIANCE REPORT

June 30, 2017

WESTON COUNTY, WYOMING

FINANCIAL AND COMPLIANCE REPORT

June 30, 2017

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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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weston County, Wyoming, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Weston County, Wyoming's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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 Weston County, Wyoming's basic financial statements. Weston County Weed and Pest Control District's financial activities have not been included in Weston County, Wyoming'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 reviewed by another accountant 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 \$598,599, \$598,599, and \$969,962, respectively.

In addition, management of the Central Weston County Solid Waste District has not obtained a professional evaluation of the estimated total closure and post-closure 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 post-closure monitoring costs as the landfill capacity is used. Without a professional evaluation, the effect on the liabilities and expenses of the Solid Waste District 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, 2017, 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, 2017, 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, budgetary comparison information, and pension schedules 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 the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Weston County, Wyoming'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.

The other supplementary 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information as listed in the table of contents is 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 February 19, 2018 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Weston County, Wyoming's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Weston County, Wyoming's internal control over financial reporting and compliance.



Porter, Muirhead, Cornia & Howard
Certified Public Accountants

Casper, Wyoming
February 19, 2018

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WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

(Unaudited)

As management of Weston County, Wyoming, ("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, 2017.

Financial Highlights

The assets of Weston County exceeded its liabilities at the close of the most recent fiscal year by \$36,821,631 (net position). Of this amount, \$6,145,947 (unrestricted net position) may be used to meet the governments on-going 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 \$11,366,672; of this total amount, \$7,329,606, 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; the significant capital assets added during this fiscal year were improvements to the Courthouse on HVAC, fire alarm systems, and roof project; Annex on construction of offices and ADA compliant bathroom facilities; Emergency Operations Center roof project; youth building roof project; and improvements to various county roads.

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, deferred outflows, liabilities, and deferred inflows with the difference between these items 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, 2017

(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 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.

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.

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.

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.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

(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, 74% 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, 2017 net position for governmental activities changed as follows:

Beginning net position	\$ 37,990,425
Increase (decrease) in net position	(1,168,794)
Ending net position	<u>\$ 36,821,631</u>

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

	Governmental Activities	
	2017	2016
Current and other assets	\$ 13,265,961	\$ 13,095,563
Capital assets	27,290,294	28,183,734
Total assets	<u>40,556,255</u>	<u>41,279,297</u>
Deferred outflows of resources	<u>766,806</u>	<u>962,641</u>
Long-term liabilities outstanding	2,451,766	2,439,868
Other liabilities	254,793	360,687
Total liabilities	<u>2,706,559</u>	<u>2,800,555</u>
Deferred inflows of resources	<u>1,794,871</u>	<u>1,450,958</u>
Net position:		
Net investment in capital assets	27,290,294	28,183,734
Restricted	3,385,390	2,962,373
Unrestricted	6,145,947	6,844,318
Total net position	<u>\$ 36,821,631</u>	<u>\$ 37,990,425</u>

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

(Unaudited)

Weston County's Changes in Net Position

	<u>2017</u>	<u>2016</u>
Revenues		
Program revenues		
Charges for services	\$ 261,186	\$ 280,257
Operating grants and contributions	592,567	1,222,304
Capital grants and contributions	639,006	3,951,624
General revenues		
Property taxes	1,379,353	1,520,940
Motor vehicle fees	272,478	265,076
Sales taxes	1,042,454	1,462,655
Gas taxes	423,152	408,886
Other taxes	1,417,297	1,437,089
Miscellaneous revenue	241,541	296,494
Unrestricted investment earnings	85,838	65,333
Total revenues	<u>6,354,872</u>	<u>10,910,658</u>
Expenses		
General government	5,108,642	5,014,917
Public safety	1,324,435	1,412,932
Public works	686,369	1,733,795
Health, welfare and recreation	332,818	420,860
Conservation of natural resources	71,402	87,151
Total expenses	<u>7,523,666</u>	<u>8,669,655</u>
Change in net position	(1,168,794)	2,241,003
Net position - beginning of year	37,990,425	35,749,422
Net position - end of year	<u>\$ 36,821,631</u>	<u>\$ 37,990,425</u>

General County revenue as reported by the County Treasurer decreased by \$4,639,526, which is a 42.52% decrease from the previous fiscal year. This decrease can be attributed to a decrease in capital grants received during this fiscal year. Expenses decreased by \$1,145,990 or 13.22%.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

(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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Weston County's governmental funds reported combined ending fund balances of \$11,366,672, an increase of \$47,297, in comparison with the prior year.

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 \$7,322,659 while total fund balance reached \$7,793,859. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 140% percent of total general fund expenditures, while total fund balance represents 149% percent of that same amount.

The fund balance of Weston County's general fund decreased by \$332,019 during the current fiscal year.

General Fund Budgetary Highlights

The difference between the final budget and the actual results for FY 2016-2017 was primarily due to a delay in construction projects and making budgeted building repairs. The difference between the original FY 2016-2017 budget for the General Fund and the final amended budget amounted to a small decrease of \$1,000 in the general government budget.

Capital Asset and Debt Administration

Capital assets - Weston County's net investment in capital assets for its governmental type activities as of June 30, 2017, amounts to \$27,290,294. 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 \$893,440 or 3.17%.

Major capital asset expenditures during the current fiscal year were improvements to the Courthouse on HVAC, fire alarm systems, and roof project; Annex on construction of offices and ADA compliant bathroom facilities; Emergency Operations Center roof project; youth building roof project; and improvements to various county roads.

Weston County has no debt other than accrued compensated absences.

WESTON COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2017

(Unaudited)

Weston County's Capital Assets

(Net of depreciation)

	Governmental Activities	
	2017	2016
Land	\$ 322,650	\$ 322,650
Buildings	3,441,966	3,070,408
Machinery and equipment	921,528	1,312,363
Infrastructure	21,379,038	20,630,129
Construction in progress	1,225,112	2,848,184
Total	<u>\$ 27,290,294</u>	<u>\$ 28,183,734</u>

Economic Factors and Budgetary Implications

Weston County has experienced a significant decrease in property tax revenue and sales tax revenue. This is due to a decrease in the minerals extraction industry.

The County assigned \$133,511 of its fund balance for emergencies. The daily operating costs have decreased to \$14,320. At that spending rate, the Emergency Reserve Fund would carry the County for 9 days.

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, 2017

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	\$ 2,178,072	\$ 2,178,072
Investments	8,631,465	8,631,465
Receivables	2,271,469	2,271,469
Inventory	184,955	184,955
Restricted assets		
Cash and cash equivalents	-	-
Investments, at fair value	-	-
Beneficial interest in assets held by others	-	-
Capital assets, not being depreciated	1,547,762	1,547,762
Capital assets, net of accumulated depreciation	<u>25,742,532</u>	<u>25,742,532</u>
Total assets	<u>40,556,255</u>	<u>40,556,255</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension plan items	<u>766,806</u>	<u>766,806</u>
LIABILITIES		
Checks written in excess of bank balance	135,594	135,594
Accounts payable and accrued liabilities	67,123	67,123
Funds held in trust	27,051	27,051
Unearned grant revenue	25,025	25,025
Noncurrent liabilities		
Due within one year	18,165	18,165
Due in more than one year	<u>2,433,601</u>	<u>2,433,601</u>
Total liabilities	<u>2,706,559</u>	<u>2,706,559</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable property tax revenue	1,635,486	1,635,486
Pension plan items	159,385	159,385
Total deferred inflows of resources	<u>1,794,871</u>	<u>1,794,871</u>
NET POSITION		
Net investment in capital assets	27,290,294	27,290,294
Restricted for		
County road construction (W.S. 24-2-110)	3,347,010	3,347,010
Library foundation		
Expendable	-	-
Permanent endowment for the library (nonexpendable)	-	-
Friends of the Fair	-	-
Health and welfare related programs	15,419	15,419
Public safety related programs	22,961	22,961
Unrestricted (deficit)	<u>6,145,947</u>	<u>6,145,947</u>
Total net position (deficit)	<u>\$ 36,821,631</u>	<u>\$ 36,821,631</u>

See accompanying notes to financial statements

Component Units

County Library Board	County Fair Board	Solid Waste District	Total Component Units
\$ 84,560	\$ 104,452	\$ 4,760	\$ 193,772
-	20,440	-	20,440
21,504	2,009	6,758	30,271
-	-	-	-
58,117	46,730	-	104,847
142,649	-	-	142,649
743,599	-	-	743,599
27,700	49,237	-	76,937
238,424	35,237	31,800	305,461
<u>1,316,553</u>	<u>258,105</u>	<u>43,318</u>	<u>1,617,976</u>
<u>45,418</u>	<u>13,031</u>	<u>-</u>	<u>58,449</u>
-	-	-	-
4,989	-	-	4,989
-	-	-	-
-	-	-	-
-	-	-	-
178,933	41,532	890,120	1,110,585
<u>183,922</u>	<u>41,532</u>	<u>890,120</u>	<u>1,115,574</u>
-	-	-	-
18,218	5,767	-	23,985
<u>18,218</u>	<u>5,767</u>	<u>-</u>	<u>23,985</u>
266,124	84,474	31,800	382,398
-	-	-	-
200,766	-	-	200,766
651,115	-	-	651,115
-	44,443	-	44,443
-	-	-	-
-	-	-	-
41,826	94,920	(878,602)	(741,856)
<u>\$ 1,159,831</u>	<u>\$ 223,837</u>	<u>\$ (846,802)</u>	<u>\$ 536,866</u>

WESTON COUNTY, WYOMING

STATEMENT OF ACTIVITIES

Year Ended June 30, 2017

Function/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 5,108,642	\$ 143,794	\$ -	\$ -
Public safety	1,324,435	-	23,947	-
Public works	686,369	-	535,616	639,006
Health, welfare and recreation	332,818	117,392	33,004	-
Conservation of natural resources	71,402	-	-	-
Total governmental activities	<u>7,523,666</u>	<u>261,186</u>	<u>592,567</u>	<u>639,006</u>
Total primary government	<u>\$ 7,523,666</u>	<u>\$ 261,186</u>	<u>\$ 592,567</u>	<u>\$ 639,006</u>
Component units				
County Library Board	\$ 337,900	\$ 7,958	\$ -	\$ -
County Fair Board	183,524	33,999	-	-
Solid Waste District	131,219	69,180	-	-
Total component units	<u>\$ 652,643</u>	<u>\$ 111,137</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues

 Property taxes

 Motor vehicle fees

 Sales taxes

 Gas taxes

 Other taxes

 Unrestricted investment earnings

 Miscellaneous revenue

 Total general revenues and transfers

 Change in net position

Net position (deficit) - beginning of year

Net position (deficit) - 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 Board	County Fair Board	Solid Waste District	Total Component Units
\$ (4,964,848)	\$ (4,964,848)	\$ -	\$ -	\$ -	\$ -
(1,300,488)	(1,300,488)	-	-	-	-
488,253	488,253	-	-	-	-
(182,422)	(182,422)	-	-	-	-
(71,402)	(71,402)	-	-	-	-
<u>(6,030,907)</u>	<u>(6,030,907)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(6,030,907)	(6,030,907)	-	-	-	-
-	-	(329,942)	-	-	(329,942)
-	-	-	(149,525)	-	(149,525)
-	-	-	-	(62,039)	(62,039)
<u>-</u>	<u>-</u>	<u>(329,942)</u>	<u>(149,525)</u>	<u>(62,039)</u>	<u>(541,506)</u>
1,379,353	1,379,353	182,947	140,446	28,212	351,605
272,478	272,478	-	-	-	-
1,042,454	1,042,454	-	-	3,193	3,193
423,152	423,152	-	-	-	-
1,417,297	1,417,297	1,675	-	-	1,675
85,838	85,838	70,828	162	-	70,990
241,541	241,541	62,451	23,335	-	85,786
<u>4,862,113</u>	<u>4,862,113</u>	<u>317,901</u>	<u>163,943</u>	<u>31,405</u>	<u>513,249</u>
(1,168,794)	(1,168,794)	(12,041)	14,418	(30,634)	(28,257)
37,990,425	37,990,425	1,171,872	209,419	(816,168)	565,123
<u>\$ 36,821,631</u>	<u>\$ 36,821,631</u>	<u>\$ 1,159,831</u>	<u>\$ 223,837</u>	<u>\$ (846,802)</u>	<u>\$ 536,866</u>

WESTON COUNTY, WYOMING

**BALANCE SHEET -
GOVERNMENTAL FUNDS**

June 30, 2017

	General Fund	County Road Fund
ASSETS		
Cash and cash equivalents	\$ 1,050,157	\$ 913,527
Investments	6,274,713	2,356,752
Accounts receivable	275,193	43,207
Property taxes receivable	1,654,208	-
Accrued interest receivable	81,282	33,524
Grants receivable	-	-
Inventory	184,955	-
Total assets	\$ 9,520,508	\$ 3,347,010
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Checks written in excess of bank balance	\$ -	\$ -
Accounts payable and accrued liabilities	55,102	-
Funds held in trust	27,051	-
Unearned grant revenue	-	-
Total liabilities	82,153	-
Deferred inflows of resources		
Unavailable property tax revenue	1,644,496	-
Total deferred inflows of resources	1,644,496	-
Fund balances		
Nonspendable	184,955	-
Restricted for road construction	-	3,347,010
Restricted for health and welfare related programs	-	-
Restricted for public safety related programs	-	-
Committed for Mallo Camp	-	-
Assigned for		
Economic development	53,702	-
Emergencies	133,511	-
Future construction projects	99,032	-
Unassigned balances (deficit)	7,322,659	-
Total fund balances (deficit)	7,793,859	3,347,010
Total liabilities, deferred inflows of resources and fund balances	\$ 9,520,508	\$ 3,347,010

See accompanying notes to financial statement

Airport Projects Fund	Fair Building Grant Fund	Other Governmental Funds	Totals
\$ -	\$ -	\$ 214,388	\$ 2,178,072
-	-	-	8,631,465
-	-	166,974	485,374
-	-	-	1,654,208
-	-	-	114,806
-	-	17,081	17,081
-	-	-	184,955
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,443</u>	<u>\$ 13,265,961</u>

\$ 1,315	\$ -	\$ 134,279	\$ 135,594
-	-	12,021	67,123
-	-	-	27,051
-	-	25,025	25,025
<u>1,315</u>	<u>-</u>	<u>171,325</u>	<u>254,793</u>

-	-	-	1,644,496
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,644,496</u>

-	-	-	184,955
-	-	-	3,347,010
-	-	15,419	15,419
-	-	22,961	22,961
-	-	85,489	85,489
-	-	-	53,702
-	-	-	133,511
-	-	94,987	194,019
(1,315)	-	8,262	7,329,606
<u>(1,315)</u>	<u>-</u>	<u>227,118</u>	<u>11,366,672</u>

<u>\$ -</u>	<u>\$ -</u>	<u>\$ 398,443</u>	<u>\$ 13,265,961</u>
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WESTON COUNTY, WYOMING

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

June 30, 2017

Total fund balances - governmental funds		\$ 11,366,672
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund 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 of capital assets reported in the government-wide statements.		27,290,294
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Deferred outflows and inflows for pension items are not available to pay for current period expenditures and, therefore, the underlying resources are not reported in the governmental funds.

Pension plan items - Deferred outflows of resources	\$ 766,806		
Pension plan items - Deferred inflows of resources	(159,385)		607,421

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	(51,900)		
Pension liabilities	(2,399,866)		(2,451,766)

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

Unavailable property tax revenue - fund level	1,644,496		
Unavailable property tax revenue - government-wide level	(1,635,486)		9,010

Net position of governmental activities		\$ 36,821,631
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WESTON COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended June 30, 2017

	General	County Road Fund
Revenues		
Taxes	\$ 2,845,389	\$ -
Intergovernmental revenues	1,417,297	457,901
Charges for services	143,794	-
Investment earnings	59,801	25,874
Miscellaneous revenues	430,281	-
Total revenues	4,896,562	483,775
Expenditures		
Current		
General government	3,108,607	-
Public safety	998,961	-
Public works	946,294	-
Health, welfare and recreation	101,642	-
Conservation and development	71,402	-
Capital outlay	-	167
Total expenditures	5,226,906	167
Excess (deficiency) of revenues over expenditures	(330,344)	483,608
Other financing sources (uses)		
Transfers in	1,132	-
Transfers out	(2,807)	(18,470)
Total other financing sources (uses)	(1,675)	(18,470)
Net change in fund balances	(332,019)	465,138
Fund balances (deficit) - beginning of year	8,125,878	2,881,872
Fund balances (deficit) - end of year	\$ 7,793,859	\$ 3,347,010

See accompanying notes to financial statements

Airport Projects Fund	Fair Building Grant Fund	Other Governmental Funds	Totals
\$ -	\$ -	\$ -	\$ 2,845,389
181,105	-	818,568	2,874,871
-	-	117,392	261,186
-	-	160	85,835
-	-	-	430,281
<u>181,105</u>	<u>-</u>	<u>936,120</u>	<u>6,497,562</u>
-	-	-	3,108,607
-	-	25,159	1,024,120
-	-	102,219	1,048,513
-	-	170,057	271,699
-	-	-	71,402
180,640	-	745,117	925,924
<u>180,640</u>	<u>-</u>	<u>1,042,552</u>	<u>6,450,265</u>
465	-	(106,432)	47,297
-	2,807	18,470	22,409
-	-	(1,132)	(22,409)
-	<u>2,807</u>	<u>17,338</u>	<u>-</u>
465	2,807	(89,094)	47,297
(1,780)	(2,807)	316,212	11,319,375
<u>\$ (1,315)</u>	<u>\$ -</u>	<u>\$ 227,118</u>	<u>\$ 11,366,672</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, 2017

Net change in fund balances - total governmental funds \$ 47,297

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 asset acquisitions expensed in the governmental funds	\$ 4,478,026	
Capital asset dispositions	(336,687)	
Assets transferred from construction in progress to capital assets and infrastructure	(2,368,514)	
Depreciation expense	<u>(2,666,265)</u>	(893,440)

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.

Compensated absences as of June 30, 2017	(51,900)	
Compensated absences as of June 30, 2016	<u>51,082</u>	(818)

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

Unavailable property tax revenue - fund June 30, 2016	(1,389,876)	
Unavailable property tax revenue - government wide June 30, 2016	1,380,440	
Unavailable property tax revenue - fund June 30, 2017	1,644,496	
Unavailable property tax revenue - government wide June 30, 2017	<u>(1,635,486)</u>	(426)

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

Pension liability as of June 30, 2016	2,388,786	
Pension liability as of June 30, 2017	(2,399,866)	
Deferred inflows - pension items as of June 30, 2016	44,894	
Deferred inflows - pension items as of June 30, 2017	(159,385)	
Deferred outflows - pension items as of June 30, 2016	(962,642)	
Deferred outflows - pension items as of June 30, 2017	<u>766,806</u>	<u>(321,407)</u>

Change in net position of governmental activities \$ (1,168,794)

See accompanying notes to financial statements

WESTON COUNTY, WYOMING

**STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS
June 30, 2017**

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 469,175
Property taxes receivable	<u>119,524</u>
Total assets	<u><u>\$ 588,699</u></u>
LIABILITIES	
Due to other governments	\$ 579,241
Due to component units	<u>9,458</u>
Total liabilities	<u><u>\$ 588,699</u></u>

See accompanying notes to financial statements

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WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies

The 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 basic financial statements to emphasize that it is legally separate from the County. Each blended and discretely presented component unit has a June 30 year-end.

Blended Component Units

The Weston County Mallo Camp accounts for funds received from the County for continuing maintenance of the camp. The Mallo Camp Board's governing body is not substantially the same as the County. However, the County is financially accountable for the Mallo Camp Board as the County is responsible for the financial burden of the Mallo Camp. In addition, the Mallo Camp Board is fiscally dependent upon the County. The Mallo Camp Board is reported as a special revenue fund of the County.

Discretely Presented Component Units

The component unit columns in the basic financial statements include the financial data of the County's discretely presented component units. They are reported in a separate column to emphasize that they are legally separate from the County. The governing boards of all of these component units are appointed by the Board of County Commissioners.

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. The Weed and Pest Control District obtains a separate review. Their financial statements are 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 reviewed information prepared on the cash basis of accounting, the total assets of the District at June 30, 2017 were \$598,599, total revenues were \$969,962, and total expenditures were \$981,074. 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 Fair'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.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Discretely Presented Component Units (Continued)

Also included in the County Fair Board (“Fair”) 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 Foundation, the majority of the foundation’s resources, and income, is restricted by donors to the activities of the Fair. Because these restricted resources held by the Foundation can only be used by, and 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 does not issue separate financial statements.

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 Foundation, the majority of the Foundation’s resources, and income thereon, is restricted by donors to the activities of the Library. Because these restricted resources held by the Foundation can only be used by, and 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 and the results of its operations have not been restated to conform to the County’s year-end. 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 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 segment is 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*.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

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.

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 to be measurable and available only when cash is received by the government.

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 Projects 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 projects 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 or contractually restricted to expenditures for specific purposes.

Other Capital projects 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.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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.

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, Federal National Mortgage Association notes and Federal Home Loan Bank notes.

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. Amortized cost of certificates of deposit are considered to approximate fair value.

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."

The County considers all accounts receivable to be fully collectible at June 30, 2017 and, therefore no allowance for doubtful accounts is deemed necessary.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. 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, 2017, was 12 mills, which means that the County has levied to the maximum amount available.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Major Taxpayers

The County's ten largest taxpayers account for approximately 46% of the County's total assessed property valuation. Eight of the ten taxpayers are involved in mineral extraction industries; one is a power producer and one is a railroad company. The County received approximately 10% of its total revenues from these taxpayers.

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 County 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 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 the life of the asset 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
Books and collections	5

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the financial statements may include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a decrease of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements may include a separate section for deferred inflow of resources. This separate financial statement element, deferred inflow of resources, represents an increase of net position that applied to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County reports deferred outflows and deferred inflows of resources as follows:

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Deferred Outflows and Deferred Inflows of Resources (Continued)

Unavailable Revenues – Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds may report unavailable revenues from two sources: property taxes and grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide statement of net position, only property tax revenue is reported as a deferred inflow of resources in the year the taxes are levied.

Pension-Related Amounts – In the government-wide statement of net position, a deferred outflow or deferred inflow of resources is reported for the unrecognized items not yet charged to pension expense related to the net pension liability. This includes the unamortized portion of the net difference between projected and actual earnings on pension plan investments and other differences between expected and actual experience. Deferred outflows for the net difference between projected and actual investment earnings are recognized over a period of five years, while the deferred inflows or deferred outflows for the differences between expected and actual experience for economic/demographic assumptions are recognized over the remaining service life for all active and inactive members.

Compensated Absences

At June 30, 2017, 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 statements, 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. Repayments of long-term debt (lease purchase obligations) are reported as debt service expenditures.

Pensions

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

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 1. Nature of Operations and Significant Accounting Policies (Continued)

Fund Balance/Net Position

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 is 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. The estimates of fair value of investments and of pension liabilities are specifically significant to the County. It is reasonably possible that this estimate will change within one year of the date of the financial statements due to one or more future events. The effect of the change could be material to the financial statements and could result in a loss.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

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.

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. Expenditures cannot exceed appropriations at the department level and any unexpended appropriations lapse at year end.

Formal legally adopted budgets are prepared as a management control device during the year for the General Fund, Special Revenue Funds and Capital Project Funds. Budgets for the General, Special Revenue and Capital Project Funds are adopted on a cash basis (Budgetary). Such basis is not consistent with generally accepted accounting principles (GAAP).

Budget Amendments

During the 2017 fiscal year, it was necessary to amend the originally adopted budget. The expenditure budgets for the following departments and funds were amended through transfers between departments or funds and from unanticipated revenues:

	<u>Increase (Decrease)</u>
General Fund	
General government	\$ 1,000
Miscellaneous Grants Fund	
Public safety	(5,000)
Homeland Security Fund	
Public safety	(10,000)
Federal Mineral Over Cap	
Public works	(110,368)
	<u>\$ (124,368)</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, 2017

Note 2. Stewardship, Compliance, and Accountability (Continued)

Deficit Net Position

The County's Airport Project and Public Health Grants funds had deficit balances at June 30, 2017. As of June 30, 2017, the County did not transfer funds to resolve the negative balances. The County will make transfers in the future to resolve these deficits. The County's component unit, the Solid Waste District, also had a deficit balance. This deficit is directly related to the post-closure cost for the landfill.

Note 3. Deposits and Investments

Deposits are placed with various financial institutions and are carried at cost. At June 30, 2017, the carrying amount of the County's and its component unit's bank deposits was \$2,954,866 and the bank balance was \$2,920,014. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2017 were covered by insurance or collateral held in joint custody with the financial institution.

As of June 30, 2017, the County had the following investments:

Type	Total	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Federal national mortgage association notes	\$ 54,121	1.55%	\$ -	\$ 54,121	\$ -	\$ -	AA+
Federal home loan bank notes	397,620	1.25-2.82%	-	99,237	298,383	-	AA+
Certificates of deposit	8,179,724	0.45-0.80%	-	8,179,724	-	-	N/A
	<u>\$ 8,631,465</u>		<u>\$ -</u>	<u>\$8,333,082</u>	<u>\$298,383</u>	<u>\$ -</u>	

As of June 30, 2017, the County Library Foundation, which is the component unit of the County Library Board, had the following investments:

Type	Total	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Certificates of deposit	\$ 142,649	0.35-1.45%	\$52,174	\$ 90,475	\$ -	\$ -	N/A

As of June 30, 2017, the Friends of the Weston County Fair, which is the component unit of the County Fair Board, had the following investments:

Type	Total	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Certificates of deposit	\$ 20,440	0.35%	\$20,440	\$ -	\$ -	\$ -	N/A

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 3. Deposits and Investments (Continued)

Fair Value Measurements

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2017:

Federal national mortgage association notes and Federal home loan bank notes: Valued using quoted prices for identical or similar assets in active markets.

Primary government investments	Assets at Fair Value as of June 30, 2017			
	Level 1	Level 2	Level 3	Total
Investments by fair value level				
Federal national mortgage association notes	\$ -	\$ 54,121	\$ -	\$ 54,121
Federal home loan bank notes	-	397,620	-	397,620
Total investments at fair value	\$ -	\$ 451,741	\$ -	451,741
Other investments				
Certificates of deposit				8,179,724
Total primary government investments				\$ 8,631,465

All component unit investments are in certificates of deposit and their cost of \$163,089 approximates fair value. Component unit investments are reported in the following categories:

Investments	\$ 20,440
Restricted assets - investments at fair value	142,649
Total component unit investments	\$ 163,089

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 does not have a formal policy to address interest rate risk. 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.

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. While the County does not have a formal policy on credit risk, the County's investments at June 30, 2017 were 100% invested in certificates of deposit and federally guaranteed notes. The County has a limited exposure to credit risk based on its investment choices.

Concentration of Credit Risk. The County does not have a formal policy that allows for an investment in any one issuer up to or in excess of a specified percentage of the County's total investments.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 3. Deposits and Investments (Continued)

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, 2017, 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 notes, no custodial credit risk exists other than those discussed above.

Note 4. Receivables

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

	<u>Governmental Activities</u>	<u>County Library Board</u>	<u>County Fair Board</u>	<u>Solid Waste District</u>
Accounts receivable	\$ 485,374	\$ 21,504	\$ 2,009	\$ 6,758
Property taxes receivable	1,654,208	-	-	-
Accrued interest receivable	114,806	-	-	-
Grants receivable	17,081	-	-	-
Total receivables	<u>\$ 2,271,469</u>	<u>\$ 21,504</u>	<u>\$ 2,009</u>	<u>\$ 6,758</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 5. Capital Assets

Primary Government Without its Blended Component Unit

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 322,650	\$ -	\$ -	\$ 322,650
Construction in progress	2,848,184	745,442	(2,368,514)	1,225,112
Total capital assets not being depreciated	3,170,834	745,442	(2,368,514)	1,547,762
Capital assets being depreciated				
Buildings	9,126,360	534,775	(314,217)	9,346,918
Machinery and equipment	6,701,464	78,334	(109,914)	6,669,884
Infrastructure	274,823,852	2,789,561	-	277,613,413
Total capital assets being depreciated	290,651,676	3,402,670	(424,131)	293,630,215
Less accumulated depreciation for				
Buildings	6,055,952	178,458	(20,133)	6,214,277
Machinery and equipment	5,389,101	422,130	(67,311)	5,743,920
Infrastructure	254,193,723	2,040,652	-	256,234,375
Total accumulated depreciation	265,638,776	2,641,240	(87,444)	268,192,572
Total capital assets, being depreciated, net	25,012,900	761,430	(336,687)	25,437,643
Governmental activities capital assets, net	<u>\$ 28,183,734</u>	<u>\$ 1,506,872</u>	<u>\$ (2,705,201)</u>	<u>\$ 26,985,405</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 5. Capital Assets (Continued)

Blended Component Unit

Activity for the Mallo Camp for the year ended June 30, 2017, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets being depreciated				
Buildings	\$ -	\$ 314,217	\$ -	\$ 314,217
Machinery and equipment	-	15,697	-	15,697
Total capital assets being depreciated	-	329,914	-	329,914
Less accumulated depreciation for				
Buildings	-	4,892	-	4,892
Machinery and equipment	-	20,133	-	20,133
Total accumulated depreciation	-	25,025	-	25,025
Total capital assets being depreciated, net	-	304,889	-	304,889
Capital assets, net	\$ -	\$ 304,889	\$ -	\$ 304,889

The Primary Government and its blended component unit reported the following total balances on the Statement of Net Assets:

Capital assets not being depreciated	
Primary Government, without its Blended Component Unit	\$ 1,547,762
Blended Component Unit	-
Total for the Primary Government	<u>\$ 1,547,762</u>
Capital assets net of accumulated depreciation	\$ 25,437,643
Primary Government without its Blended Component Unit	304,889
Capital Assets Net of Accumulated Depreciation Total for Primary Government	<u>\$ 25,742,532</u>

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

Governmental activities	
General government	\$ 1,769,631
Public safety	184,887
Public works	607,485
Health, welfare and recreation	79,237
Total depreciation expense - governmental activities	<u>\$ 2,641,240</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 5. Capital Assets (Continued)

Discretely Presented Component Units

Activity for the County Library for the year ended June 30, 2017, 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	861,174	-	-	861,174
Equipment	47,627	-	6,263	41,364
Books and collections	268,573	31,627	44,779	344,979
Total capital assets being depreciated	<u>1,177,374</u>	<u>31,627</u>	<u>51,042</u>	<u>1,247,517</u>
Less accumulated depreciation for				
Buildings	716,024	20,291	-	736,315
Equipment	14,658	2,276	6,263	10,671
Books and collections	198,258	19,070	44,779	262,107
Total accumulated depreciation	<u>928,940</u>	<u>41,637</u>	<u>51,042</u>	<u>1,009,093</u>
Total capital assets being depreciated, net	<u>248,434</u>	<u>(10,010)</u>	<u>-</u>	<u>238,424</u>
Capital assets, net	<u>\$ 276,134</u>	<u>\$ (10,010)</u>	<u>\$ -</u>	<u>\$ 266,124</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 5. Capital Assets (Continued)

Activity for the County Fair Board for the year ended June 30, 2017, 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	49,237	-	-	49,237
Capital assets being depreciated				
Buildings	558,192	-	-	558,192
Machinery and equipment	353,547	17,977	-	371,524
Total capital assets being depreciated	911,739	17,977	-	929,716
Less accumulated depreciation for				
Buildings	545,534	1,349	-	546,883
Machinery and equipment	346,469	1,127	-	347,596
Total accumulated depreciation	892,003	2,476	-	894,479
Total capital assets being depreciated, net	19,736	15,501	-	35,237
Capital assets, net	<u>\$ 68,973</u>	<u>\$ 15,501</u>	<u>\$ -</u>	<u>\$ 84,474</u>

Activity for the County Solid Waste District for the year ended June 30, 2017, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets being depreciated				
Equipment	\$ -	\$ 53,000	\$ -	\$ 53,000
Total capital assets being depreciated	-	53,000	-	53,000
Less accumulated depreciation for				
Equipment	-	21,200	-	21,200
Total accumulated depreciation	-	21,200	-	21,200
Total capital assets being depreciated, net	-	31,800	-	31,800
Capital assets, net	<u>\$ -</u>	<u>\$ 31,800</u>	<u>\$ -</u>	<u>\$ 31,800</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 6. 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, 2017:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Primary Government					
Compensated absences	\$ 51,082	\$ 15,068	\$ 14,250	\$ 51,900	\$ 18,165
Net pension obligation	2,388,786	11,080	-	2,399,866	-
Total primary government	<u>\$ 2,439,868</u>	<u>\$ 26,148</u>	<u>\$ 14,250</u>	<u>\$ 2,451,766</u>	<u>\$ 18,165</u>

These debts are being serviced by the General Fund.

Discretely Presented Component Units

The following is a summary of debt transactions of the discretely presented component units as of June 30, 2017:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Due Within One Year
Discretely Presented Component Units					
County Library Board					
Compensated absences	\$ 8,829	\$ -	\$ 2,439	\$ 6,390	\$ -
Pension liability	191,023	-	18,478	172,545	-
Total County Library Board	<u>\$ 199,852</u>	<u>\$ -</u>	<u>\$ 20,917</u>	<u>\$ 178,935</u>	<u>\$ -</u>
County Fair Board					
Pension liability	\$ 46,854	\$ -	\$ 5,322	\$ 41,532	\$ -
Total County Fair Board	<u>\$ 46,854</u>	<u>\$ -</u>	<u>\$ 5,322</u>	<u>\$ 41,532</u>	<u>\$ -</u>
Solid Waste District					
Estimated closure and post-closure costs for the landfill	\$ 890,120	\$ -	\$ -	\$ 890,120	\$ -
Total Solid Waste District	<u>\$ 890,120</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 890,120</u>	<u>\$ -</u>

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 7. Interfund Balances

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. Interfund transfers during the year ended June 30, 2017 were as follows:

	<u>In</u>	<u>Out</u>
Primary Government		
General Fund	\$ 1,132	\$ 2,807
County Road Fund	-	18,470
Congestion Mitigation Fund	18,470	-
Homeland Security Fund	-	1,132
Fair Building Grant Fund	2,807	-
	<u>\$ 22,409</u>	<u>\$ 22,409</u>

Note 8. 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 \$743,599 as of December 31, 2017.

Note 9. 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.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 10. Fund Balance

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, 2017, the Board of County Commissioners had established the following tentative plans:

Economic development	\$	53,702
Emergencies		133,511
Future construction projects		99,032

Net Position Restricted by Legislation

The government-wide statement of net position and the governmental funds balance sheet reports \$3,347,010 of restricted net position and fund balance, which are restricted for road construction by state legislation.

Note 11. Defined Benefit Pension Plan

Pension Plan Fiduciary Net Position

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at <http://retirement.state.wy.us>.

All eligible County employees are covered under one of the two following retirement plans:

Public Employees' Pension Plan

The County participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all full-time employees of the County are eligible to participate.

PEPP members are required to contribute 8.25% of their annual covered salary and the County is required to contribute 8.37% 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 currently pays 100% of the required total contribution.

The County's contributions to the PEPP for the years ended June 30, 2017, 2016, and 2015, were \$248,437, \$272,965 and \$245,798, respectively, which in total equal the required contributions for each year.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 11. Defined Benefit Pension Plan (Continued)

Public Employees' Pension Plan (Continued)

The County's component units, the Fair Board and the Library Board, currently pay all of the required employee's contribution. The Fair Board's contributions to the PEPP for the years ended June 30, 2017, 2016, and 2015 were \$7,006, \$5,215, and \$5,695, respectively, which in total equal the required contributions for each year. The Library Board's contributions to the PEPP for the years ended June 30, 2017, 2016, and 2015 were \$18,462, \$24,114, and \$22,914, respectively, which in total equal the required contributions for each year.

Through legislation passed during the 2014 legislative session, two tiers of benefits were established for participants of this plan. For Tier 1 (first contribution before 9/1/2012), the Plan allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 or 25 years of service but will result in a reduction of benefits based on the length of time remaining to age 60. For Tier 2, the plan allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 or more years of service but will result in a reduction of benefits based on the length of time remaining to age 65. All employees may also retire on the basis that the sum of the member's age and service is at least 85.

Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The PEPP provides retirement, disability, and death benefits according to predetermined formulas and allows retirees to select one of seven methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through the date of termination or, if they are vested, they may elect to remain in the plan and be eligible for unreduced retirement benefits at age 60 (Tier 1 employee) or 65 (Tier 2 employee).

Law Enforcement Pension Plan

The County participates in the Law Enforcement Pension Plan ("LEPP"), a state-wide, cost-sharing, multiple-employer defined benefit, contributory plan administered by the State of Wyoming Retirement System Board. The LEPP covers any county sheriff, deputy county sheriff, municipal police officer, Wyoming correctional officer, Wyoming law enforcement academy instructor, University of Wyoming campus police officer, detention officer or dispatcher for law enforcement agencies and certain investigators of the Wyoming Livestock Board.

The LEPP statutorily provides retirement, disability and death benefits according to predetermined amounts primarily determined by salary, age and years of service of the participant. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded. Participants may withdraw from the LEPP at any time and receive refunds of participant contributions plus accumulated interest.

The LEPP is funded by amounts withheld from participating employees' salaries and by contributions from the County. These contributions are determined by state statutes and, as of June 30, 2017, the percentages to be contributed on compensation were 8.60% for the employees and the same for the County. The County currently pays 100% of the required total contribution.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 11. Defined Benefit Pension Plan (Continued)

Law Enforcement Pension Plan (Continued)

For the years ended June 30, 2017, **2016**, and **2015** total contributions to the Law Enforcement Pension Plan were \$98,458, \$104,788, and \$98,168, respectively. The County paid all of these contributions.

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

At June 30, 2017, the County reported a total liability of \$2,399,866 for its proportionate share of the net pension liability. The County's component units: the Fair Board and Library Board reported \$41,532 and \$172,545, respectively, for their proportionate share on the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation January 1, 2017. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating governmental entities, actuarially determined. At December 31, 2016, the County's liability as well as its proportion and increase or decrease from its proportion measured at December 31, 2015 were as follows for each plan in which the county participates:

	Pension liability at December 31, 2016	Proportion at December 31, 2016	Increase (decrease) from December 31, 2015
County			
Public Employees' Pension Plan	\$ 2,103,648	0.087017500%	-0.004085531%
County - Sheriff			
Law Enforcement Pension Plan	\$ 296,218	0.392383800%	0.037378469%
Library Board			
Public Employees' Pension Plan	\$ 172,545	0.007137300%	-0.001063384%
Fair Board			
Public Employees' Pension Plan	\$ 41,532	0.001718000%	-0.000293461%

For the year ended June 30, 2017, the County recognized pension expense of \$421,123. At June 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	PEPP	LEPP	PEPP	LEPP
Net difference between projected and actual earnings on pension plan investments	\$ 400,531	\$ 127,327	\$ -	\$ -
Difference between actual and expected experience rate	-	3,627	(57,716)	(10,915)
Change in employer's proportion	61,273	1,839	(50,649)	(40,105)
Amortizing deferred outflows and deferred inflows	461,804	132,793	(108,365)	(51,020)
Contributions subsequent to the measurement date	123,887	48,322	-	-
Total	\$ 585,691	\$ 181,115	\$ (108,365)	\$ (51,020)

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 11. Defined Benefit Pension Plan (Continued)

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

The County reported \$172,209 as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date; these deferred outflows will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Primary Government	
	Deferred Outflows	Deferred Inflows
2018	\$ 220,294	\$ (56,204)
2019	217,510	(54,875)
2020	148,428	(36,887)
2021	8,365	(11,419)
	\$ 594,597	\$ (159,385)

The County's component units: The County Library Board and the County Fair Board reported \$8,886 and \$1,239, respectively, as pension expense, and \$8,999 and \$4,032, respectively, as deferred outflows of resources related to pensions resulting from their contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

	Deferred Outflows	Deferred Inflows
County Library Board		
Net difference between projected and actual earnings on pension plan investments	\$ 36,366	\$ -
Difference between actual and expected experience rate	-	(4,969)
Change in employer's proportion	53	(13,249)
Amortizing deferred outflows and deferred inflows	36,419	(18,218)
Contributions subsequent to the measurement date	8,999	-
Total	\$ 45,418	\$ (18,218)

	Deferred Outflows	Deferred Inflows
County Fair Board		
Net difference between projected and actual earnings on pension plan investments	\$ 8,999	\$ -
Difference between actual and expected experience rate	-	(1,208)
Change in employer's proportion	-	(4,559)
Amortizing deferred outflows and deferred inflows	8,999	(5,767)
Contributions subsequent to the measurement date	4,032	-
Total	\$ 13,031	\$ (5,767)

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 11. Defined Benefit Pension Plan (Continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expenses as follows:

Year ended June 30,	Component Units			
	County Library Board		County Fair Board	
	Deferred Outflows (Inflows)		Deferred Outflows (Inflows)	
2018	\$ 12,969	\$ (6,744)	\$ 3,216	\$ (2,289)
2019	12,966	(6,624)	3,216	(2,218)
2020	9,976	(4,850)	2,445	(1,260)
2021	508	-	122	-
	<u>\$ 36,419</u>	<u>\$ (18,218)</u>	<u>\$ 8,999</u>	<u>\$ (5,767)</u>

Actuarial Assumptions

The total pension liability at the December 31, 2016 measurement date was determined using the following actuarial assumptions, applied to all periods in the measurement:

Actuarial Assumptions and Methods	
Valuation date	1/1/2017
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level percent open
Remaining amortization period	30 years
Asset valuation method	5-year
Actuarial assumptions:	
Investment net rate of return	7.75%
Projected salary increases (includes inflation)	4.25% to 8.00%
Assumed inflation rate	3.25%
Mortality	RP-2000 Combined Mortality Table, fully generational projected with Scale BB

The current actuarial assumptions and methods used in the January 1, 2017 valuation were based upon an experience study that covered a five-year period ending December 31, 2011. Differences between assumptions and actual experience since the prior valuation are identified as actuarial gains and losses. These gains and losses impact the unfunded actuarial liability and future funding requirements determined in subsequent valuations.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 11. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plans' target allocation as of January 1, 2017, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.00%	-0.20%
Fixed income	20.00%	1.95%
Equity	45.00%	7.73%
Marketable alternatives	17.50%	3.73%
Private markets	17.50%	7.14%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made on the actuarially determined rates based on the pension plan's funding policy, which establishes the contractually required rates under Wyoming State Statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 11. Defined Benefit Pension Plan (Continued)

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

Pension Plan	1% Decrease (6.75)%	Current Discount Rate (7.75)%	1% Increase (8.75)%
Public Employees' Pension Plan	\$ 3,021,541	\$ 2,103,648	\$ 1,332,705
Law Enforcement Pension Plan	615,104	296,218	32,881
Component Units			
County Library Board	247,831	172,545	109,310
County Fair Board	59,655	41,532	26,312

Payables to the Pension Plan

At June 30, 2017, the County did not have any payables to the pension plans.

Note 12. Landfill Post-closure and Monitoring Costs

State and Federal laws and regulations require the Solid Waste District to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Solid Waste District reports the estimated liability for these closure and post-closure costs based on landfill capacity used as of each balance sheet date. The current operating costs of the landfill are accounted for using the accrual basis of accounting. The \$890,120 reported as landfill closure and post-closure care liability at June 30, 2017, represents the cumulative amount estimated to date based on the use of 100% of the estimated capacity of the site. The calculation of the estimated liability has not been based on any assessment of what it would cost to perform all closure and post-closure responsibilities in 2017.

Note 13. Commitments and Contingencies

As of June 30, 2017, the County’s projects in construction in progress include the Transfer Station project at the Solid Waste District for \$145,077, the Mondell Field Airport runway overlay and electrical rehab for \$35,671, the Mondell Field Airport planning for \$157,860, HVAC at the courthouse for \$50,065, fire alarm and sprinkler system replacement for \$262,434, courthouse re-roofing project for \$19,981 and roofing fees for the law enforcement building project for \$62,634. There were remaining commitments of approximately \$4,400,000 on these construction projects.

WESTON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2017

Note 14. 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, 2017, the County remitted property taxes to the component units in accordance with the approved levies. The amounts provided to the Weston County Solid Waste District, Weston County Fair, and Weston County Library were \$24,303, \$114,999, and \$149,814, respectively.

Note 15. Accounting Standards Issued, But Not Implemented

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. The requirements of the Statement are effective for reporting periods beginning after December 15, 2018. Management has not completed its assessment of the effects of implementing this standard.

GASB Statement No. 85, *Omnibus 2017*, establishes accounting and financial reporting requirements for blending component units, goodwill, classifying real estate held by insurance entities, measuring certain money market investments and participating interest-earning contracts at amortized cost, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The requirements of the Statement are effective for reporting periods beginning after June 15, 2017. Management has not completed its assessment of the effects of implementing this standard.

Governmental Accounting Standards Board Statement No. 87, *Leases*, is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. Under this standard, government lessors must recognize (a) a lease receivable and (b) a deferred inflow of resources and continue to report the leased asset in its financial statements; and report in its financial statements (a) lease revenue recognized over the term of the lease, corresponding with the reduction of the deferred inflow, (b) interest income on the receivable; and (c) note disclosures about the lease. This standard is effective for reporting periods beginning after December 15, 2019. Management has not concluded its assessment of the effect of implementing this guidance.

Governmental Accounting Standards Board Statement No. 81, *Irrevocable Split-Interest Agreements*, is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement is effective for reporting periods beginning after December 15, 2016, and should be applied retroactively. Management has not concluded its assessment of the effect of implementing this guidance.

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REQUIRED SUPPLEMENTARY INFORMATION

WESTON COUNTY, WYOMING
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
 Last 10 Fiscal Years (Unaudited)

Primary Government

	2017	2016	2015	2014
Public Employees Pension Plan				
Proportion of the net pension liability	0.087017500%	0.091103031%	0.083193823%	*
Proportionate share of the net pension liability	\$ 2,103,648	\$ 2,122,106	\$ 1,468,115	
Covered payroll	\$ 1,551,440	\$ 1,588,904	\$ 1,584,771	*
Proportionate share of the net pension liability as a percentage of its covered payroll	135.59%	133.56%	103.23%	*
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%	*
Law Enforcement Pension Plan				
Proportion of the net pension liability	0.392383800%	0.355005331%	0.332890785%	*
Proportionate share of the net pension liability	\$ 296,218	\$ 266,680	\$ 94,753	
Covered payroll	\$ 6,995,831	\$ 533,927	\$ 545,075	*
Proportionate share of the net pension liability as a percentage of its covered payroll	48.77%	49.95%	19.94%	*
Plan fiduciary net position as a percentage of the total pension liability	88.11%	87.49%	94.76%	*

The amounts presented for each fiscal year were determined as of 12/31.

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

2013	2012	2011	2010	2009	2008
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

WESTON COUNTY, WYOMING

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)

Last 10 Fiscal Years (Unaudited)

Component Units

Public Employees Pension Plan

County Library Board

	2017	2016	2015	2014
Proportion of the net pension liability	0.007137300%	0.008200684%	0.008193832%	*
Proportionate share of the net pension liability	\$ 172,545	\$ 191,023	\$ 144,596	
Covered payroll	\$ 127,251	\$ 143,026	\$ 147,737	*
Proportionate share of the net pension liability as a percentage of its covered payroll	135.59%	133.56%	103.23%	*
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%	*

County Fair Board

Proportion of the net pension liability	0.001718000%	0.002011461%	0.002130224%	*
Proportionate share of the net pension liability	\$ 41,532	\$ 46,854	\$ 37,592	
Covered payroll	\$ 30,630	\$ 35,081	\$ 36,718	*
Proportionate share of the net pension liability as a percentage of its covered payroll	135.59%	133.56%	103.23%	*
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%	*

The amounts presented for each fiscal year were determined as of 12/31.

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

2013	2012	2011	2010	2009	2008
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*
*	*	*	*	*	*

WESTON COUNTY, WYOMING
SCHEDULE OF PENSION CONTRIBUTIONS
Last 10 Fiscal Years (Unaudited)

Primary Government

	2017	2016	2015	2014
Public Employees Pension Plan				
Contractually required contribution	\$ 248,437	\$ 272,965	\$ 245,798	*
Contributions in relation to the contractually required contribution	<u>(248,437)</u>	<u>(272,965)</u>	<u>(245,798)</u>	*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	*
Covered payroll	\$ 1,494,807	\$ 1,642,389	\$ 1,584,771	*
Contributions as a percentage of covered payroll	16.62%	16.62%	15.51%	*
Law Enforcement Pension Plan				
Contractually required contribution	\$ 98,458	\$ 104,788	\$ 98,168	*
Contributions in relation to the contractually required contribution	<u>(98,458)</u>	<u>(104,788)</u>	<u>(98,168)</u>	*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	*
Covered payroll	\$ 572,430	\$ 609,233	\$ 545,075	*
Contributions as a percentage of covered payroll	17.20%	17.20%	18.01%	*
Component Units				
Public Employees Pension Plan				
County Library Board				
Contractually required contribution	\$ 18,462	\$ 24,114	\$ 22,914	*
Contributions in relation to the contractually required contribution	<u>(18,462)</u>	<u>(24,114)</u>	<u>(22,914)</u>	*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	*
Covered payroll	\$ 111,083	\$ 145,090	\$ 147,737	*
Contributions as a percentage of covered payroll	16.62%	16.62%	15.51%	*
County Fair Board				
Contractually required contribution	\$ 7,006	\$ 5,215	\$ 5,695	*
Contributions in relation to the contractually required contribution	<u>(7,006)</u>	<u>(5,215)</u>	<u>(5,695)</u>	*
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	*
Covered payroll	\$ 42,154	\$ 31,378	\$ 36,718	*
Contributions as a percentage of covered payroll	16.62%	16.62%	15.51%	*

* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

WESTON COUNTY, WYOMING

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

Year Ended June 30, 2017

(Unaudited)

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Property taxes and other taxes	\$ 1,535,829	\$ 1,535,829	\$ 2,833,576	\$ 1,297,747
Intergovernmental revenues	1,647,484	1,647,484	1,843,821	196,337
Charges for services	150,100	150,100	141,823	(8,277)
Miscellaneous revenues	304,122	304,122	425,623	121,501
Investment earnings	1,000	1,000	33,454	32,454
Total revenues	<u>3,638,535</u>	<u>3,638,535</u>	<u>5,278,297</u>	<u>1,639,762</u>
Expenditures				
Current				
General government	6,292,418	6,291,418	3,130,632	3,160,786
Public safety	1,046,421	1,046,421	994,394	52,027
Public works	1,114,505	1,114,505	935,732	178,773
Health, welfare and recreation	101,857	101,857	101,611	246
Conservation and development	71,594	71,594	71,402	192
Total expenditures	<u>8,626,795</u>	<u>8,625,795</u>	<u>5,233,771</u>	<u>3,392,024</u>
Excess (deficiency) of revenues over expenditures	<u>(4,988,260)</u>	<u>(4,987,260)</u>	<u>44,526</u>	<u>5,031,786</u>
Other financing sources				
Transfers in	-	-	1,132	1,132
Total other financing sources	<u>-</u>	<u>-</u>	<u>1,132</u>	<u>1,132</u>
Net change in fund balance	<u>(4,988,260)</u>	<u>(4,987,260)</u>	<u>45,658</u>	<u>\$ 5,032,918</u>
Fund balances - beginning of year	<u>7,279,212</u>	<u>7,279,212</u>	<u>7,279,212</u>	
Fund balances - end of year	<u>\$ 2,290,952</u>	<u>\$ 2,291,952</u>	<u>\$ 7,324,870</u>	

WESTON COUNTY WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2017

Note 1. Explanation of Differences Between Budgetary Basis and GAAP Basis

The County's budgets and related appropriations are prepared on a basis of cash receipts and cash disbursements whereas the County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The adjustments necessary to convert the budgetary basis revenues and expenditures to GAAP basis revenues and expenditures of the general fund are as follows.

	<u>General Fund</u>
Revenues	
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	\$ 5,278,297
Difference - Budget Basis to GAAP Basis	
Accrual of accounts receivable	(404,600)
Accrual of property taxes receivable	(2,355)
Accrual of interest receivable	<u>25,220</u>
Total revenue as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 4,896,562</u>
Expenditures	
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	\$ 5,233,771
Differences - Budget Basis to GAAP Basis	
Accrual of accounts payable	<u>(6,865)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 5,226,906</u>

Note 2. Explanation of Changes to Pension Plans

Changes of assumptions – There have been no changes in assumptions in any pension plans since the prior valuation.

Changes in benefits - There have been no changes in the benefit provisions of any pension plans since the prior valuation.

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OTHER SUPPLEMENTARY INFORMATION

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WESTON COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS) -
 COUNTY ROAD FUND
 Year Ended June 30, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 459,265	\$ 459,265	\$ 442,733	\$ (16,532)
Investment earnings	-	-	17,412	17,412
Total revenues	<u>459,265</u>	<u>459,265</u>	<u>460,145</u>	<u>880</u>
Expenditures				
Public works	<u>66,719</u>	<u>66,719</u>	<u>166</u>	<u>66,553</u>
Total expenditures	<u>66,719</u>	<u>66,719</u>	<u>166</u>	<u>66,553</u>
Excess of revenues over expenditures	<u>392,546</u>	<u>392,546</u>	<u>459,979</u>	<u>67,433</u>
Other financing uses				
Transfers out	<u>-</u>	<u>-</u>	<u>(18,470)</u>	<u>(18,470)</u>
Total other financing uses	<u>-</u>	<u>-</u>	<u>(18,470)</u>	<u>(18,470)</u>
Net change in fund balance	392,546	392,546	441,509	<u>\$ 48,963</u>
Fund balance - beginning of year	<u>2,828,770</u>	<u>2,828,770</u>	<u>2,828,770</u>	
Fund balance - end of year	<u>\$ 3,221,316</u>	<u>\$ 3,221,316</u>	<u>\$ 3,270,279</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, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 602,692	\$ 602,692	\$ 266,563	\$ (336,129)
Total revenues	<u>602,692</u>	<u>602,692</u>	<u>266,563</u>	<u>(336,129)</u>
Expenditures				
Public works	602,692	602,692	267,878	334,814
Total expenditures	<u>602,692</u>	<u>602,692</u>	<u>267,878</u>	<u>334,814</u>
Net change in fund balance	-	-	(1,315)	<u>\$ (1,315)</u>
Fund balance - beginning of year	-	-	-	
Fund balance (deficit) - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,315)</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, 2017

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 83,527	\$ 83,527	\$ -	\$ (83,527)
Total revenues	<u>83,527</u>	<u>83,527</u>	<u>-</u>	<u>(83,527)</u>
Expenditures				
Public works	83,527	83,527	83,527	-
Total expenditures	<u>83,527</u>	<u>83,527</u>	<u>83,527</u>	<u>-</u>
Net change in fund balance	-	-	(83,527)	<u>\$ (83,527)</u>
Fund balance - beginning of year	<u>83,527</u>	<u>83,527</u>	<u>83,527</u>	
Fund balance - end of year	<u>\$ 83,527</u>	<u>\$ 83,527</u>	<u>\$ -</u>	

WESTON COUNTY, WYOMING

**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2017

	Special Revenue Funds	Capital Project Funds	Total
ASSETS			
Cash and cash equivalents	\$ 119,401	\$ 94,987	\$ 214,388
Accounts receivable	12,713	154,261	166,974
Grants receivable	17,081	-	17,081
Total assets	<u>\$ 149,195</u>	<u>\$ 249,248</u>	<u>\$ 398,443</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Checks written in excess of bank balance	\$ -	\$ 134,279	\$ 134,279
Accounts payable and accrued liabilities	301	11,720	12,021
Unearned grant revenue	25,025	-	25,025
Total liabilities	<u>25,326</u>	<u>145,999</u>	<u>171,325</u>
Fund balances			
Restricted for health and welfare related programs	15,419	-	15,419
Restricted for public safety related programs	22,961	-	22,961
Committed for Mallo Camp	85,489	-	85,489
Assigned for future construction projects	-	94,987	94,987
Unassigned	-	8,262	8,262
Total fund balances	<u>123,869</u>	<u>103,249</u>	<u>227,118</u>
Total liabilities and fund balances	<u>\$ 149,195</u>	<u>\$ 249,248</u>	<u>\$ 398,443</u>

WESTON COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS

Year Ended June 30, 2017

	Special Revenue Funds	Capital Project Funds	Total
Revenues			
Intergovernmental revenues	\$ 65,292	\$ 753,276	\$ 818,568
Charges for services	117,392	-	117,392
Investment earnings	160	-	160
Total revenues	<u>182,844</u>	<u>753,276</u>	<u>936,120</u>
Expenditures			
Current			
Public safety	25,159	-	25,159
Public works	-	102,219	102,219
Health, welfare and recreation	170,057	-	170,057
Capital outlay	-	745,117	745,117
Total expenditures	<u>195,216</u>	<u>847,336</u>	<u>1,042,552</u>
Deficiency of revenues over expenditures	<u>(12,372)</u>	<u>(94,060)</u>	<u>(106,432)</u>
Other financing sources (uses)			
Transfers in	-	18,470	18,470
Transfers out	(1,132)	-	(1,132)
Total other financing sources (uses)	<u>(1,132)</u>	<u>18,470</u>	<u>17,338</u>
Net change in fund balance	(13,504)	(75,590)	(89,094)
Fund balances - beginning of year	<u>137,373</u>	<u>178,839</u>	<u>316,212</u>
Fund balances - end of year	<u><u>\$ 123,869</u></u>	<u><u>\$ 103,249</u></u>	<u><u>\$ 227,118</u></u>

WESTON COUNTY, WYOMING

COMBINING BALANCE SHEET -
NONMAJOR SPECIAL REVENUE FUNDS
June 30, 2017

	Special Revenue Funds		
	Mallo Camp	Public Health Grants Fund	Family Planning Fund
ASSETS			
Cash and cash equivalents	\$ 75,514	\$ 8,595	\$ 19,610
Accounts receivable	10,196	-	2,517
Grants receivable	-	9,802	-
Total assets	\$ 85,710	\$ 18,397	\$ 22,127
 LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ 221	\$ 60	\$ 20
Unearned grant revenue	-	25,025	-
Total liabilities	221	25,085	20
 Fund balances			
Restricted for health and welfare related programs	-	(6,688)	22,107
Restricted for public safety related programs	-	-	-
Committed for Mallo Camp	85,489	-	-
Total fund balances (deficit)	85,489	(6,688)	22,107
Total liabilities and fund balances	\$ 85,710	\$ 18,397	\$ 22,127

Special Revenue Funds

Homeland Security Fund	Law Enforcement Grants Fund	Miscellaneous Grants Fund	Total
\$ 15,382	\$ 300	\$ -	\$ 119,401
-	-	-	12,713
7,279	-	-	17,081
<u>\$ 22,661</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 149,195</u>
\$ -	\$ -	\$ -	\$ 301
-	-	-	25,025
<u>-</u>	<u>-</u>	<u>-</u>	<u>25,326</u>
-	-	-	15,419
22,661	300	-	22,961
-	-	-	85,489
<u>22,661</u>	<u>300</u>	<u>-</u>	<u>123,869</u>
<u>\$ 22,661</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 149,195</u>

WESTON COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS

Year Ended June 30, 2017

	Special Revenue Funds		
	Mallo Camp	Public Health Grants Fund	Family Planning Fund
Revenues			
Intergovernmental revenues	\$ -	\$ 26,392	\$ 6,612
Charges for services	117,392	-	-
Investment earnings	160	-	-
Total revenues	<u>117,552</u>	<u>26,392</u>	<u>6,612</u>
Expenditures			
Current			
Public safety	-	-	-
Health, welfare and recreation	88,935	58,310	14,245
Total expenditures	<u>88,935</u>	<u>58,310</u>	<u>14,245</u>
Excess (deficiency) of revenues over expenditures	<u>28,617</u>	<u>(31,918)</u>	<u>(7,633)</u>
Other financing uses			
Transfers out	-	-	-
Total other financing uses	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	28,617	(31,918)	(7,633)
Fund balances - beginning of year	<u>56,872</u>	<u>25,230</u>	<u>29,740</u>
Fund balances (deficit) - end of year	<u>\$ 85,489</u>	<u>\$ (6,688)</u>	<u>\$ 22,107</u>

Special Revenue Funds

Homeland Security Fund	Law Enforcement Grants Fund	Miscellaneous Grants Fund	Total
\$ 27,990	\$ 4,298	\$ -	\$ 65,292
-	-	-	117,392
-	-	-	160
<u>27,990</u>	<u>4,298</u>	<u>-</u>	<u>182,844</u>
20,861	4,298	-	25,159
-	-	8,567	170,057
<u>20,861</u>	<u>4,298</u>	<u>8,567</u>	<u>195,216</u>
7,129	-	(8,567)	(12,372)
(1,132)	-	-	(1,132)
<u>(1,132)</u>	<u>-</u>	<u>-</u>	<u>(1,132)</u>
5,997	-	(8,567)	(13,504)
16,664	300	8,567	137,373
<u>\$ 22,661</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ 123,869</u>

WESTON COUNTY, WYOMING

COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS
June 30, 2017

	Congestion Mitigation Fund	Federal Mineral Royalty Over the Cap Fund	Total
ASSETS			
Cash and cash equivalents	\$ 94,987	\$ -	\$ 94,987
Accounts receivable	-	154,261	154,261
Total assets	\$ 94,987	\$ 154,261	\$ 249,248
LIABILITIES AND FUND BALANCES			
Liabilities			
Checks written in excess of bank balance	\$ -	\$ 134,279	\$ 134,279
Accounts payable	-	11,720	11,720
Total liabilities	-	145,999	145,999
Fund balances			
Assigned for future construction projects	94,987	-	94,987
Unassigned	-	8,262	8,262
Total fund balances	94,987	8,262	103,249
Total liabilities and fund balances	\$ 94,987	\$ 154,261	\$ 249,248

WESTON COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECTS FUNDS

Year Ended June 30, 2017

	Congestion Mitigation Fund	Federal Mineral Royalty Over the Cap Fund	Total
Revenues			
Intergovernmental revenues	\$ -	\$ 753,276	\$ 753,276
Total revenues	<u>-</u>	<u>753,276</u>	<u>753,276</u>
Expenditures			
Current			
Public works	102,219	-	102,219
Capital outlay	-	745,117	745,117
Total expenditures	<u>102,219</u>	<u>745,117</u>	<u>847,336</u>
Excess (deficiency) of revenues over expenditures	<u>(102,219)</u>	<u>8,159</u>	<u>(94,060)</u>
Other financing sources			
Transfers in	18,470	-	18,470
Total other financing sources	<u>18,470</u>	<u>-</u>	<u>18,470</u>
Net change in fund balance	(83,749)	8,159	(75,590)
Fund balances - beginning of year	<u>178,736</u>	<u>103</u>	<u>178,839</u>
Fund balances - end of year	<u>\$ 94,987</u>	<u>\$ 8,262</u>	<u>\$ 103,249</u>

WESTON COUNTY, WYOMING

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

MALLO CAMP

Year Ended June 30, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 123,000	\$ 123,000	\$ 115,270	\$ (7,730)
Investment earnings	-	-	22	22
Total revenues	<u>123,000</u>	<u>123,000</u>	<u>115,292</u>	<u>(7,708)</u>
Expenditures				
Health, welfare and recreation	115,850	115,850	89,803	26,047
Total expenditures	<u>115,850</u>	<u>115,850</u>	<u>89,803</u>	<u>26,047</u>
Net change in fund balance	7,150	7,150	25,489	<u>\$ 18,339</u>
Fund balance - beginning of year	<u>50,025</u>	<u>50,025</u>	<u>50,025</u>	
Fund balance - end of year	<u>\$ 57,175</u>	<u>\$ 57,175</u>	<u>\$ 75,514</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, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 104,684	\$ 104,684	\$ 56,152	\$ (48,532)
Total revenues	<u>104,684</u>	<u>104,684</u>	<u>56,152</u>	<u>(48,532)</u>
Expenditures				
Health, welfare and recreation	104,684	104,684	58,733	45,951
Total expenditures	<u>104,684</u>	<u>104,684</u>	<u>58,733</u>	<u>45,951</u>
Net change in fund balance	-	-	(2,581)	<u>\$ (2,581)</u>
Fund balance - beginning of year	<u>11,176</u>	<u>11,176</u>	<u>11,176</u>	
Fund balance - end of year	<u>\$ 11,176</u>	<u>\$ 11,176</u>	<u>\$ 8,595</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, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 37,985	\$ 37,985	\$ 5,689	\$ (32,296)
Total revenues	<u>37,985</u>	<u>37,985</u>	<u>5,689</u>	<u>(32,296)</u>
Expenditures				
Health, welfare and recreation	37,985	37,985	15,482	22,503
Total expenditures	<u>37,985</u>	<u>37,985</u>	<u>15,482</u>	<u>22,503</u>
Net change in fund balance	-	-	(9,793)	<u>\$ (9,793)</u>
Fund balance - beginning of year	<u>29,403</u>	<u>29,403</u>	<u>29,403</u>	
Fund balance - end of year	<u>\$ 29,403</u>	<u>\$ 29,403</u>	<u>\$ 19,610</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, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 71,028	\$ 71,028	\$ 27,418	\$ (43,610)
Total revenues	<u>71,028</u>	<u>71,028</u>	<u>27,418</u>	<u>(43,610)</u>
Expenditures				
Public safety	39,798	49,798	20,860	28,938
Total expenditures	<u>39,798</u>	<u>49,798</u>	<u>20,860</u>	<u>28,938</u>
Excess (deficiency) of revenues over expenditures	<u>31,230</u>	<u>21,230</u>	<u>6,558</u>	<u>(14,672)</u>
Other financing uses				
Transfers out	-	-	(1,132)	1,132
Total other financing uses	<u>-</u>	<u>-</u>	<u>(1,132)</u>	<u>1,132</u>
Net change in fund balance	31,230	21,230	5,426	<u>\$ (15,804)</u>
Fund balance - beginning of year	<u>1,188</u>	<u>1,188</u>	<u>9,956</u>	
Fund balance - end of year	<u>\$ 32,418</u>	<u>\$ 22,418</u>	<u>\$ 15,382</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, 2017

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 4,300	\$ 4,300	\$ 4,300	\$ -
Total revenues	<u>4,300</u>	<u>4,300</u>	<u>4,300</u>	<u>-</u>
Expenditures				
Public safety	4,600	4,600	4,300	300
Total expenditures	<u>4,600</u>	<u>4,600</u>	<u>4,300</u>	<u>300</u>
Net change in fund balance	(300)	(300)	-	<u>\$ 300</u>
Fund balance - beginning of year	<u>300</u>	<u>300</u>	<u>300</u>	
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</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, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 7,916	\$ 7,916	\$ -	\$ (7,916)
Total revenues	<u>7,916</u>	<u>7,916</u>	<u>-</u>	<u>(7,916)</u>
Expenditures				
Public safety	-	5,000	-	5,000
Public works	7,690	7,690	-	7,690
Health, welfare and recreation	226	226	226	-
Total expenditures	<u>7,916</u>	<u>12,916</u>	<u>226</u>	<u>12,690</u>
Net change in fund balance	-	(5,000)	(226)	<u>\$ 4,774</u>
Fund balance - beginning of year	<u>226</u>	<u>226</u>	<u>226</u>	
Fund balance - end of year	<u>\$ 226</u>	<u>\$ (4,774)</u>	<u>\$ -</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, 2017

	Budget Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 169,793	\$ 169,793	\$ 73,781	\$ (96,012)
Total revenues	169,793	169,793	73,781	(96,012)
Expenditures				
Public works	169,793	169,793	98	169,695
Total expenditures	169,793	169,793	98	169,695
Excess of revenues over expenditures	-	-	73,683	73,683
Other financing sources				
Transfers in	-	-	18,470	(18,470)
Total other financing sources	-	-	18,470	(18,470)
Net change in fund balance	-	-	92,153	<u>\$ 92,153</u>
Fund balance - beginning of year	2,834	2,834	2,834	
Fund balance - end of year	<u>\$ 2,834</u>	<u>\$ 2,834</u>	<u>\$ 94,987</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, 2017

	<u>Budget Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental revenues	\$ 1,046,418	\$ 1,046,418	\$ 598,084	\$ (448,334)
Total revenues	<u>1,046,418</u>	<u>1,046,418</u>	<u>598,084</u>	<u>(448,334)</u>
Expenditures				
Public works	1,012,172	1,122,539	617,858	504,681
Total expenditures	<u>1,012,172</u>	<u>1,122,539</u>	<u>617,858</u>	<u>504,681</u>
Net change in fund balance	34,246	(76,121)	(19,774)	<u>\$ 56,347</u>
Fund balance (deficit) - beginning of year	<u>(114,505)</u>	<u>(114,505)</u>	<u>(114,505)</u>	
Fund balance (deficit) - end of year	<u>\$ (80,259)</u>	<u>\$ (190,626)</u>	<u>\$ (134,279)</u>	

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COMPLIANCE SECTION

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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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Weston County, Wyoming, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Weston County, Wyoming's basic financial statements, and have issued our report thereon dated February 19, 2018. Our report was qualified in respect to the aggregate discretely presented component units, and unmodified in respect to the governmental activities, each major fund, and the aggregate remaining fund information.

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 over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses (2017-001 and 2017-002).

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. We consider the deficiency described in the accompanying schedule of findings and responses to be a significant deficiency (2017-003).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weston County, Wyoming's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

We noted certain matters we have reported to management of Weston County in a separate letter dated February 19, 2018.

County's Response to Findings

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

Purpose of this Report

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



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming

February 19, 2018

WESTON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND RESPONSES

Year Ended June 30, 2017

Material Weakness in Internal Control Over Financial Reporting

2017-001

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. AU 265 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

Weston County has controls in place and operating over the preparation of cash-basis financial reports, including in-depth review by management and the Board of Commissioners and a high level of awareness of all transactions being reported. However, cash basis financial reporting (non-GAAP) differs significantly from GAAP financial reporting.

Cause

In our judgment, the 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.

Effect

The lack of skills to prepare the external financial statements results in County's reliance on auditors to prepare the financial statements.

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 has 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

Weston County is under budgetary basis accounting and generally not subject to GAAP based financial statements. Weston County will research training options for appropriate personnel.

WESTON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

Year Ended June 30, 2017

Material Weakness in Internal Control Over Financial Reporting (Continued)

2017-002: Audit Adjustments

Criteria

The control deficiency exists as County personnel did not identify all necessary adjusting journal entries, which were significant to the City's financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Condition

Significant adjustments were required and recorded in order to properly state the financial statements in accordance with (GAAP).

Cause

Weston County personnel are still gaining familiarity with newly adopted accounting policies resulting from recent implementation of new accounting standards and the transition of retired personnel.

Effect

Significant journal entries were posted relating to pension liability and related items, debt, investments, compensated absences, receivables, construction in progress, and depreciation. These journal entries were required to correct the balances for governmental fund and government-wide financial statements.

Recommendation

In our judgment, management and those charged with governance need to evaluate policies and procedures to ensure that complete and accurate information is available and evaluated in a timely manner to properly record transactions in accordance with GAAP.

Response

The past year management has experienced many changes, both in personnel and in policies and requirements. Staff will continue to review and upgrade internal policies and procedures to ensure accurate internal controls are being followed, as well as the timely manner of recording transactions, back up of transactions, and any requirements in accordance with GAAP and the State of Wyoming. Staff will also continue to participate in training to better understand the GAAP requirements and internal controls, as well as the overall functions and duties of the department.

WESTON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)

Year Ended June 30, 2017

Significant Deficiency in Internal Control Over Financial Reporting

2017-003: Determination of Single Audit Requirement

Criteria

The County is responsible for determining whether or not a single audit is required under Uniform Guidance based upon meeting or exceeding the threshold of expending \$750,000 or more in federal funds during the year.

Condition

The County did not have a proper system of internal control in place to determine whether or not a single audit was required.

Cause

Grants within the County are administered by a variety of individuals with wide differences in skill sets. While many individuals maintain records of grant awards and the associated expenditures, no system is in place to readily provide the data necessary to accumulate all federal expenditures for making a determination of whether or not a single audit is required.

Effect

The County originally contracted with us for a single audit. We spent time auditing a draft schedule of expenditures of federal awards in order to finally determine no single audit was required. This additional time resulted in additional charges to the County. Consequently, without a process to make this determination the County could assume a single audit was not necessary only to find out after the audit was completed that the audit was not adequate since no single audit was performed. Had a single audit been required, the selection of major programs for testing might have resulted testing more or less major programs than necessary under Uniform Guidance.

Recommendation

All grant managers should provide a copy of all grant award documents to the individual who has the responsibility for preparation of the schedule of federal awards. At the time the grant award is received, we recommend the trial balance software be utilized to clearly identify all federal expenditures for each grant separately from state or local funds associated with any projects. Accounts may be established for each individual federal funding stream of expenditures based upon account codes. A listing should be maintained which contains the basic information for each grant, including the name of the federal program, the CFDA number, the period covered by the award, pass-through entity and identifying number from the pass-through entity, key account numbers associated with the grant, and the name and contact information for the individual responsible for management of the award. At the end of each year, a report can then be developed which will automatically pull together all the grant expenditures associated with each grant award on the listing.

Response

Weston County will identify personnel to address and track the federal awards and produce the annual report on federal awards.

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BOARD OF COMMISSIONERS
TONY BARTON, CHAIRMAN
BILL LAMBERT, VICE CHAIRMAN
MARTY ERTMAN
TRACY HUNT
ED WAGONER



WESTON COUNTY

1 WEST MAIN STREET
NEWCASTLE, WYOMING 82701

GIDGET MACKE, CLERK OF COURT
WILLIAM CURLEY, ATTORNEY
BRYAN COLVARD, SHERIFF
JILL SELLERS, CLERK
TINA CONKLIN, ASSESSOR
SUSAN OVERMAN, TREASURER

Prior Findings and Responses:

Significant Deficiencies in Internal Control over Financial Reporting

2016-001

Financial Reporting

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.

Status

This condition is still present. See 2017-001.

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