

TETON COUNTY, WYOMING



FINANCIAL STATEMENTS

June 30, 2020

TETON COUNTY
TABLE OF CONTENTS
June 30, 2020

	<u>Page</u>
Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Balance Sheet – Governmental Funds	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Net Position – Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	22
Statement of Cash Flows – Proprietary Funds	23
Statement of Fiduciary Net Position – Fiduciary Funds	25
Combining Statement of Net Position – Component Units	26
Combining Statement of Activities – Component Units	27
Notes to Financial Statements	28
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	79

TETON COUNTY
TABLE OF CONTENTS
June 30, 2020

	<u>Page</u>
Budgetary Comparison Schedule – Parks and Recreation Fund	82
Budgetary Comparison Schedule – Specific Tax Fund	83
Budgetary Comparison Schedule – 2012 Landfill Closure Specific Tax Fund	84
Schedule of the Proportionate Share of the Net Pension Liability – Primary Government	85
Schedule of the Proportionate Share of the Net Pension Liability – Component Units	86
Schedule of Contributions – Primary Government	87
Schedule of Contributions – Component Units	88
Notes to Required Supplementary Information	89
Supplementary Information:	
Governmental Funds:	
Combining Balance Sheet – Non-Major Governmental Funds	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	93
Proprietary Funds:	
Statement of Revenues and Expenses – Budget and Actual – Integrated Solid Waste and Recycling Fund	95
Teton County Court Supervised Treatment Program:	
Schedule of Financial Position	97
Schedule of Activities and Functional Expenses	98
Governmental Audit Reports:	
Schedule of Expenditures of Federal Awards	101
Notes to the Schedule of Expenditures of Federal Awards	103

TETON COUNTY
TABLE OF CONTENTS
June 30, 2020

	Page
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	105
Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	107
Schedule of Findings and Questioned Costs	110
Summary Schedule of Prior Year Audit Findings	112
Corrective Action Plan	113



Certified Public Accountants

www.jones-simkins.com

Logan Office:

1011 West 400 North, Suite 100
Logan, UT 84323-0747
Phone: (435) 752-1510 • (877) 752-1510
Fax: (435) 752-4878

Salt Lake City Office:

41 North Rio Grande; Suite 101
Salt Lake City, UT 84101
Phone: (801) 561-6026
Fax: (801) 561-2023

INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Teton County
Jackson, Wyoming

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The County's 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Teton County Weed and Pest Control District (a discretely presented component unit), which represent 13 percent, 12 percent, and 16 percent, respectively of the assets, net position, and revenues of the aggregate discretely presented component units of the County. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Teton County Weed and Pest Control District, is based solely on the reports of the other auditors. 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.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Teton County, Wyoming as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of proportionate share of the net pension liability, and the schedule of contributions, 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information 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 accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying schedule of financial position and schedule of activities and functional expenses of the Teton County Court Supervised Treatment Program are presented for purposes of additional analysis as required by the State of Wyoming Department of Health and are also not a required part of the basic financial statements.

The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, the supplementary information 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 December 14, 2020 on our consideration of the County'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 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 the County's internal control over financial reporting and compliance.



JONES SIMKINS LLC

Logan, Utah

December 14, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Board of County Commissioners of Teton County, Wyoming (the County) offers this narrative overview and analysis of the financial activities of the County for the fiscal year ended on June 30, 2020.

This narrative responds to the requirements of Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. All comparisons and analyses should be read in conjunction with the details contained in the audited financial statements for this year and prior years.

Unless otherwise noted, the information and financial data included in this discussion and analysis relate to the *primary government* and do not include the County's discretely presented component units. The primary government can be generally described as providing the core services expected of local government, such as public safety, public health and maintenance of infrastructure; component units are separate legal entities that provide ancillary services (examples of which are library, affordable housing, and weed and pest control services).

FINANCIAL HIGHLIGHTS

- County assets and deferred outflows of resources of \$223.7 million exceeded liabilities and deferred inflows of resources of \$46.6 million, which resulted in total net position of \$177.1 million, the majority of which (70%) is the County's net investment in capital assets totaling \$123.8 million. (*See the Statement of Net Position in the Audited Financial Statements*)
- Total assets and deferred outflows of resources of the primary government increased approximately \$5.4 million from June 30, 2019 to June 30, 2020. Total assets and deferred outflows of resources increased primarily as a result of an increase in cash and cash equivalents of approximately \$4 million and an increase in net additions to capital assets, which increased by approximately \$8.6 million, offset by a decrease in due from other governments of approximately \$1.8 million and a decrease in deferred outflows of resources related to pensions of approximately \$5.2 million. Major capital asset additions include the ongoing construction of the Cattleman's Bridge in the amount of \$1.1 million and Fire Station #1 Upgrades in the amount of \$3.3 million, all of which are classified as construction in process. The County also made additional capital improvements and purchases including purchases of land of approximately \$3.8 million in addition to road and bridge infrastructure improvements, equipment for public safety departments, vehicle fleet additions, and pathway systems. Changes in deferred outflows of resources related to pensions are subject to changes in actuarial calculations and projects versus actual results.
- Total liabilities and deferred inflows of resources decreased \$6.9 million during 2020. A decrease of \$8.4 million to the County's proportionate share of the net pension liability and a decrease of \$3.2 million to the county's estimated landfill closure costs offset by an increase in deferred inflows of resources related to pensions of approximately \$4.8 million are the primary causes for the overall decrease.
- Of the \$53.3 million in net position that is not invested in capital assets, \$24.4 million was unrestricted and \$28.9 million was restricted for future capital projects, infrastructure expenditures, public safety services and community development services. The current year increase in restricted and unrestricted net position is primarily associated with the excess of revenues over expenses. (*See the Statement of Activities and the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds in the Audited Financial Statements*)

- Total general fund revenues increased \$1.9 million or 4.6% over the prior year, from \$40.6 million in 2019 to \$42.5 million in 2020. Sales and use tax revenues decreased \$0.2 million due in large part to the COVID-19 pandemic resulting in slowdowns in the local retail and tourism economy, and property taxes increased \$2.1 million as a result of increases in property values. All other general fund revenues were generally consistent with the prior year, reflecting an aggregate decrease of \$25,000 compared to 2019. The County is permitted by Wyoming Statutes to levy taxes up to 12 mills of the assessed valuation to finance general governmental services (general government operations, and library, fair and special fire fund operations). The combined tax rate for the year ended June 30, 2020 remained unchanged at 8.404 mills, leaving a tax margin of 3.596 mills or \$7 million that was not assessed on the total assessed valuation of \$1.96 billion.
- Total general fund expenditures increased \$1.4 million between 2020 and 2019 due mostly to increases in public safety, infrastructure, and health and human services costs of \$.5 million, \$0.4 million, and \$0.6 million, respectively. Other general fund functional expenditures remained fairly consistent with prior year levels. For the year ended June 30, 2020, revenues exceeded expenditures by \$14.1 million.
- After net interfund transfers out of \$10.4 million, the general fund's total fund balance increased by \$3.6 million in 2020. Transfers out were made up of budgeted, normal operating transfers to special revenue funds and the capital projects fund. Please note that the general fund revenues and expenditures do not include the activities of special revenue funds, which are described in the governmental funds discussion. (*See the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds in the Audited Financial Statements*)

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Teton County's basic financial statements. These statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the 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 resulting difference between the assets plus deferred outflows less liabilities plus deferred inflows being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the County is improving or deteriorating. However, other non-financial factors should also be considered.

The *Statement of Activities* presents information showing how the County's net position changed during the 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, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both the Statement of Net Position and the Statement of Activities, which together comprise the government-wide financial statements, distinguish between activities 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).

Financial information for the discretely presented component units is reported separately from the financial information of the primary government. The County's *discretely presented component units* include the following:

Teton County Weed and Pest Control District
Teton County Library Board
Jackson/Teton County Regional Housing Authority
Jackson Hole Travel and Tourism Board

Fund financial statements group those accounts for which revenues are segregated for specific activities. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County maintains a general fund and several special revenue funds and capital projects funds.

The County's *special revenue funds* include the following:

Parks and Recreation
Specific Tax
Special Fire
Grants
Fire/EMS
Enhanced 911
Housing Authority
Roads
Lodging Tax
County Fair

The County's *capital projects funds* include the following:

Capital Projects (general projects)
2010 Wilson Bridge Specific Tax
2012 Landfill Closure Specific Tax
2014 Pathways Specific Tax
2014 Fire/EMS Specific Tax
2017 Pathways Specific Tax
2017 Fire/EMS Specific Tax
2017 Parks & Recreation Housing Specific Tax
2019 Zero Waste Specific Tax
2019 Wildlife Crossings Specific Tax
2019 Parks and Recreation Expansion Specific Tax

The General Fund is always classified as a major fund. The Parks and Recreation Special Revenue Fund, the Specific Tax Special Revenue Fund, the Capital Projects Fund, and the 2012 Landfill Closure Specific Tax Fund meet the threshold or have been identified by management for classification as major funds, and therefore, these funds along with the General Fund are listed separately in the Statement of Revenues, Expenditures and Changes in Fund Balances. All other special revenue funds and capital projects funds have been included in the aggregated non-major fund totals.

These *governmental funds* account for functions reported as governmental activities and focus on near-term sources and uses of money, as well as the balance available at the end of the fiscal year. These reports are useful in evaluating Teton County's near-term financial requirements and include the governmental funds *balance sheet* and the governmental funds *statement of revenues, expenditures, and changes in fund balances*. These reports provide information on how services are financed in the short term and what remains for future spending. Sources and uses of money are discussed in the Financial Analysis portion of this discussion.

There are currently no *internal service funds*; however, the County has participated in tracking performance measures to determine cost-allocations for parks maintenance, facilities maintenance, and information systems services.

The County uses proprietary funds to account for business-type activities. The County has created the Integrated Solid Waste and Recycling Fund to account for the recycling center and trash transfer station operations. The operations of the Teton County Building Corporation are also reported as a business-type activity and included as a proprietary fund. Proprietary funds are reported using the same accounting basis used in the government-wide financial statements.

The County also operates a *fiduciary fund*, which is used to account for assets held strictly in a custodial manner for the benefit of other entities. The County's fiduciary fund is presented as a separate report in the financial statements because the assets are not available to support the County's programs. The County's fiduciary fund is the Treasurer's Tax Agency Fund.

Notes to the financial statements provide additional information that is necessary to more fully understand the financial statements. Many of the notes contain a more complete definition of accounting terms and descriptions of the County's accounting policies. The notes also provide additional detail on deposits and investments, changes to capital assets, funded liabilities, long-term debt obligations, retirement plans and compliance-related issues.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

- A summary of changes to capital assets is contained within Note 4 of the Notes to the Financial Statements.
- A summary of changes to long-term liabilities is contained within Note 7 of the Notes to the Financial Statements. The County's liability associated with the estimated closure costs related to the County's landfill is approximately \$0.5 million. The liability decreased \$3.2 million due to closure activities.
- Other long-term liabilities include employee compensated absences, notes payable, and the County's proportionate share of the net pension liability, which is discussed in Note 7 of the Notes to the Financial Statements, which bring the total long-term liabilities to \$17.2 million.

FINANCIAL ANALYSIS

As previously noted, *net position* serves as a useful indicator of Teton County's financial condition. Total primary government assets and deferred outflows exceeded total primary government liabilities and deferred inflows by approximately \$170.4 million, the majority of which is reflected in the net investment in capital assets totaling \$118.3 million. (See also the *Statement of Net Position in the Audited Financial Statements*)

The table below summarizes the County's assets, liabilities, deferred inflows and net position as of June 30, 2020 and 2019:

SUMMARY SCHEDULE OF NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 91,250,549	88,594,576	2,482,752	3,094,188	93,733,301	91,688,764
Capital assets	118,264,677	110,154,181	5,493,005	5,052,668	123,757,682	115,206,849
Total assets	209,515,226	198,748,757	7,975,757	8,146,856	217,490,983	206,895,613
Deferred outflows of resources	6,050,759	11,044,843	127,231	302,501	6,177,990	11,347,344
Current liabilities	8,380,197	11,522,055	449,126	470,572	8,829,323	11,992,627
Non-current liabilities	16,372,307	24,634,749	853,530	982,732	17,225,837	25,617,481
Total liabilities	24,752,504	36,156,804	1,302,656	1,453,304	26,055,160	37,610,108
Deferred inflows of resources	20,401,090	15,851,765	142,467	24,416	20,543,557	15,876,181
Net investment in capital assets	118,264,677	113,817,106	5,493,005	5,052,668	123,757,682	118,869,774
Restricted	28,857,688	27,657,625	-	-	28,857,688	27,657,625
Unrestricted	23,290,026	16,310,300	1,164,860	1,918,969	24,454,886	18,229,269
Total net position	\$ 170,412,391	157,785,031	6,657,865	6,971,637	177,070,256	164,756,668

The County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. This portion of net position is reported net of related debt, and therefore resources needed to repay this debt are provided from other sources, not the capital assets themselves.

Activities in the tables that follow summarize the sources and uses of funds for all operations of the County. The audited financial statements provide details related to the revenues and expenditures summarized below. Please also refer to the previously described highlights that discuss changes in activities from the prior fiscal year to current fiscal year.

TETON COUNTY, WYOMING
Management's Discussion and Analysis
Year Ended June 30, 2020

SUMMARY SCHEDULE OF CHANGES IN NET POSITION

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues:						
Program revenues:						
Charges for services	\$ 10,915,437	12,617,166	5,541,980	5,364,573	16,457,417	17,981,739
Operating grants and contributions	4,981,261	3,593,332	102,805	132,589	5,084,066	3,725,921
Capital grants and contributions	3,826,095	3,727,740	-	-	3,826,095	3,727,740
General revenues:						
Taxes	55,603,387	54,005,118	-	-	55,603,387	54,005,118
Investment income	1,485,181	1,012,270	54,517	45,896	1,539,698	1,058,166
Other income	1,942,129	109,152	15,061	135,624	1,957,190	244,776
Total revenues	<u>78,753,490</u>	<u>75,064,778</u>	<u>5,714,363</u>	<u>5,678,682</u>	<u>84,467,853</u>	<u>80,743,460</u>
Expenses:						
Administration	21,420,009	22,139,356	-	-	21,420,009	22,139,356
Community development	6,176,905	6,153,134	-	-	6,176,905	6,153,134
Health and human services	4,414,684	3,898,538	-	-	4,414,684	3,898,538
Justice	2,269,262	2,060,840	-	-	2,269,262	2,060,840
Infrastructure	7,502,330	4,658,898	-	-	7,502,330	4,658,898
Parks and recreation	11,659,912	13,946,911	-	-	11,659,912	13,946,911
Public safety	12,679,761	13,754,078	-	-	12,679,761	13,754,078
Interest and fiscal charges	3,267	10,802	-	-	3,267	10,802
Solid waste and recycling	-	-	6,028,135	5,609,731	6,028,135	5,609,731
Total expenses	<u>66,126,130</u>	<u>66,622,557</u>	<u>6,028,135</u>	<u>5,609,731</u>	<u>72,154,265</u>	<u>72,232,288</u>
Change in net position	12,627,360	8,442,221	(313,772)	68,951	12,313,588	8,511,172
Net position - beginning	<u>157,785,031</u>	<u>149,342,810</u>	<u>6,971,637</u>	<u>6,902,686</u>	<u>164,756,668</u>	<u>156,245,496</u>
Net position - ending	<u>\$ 170,412,391</u>	<u>157,785,031</u>	<u>6,657,865</u>	<u>6,971,637</u>	<u>177,070,256</u>	<u>164,756,668</u>

GENERAL FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

	2020 Final Budget	2020 Actual	Variance	Variance as a % of Budget
Revenues	\$ 42,061,279	\$ 42,517,338	456,059	1.1%
Expenditures	30,569,609	28,455,872	2,113,737	6.9%
Excess of revenues over expenditures	11,491,670	14,061,466	2,569,796	
Transfers from other funds	1,247,493	1,045,500	(201,993)	
Transfers to other funds	(11,547,311)	(11,465,549)	81,762	
Change in fund balance	<u>\$ 1,191,852</u>	3,641,417	<u>\$ 2,449,565</u>	
Fund balance – beginning		<u>\$ 26,172,873</u>		
Fund balance – ending		<u>\$ 29,814,290</u>		

The Board of County Commissioners must weigh the adequacy of the County's reserves with whether excess fund balance should be invested in infrastructure, returned to the taxpayers through a decrease to the mill levy, or retained as reserves. The County has implemented three separate fund balance reserve policies: Operation Stabilization Reserve Policy, Special Revenue Fund Balance Policy, and Emergency Reserve/Capital Projects Fund Policy. The policies set minimum fund balance standards based upon governmental best practices and proper operating and emergency reserve balances to be reviewed annually (*see also Note 9 in the Notes to the Financial Statements for further discussion*).

GENERAL FUND BUDGETARY HIGHLIGHTS

Charges for services and licenses and permits were under-budgeted by \$0.6 million and \$0.4 million respectively. The budget to actual variances in these revenue related items were the result of various emergency measures implemented to combat the spread of COVID-19, including travel bans, self-imposed quarantine periods, and social distancing.

Certain travel within the United States was allowed resulting in increases in tourism in the County and nearby national parks thus eliminating additional decreases in sales tax and other tax related revenues. The continued effects of COVID-19 on the County are unknown at this time.

Departmental expenditure variances were all positive and ranged from \$0.1 million to \$0.7 million in 2020, mostly due to lower than expected personnel costs.

The Teton County budget process begins midway through the current fiscal year to coincide with the Town of Jackson (TOJ) budget timeline in order to accommodate the joint department budget schedules. Because of this accelerated timeline, budgets do not reflect unanticipated grant and sales tax revenues and associated expenditures, which therefore require budget amendments.

JOINT DEPARTMENT DISCUSSION

Several departments, called Joint Departments, provide services that are considered the County and TOJ operations. The County and TOJ split certain expenses based on the 2010 population census as determined by the State of Wyoming. For fiscal year 2020, the population split is 55% County and 45% TOJ. The County and TOJ hold Joint Information Meetings at least monthly to discuss matters related to the Joint Departments and have special meetings as needed. The Joint Departments are part of the normal budget process and both the County Commission and Town Council jointly approve the department's budget. The Joint Departments are:

- Special Fire
- Fire/EMS
- Parks and Recreation
- Housing Authority
- START
- Dispatch
- Pathways
- Victim Witness Services
- Animal Shelter
- Court Supervised Treatment Program

CONTACT INFORMATION

This discussion is designed to provide a general overview of Teton County's finances for citizens, taxpayers, customers, investors, creditors, and anyone else with an interest in governmental finance. Questions concerning the information provided in this discussion or requests for additional financial information should be addressed to the Board of County Commissioners, P.O. Box 3594, Jackson, WY 83001, by calling 307-733-8094, or by e-mailing: commissioners@tetonwyo.org.

This page intentionally left blank

Basic Financial Statements

TETON COUNTY
STATEMENT OF NET POSITION
June 30, 2020

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Pooled cash and investments	\$ 71,431,377	2,054,103	73,485,480	-
Cash and cash equivalents	611,231	-	611,231	7,960,408
Accounts receivable	405,567	380,741	786,308	62,817
Taxes receivable	13,026,099	-	13,026,099	3,753,735
Notes receivable	-	-	-	320,000
Due from other governments	5,712,113	47,908	5,760,021	359,787
Prepaid expenses	14,162	-	14,162	135,688
Inventory	-	-	-	155,013
Other assets	50,000	-	50,000	-
Capital assets	186,636,342	7,110,467	193,746,809	25,508,093
Accumulated depreciation	(68,371,665)	(1,617,462)	(69,989,127)	(4,444,526)
Total assets	209,515,226	7,975,757	217,490,983	33,811,015
Deferred outflows of resources:				
Pensions	6,050,759	127,231	6,177,990	379,947
Total deferred outflows of resources	6,050,759	127,231	6,177,990	379,947
Liabilities:				
Accounts payable and accrued liabilities	4,971,315	413,126	5,384,441	489,014
Unearned revenue	44,946	-	44,946	-
Funds held in trust	2,215,200	-	2,215,200	-
Long-term liabilities:				
Due within one year	1,148,736	36,000	1,184,736	259,728
Due in more than one year	575,519	10,181	585,700	2,365,116
Net pension liability	15,796,788	843,349	16,640,137	2,815,918
Total liabilities	24,752,504	1,302,656	26,055,160	5,929,776
Deferred inflows of resources:				
Revenues for future periods	12,958,306	-	12,958,306	3,496,000
Pensions	7,442,784	142,467	7,585,251	668,440
Total deferred inflows of resources	20,401,090	142,467	20,543,557	4,164,440
Net position:				
Net investment in capital assets	118,264,677	5,493,005	123,757,682	18,569,451
Restricted for capital projects	19,559,299	-	19,559,299	-
Restricted for infrastructure	5,834,285	-	5,834,285	-
Restricted for public safety	3,093,757	-	3,093,757	-
Restricted for community development	603,714	-	603,714	-
Restricted for other purposes	21,133	-	21,133	-
Unrestricted	23,035,526	1,164,860	24,200,386	5,527,295
Total net position	\$ 170,412,391	6,657,865	177,070,256	24,096,746

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities								
Administration	\$ 21,420,009	540,060	-	-	(20,879,949)	-	(20,879,949)	-
Community development	6,176,905	4,380,867	207,501	-	(1,588,537)	-	(1,588,537)	-
Health and human services	4,414,684	550,555	736,473	-	(3,127,656)	-	(3,127,656)	-
Justice	2,269,262	338,803	74,456	-	(1,856,003)	-	(1,856,003)	-
Infrastructure	7,502,330	207,615	1,484,999	2,032,768	(3,776,948)	-	(3,776,948)	-
Parks and recreation	11,659,912	1,466,131	1,912,177	1,793,327	(6,488,277)	-	(6,488,277)	-
Public safety	12,679,761	3,431,406	565,655	-	(8,682,700)	-	(8,682,700)	-
Debt service: interest and fiscal charges	3,267	-	-	-	(3,267)	-	(3,267)	-
Total governmental activities	<u>66,126,130</u>	<u>10,915,437</u>	<u>4,981,261</u>	<u>3,826,095</u>	<u>(46,403,337)</u>	<u>-</u>	<u>(46,403,337)</u>	<u>-</u>
Business-type activities								
Integrated solid waste and recycling	6,028,135	5,541,980	102,805	-	-	(383,350)	(383,350)	-
Total business-type activities	<u>6,028,135</u>	<u>5,541,980</u>	<u>102,805</u>	<u>-</u>	<u>-</u>	<u>(383,350)</u>	<u>(383,350)</u>	<u>-</u>
Total primary government	<u>\$ 72,154,265</u>	<u>16,457,417</u>	<u>5,084,066</u>	<u>3,826,095</u>	<u>(46,403,337)</u>	<u>(383,350)</u>	<u>(46,786,687)</u>	<u>-</u>
Component units:								
Teton County Library	\$ 3,872,267	31,396	328,377	-	-	-	-	(3,512,494)
Teton County Weed and Pest Control	1,874,534	250,573	76,362	-	-	-	-	(1,547,599)
Jackson Teton County Regional Housing Authority	757,780	670,221	-	-	-	-	-	(87,559)
Jackson Hole Travel and Tourism Board	3,574,633	-	-	-	-	-	-	(3,574,633)
Total component units	<u>\$ 10,079,214</u>	<u>952,190</u>	<u>404,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,722,285)</u>
General revenues (expenses):								
Sales and use taxes					\$ 34,946,148	-	34,946,148	5,119,074
Property taxes					16,552,764	-	16,552,764	5,408,838
Other taxes					4,104,475	-	4,104,475	-
Investment income					1,485,181	54,517	1,539,698	34,919
Gain (loss) on disposal of assets					1,818,885	-	1,818,885	(3,702,833)
Miscellaneous					123,244	15,061	138,305	43,217
Total general revenues					<u>59,030,697</u>	<u>69,578</u>	<u>59,100,275</u>	<u>6,903,215</u>
Change in net position					12,627,360	(313,772)	12,313,588	(1,819,070)
Net position—beginning					157,785,031	6,971,637	164,756,668	25,915,816
Net position—ending					<u>\$ 170,412,391</u>	<u>6,657,865</u>	<u>177,070,256</u>	<u>24,096,746</u>

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General	Parks and Recreation Special Revenue	Specific Tax Fund	Capital Projects	2012 Landfill Closure Specific Tax Fund	Non-major Funds	Total Governmental Funds
Assets:							
Pooled cash and cash equivalents	\$ 30,191,630	934,368	2,555,518	14,583,218	2,077,582	21,089,061	71,431,377
Cash and cash equivalents	592,123	1,400	-	-	-	17,708	611,231
Interfund receivable - pooled cash	237,429	-	-	-	-	-	237,429
Accounts receivable	13,120	7,598	-	-	-	384,849	405,567
Taxes receivable	12,370,114	-	-	-	-	655,985	13,026,099
Due from other governments	2,892,298	406,822	1,227,509	-	-	1,185,484	5,712,113
Prepaid expenses	-	-	-	-	-	14,162	14,162
Other assets	50,000	-	-	-	-	-	50,000
Total assets	46,346,714	1,350,188	3,783,027	14,583,218	2,077,582	23,347,249	91,487,978
Liabilities:							
Interfund payable - pooled cash	-	-	-	-	-	237,429	237,429
Accounts payable and accrued liabilities	2,009,452	516,167	1,067,959	420,366	269,145	688,226	4,971,315
Unearned revenue	-	-	-	-	-	44,946	44,946
Funds held in trust	2,215,200	-	-	-	-	-	2,215,200
Total liabilities	4,224,652	516,167	1,067,959	420,366	269,145	970,601	7,468,890
Deferred inflows of resources:							
Revenues for future periods	12,307,772	-	-	-	-	650,534	12,958,306
Total deferred inflows of resources	12,307,772	-	-	-	-	650,534	12,958,306
Fund balances:							
Nonspendable:							
Prepaid expenses	-	-	-	-	-	14,162	14,162
Restricted for:							
Capital projects	5,882,224	-	-	-	1,808,437	11,868,638	19,559,299
Infrastructure	-	-	2,715,068	-	-	3,119,217	5,834,285
Public safety	-	-	-	-	-	3,093,757	3,093,757
Community development	-	-	-	-	-	603,714	603,714
Other purposes	21,133	-	-	-	-	-	21,133
Committed for:							
Capital projects	-	-	-	14,162,852	-	-	14,162,852
Operations stabilization	7,166,574	-	-	-	-	-	7,166,574
Public safety	-	-	-	-	-	1,401,128	1,401,128
Parks and recreation	-	834,021	-	-	-	1,625,498	2,459,519
Unassigned	16,744,359	-	-	-	-	-	16,744,359
Total fund balances	29,814,290	834,021	2,715,068	14,162,852	1,808,437	21,726,114	71,060,782
Total liabilities, deferred inflows of resources and fund balances	\$ 46,346,714	1,350,188	3,783,027	14,583,218	2,077,582	23,347,249	91,487,978

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2020

Total fund balances of governmental funds		\$ 71,060,782
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p> <p>The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions are not reported in the funds.</p>		
Net pension liability	(15,796,788)	
Deferred outflow of resources - pensions	6,050,759	
Deferred inflow of resources - pensions	<u>(7,442,784)</u>	(17,188,813)
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital assets	186,636,342	
Accumulated depreciation	<u>(68,371,665)</u>	118,264,677
<p>Long-term liabilities, as well as accrued interest are not due and payable in the current period and are therefore not reported in the funds.</p>		
Long-term liabilities, due within one year	(1,148,736)	
Long-term liabilities, due in more than one year	<u>(575,519)</u>	<u>(1,724,255)</u>
Net position of governmental activities		\$ <u><u>170,412,391</u></u>

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2020

	General	Parks and Recreation Special Revenue	Specific Tax Fund	Capital Projects	2012 Landfill Closure Specific Tax Fund	Non-major Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 36,695,535	-	12,728,125	-	-	6,179,727	55,603,387
Intergovernmental	299,104	3,669,969	-	-	-	3,178,223	7,147,296
Charges for services	2,122,323	742,451	-	-	-	5,288,944	8,153,718
Licenses and permits	2,637,473	124,246	-	-	-	-	2,761,719
Contributions	-	9,779	-	57,304	-	199,581	266,664
Miscellaneous	762,903	23,306	703	325,540	46,209	457,266	1,615,927
Total revenues	42,517,338	4,569,751	12,728,828	382,844	46,209	15,303,741	75,548,711
Expenditures:							
Administration	8,768,952	-	10,013,760	2,291,574	-	-	21,074,286
Community development	2,686,537	-	-	389,027	-	3,062,143	6,137,707
Health and human services	3,905,179	-	-	193,852	-	88,533	4,187,564
Justice	2,032,465	-	-	34,149	-	-	2,066,614
Infrastructure	2,952,069	-	-	3,391,236	2,392,391	5,430,890	14,166,586
Parks and recreation	-	8,873,788	-	-	-	2,364,921	11,238,709
Public safety	8,110,670	-	-	615,895	-	6,463,491	15,190,056
Total expenditures	28,455,872	8,873,788	10,013,760	6,915,733	2,392,391	17,409,978	74,061,522
Excess (deficiency) of revenues over expenditures	14,061,466	(4,304,037)	2,715,068	(6,532,889)	(2,346,182)	(2,106,237)	1,487,189
Other financing sources (uses):							
Proceeds from the sale of land	-	-	-	-	-	1,800,405	1,800,405
Transfers in (out)	(10,420,049)	4,891,112	-	4,502,299	-	1,026,638	-
Total other financing sources (uses)	(10,420,049)	4,891,112	-	4,502,299	-	2,827,043	1,800,405
Change in fund balance	3,641,417	587,075	2,715,068	(2,030,590)	(2,346,182)	720,806	3,287,594
Fund balance - July 1	26,172,873	246,946	-	16,193,442	4,154,619	21,005,308	67,773,188
Fund balance - June 30	\$ 29,814,290	834,021	2,715,068	14,162,852	1,808,437	21,726,114	71,060,782

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

Net change in fund balances - governmental funds \$ 3,287,594

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlays	12,293,857	
Depreciation expense	<u>(5,587,736)</u>	
		6,706,121

Governmental funds do not report the contribution of capital assets from third parties. However, the Statement of Activities reports these third party contributions as capital grants and contributions. 1,393,396

The net effect of various miscellaneous transactions involving capital assets (i.e., sales of capital assets) is to increase net position. 10,978

The net effect of transactions involving net pension asset and liability, deferred inflows of resources and deferred outflows of resources related to pensions, and pension expense is to decrease net position.

Change in deferred outflow of resources related to pensions	(4,994,084)	
Change in deferred inflow of resources related to pensions	(4,700,262)	
Change in net pension liability	<u>8,254,973</u>	
		(1,439,373)

Debt issuances provide current financial resources to governmental funds, but increase long-term liabilities in the Statement of Net Position. Repayments of debt principal are expenditures in governmental funds, but decrease long-term liabilities in the Statement of Net Position. Changes in other long-term liabilities do not require current financial resources, and are excluded from the funds.

Reductions of principal on long-term liabilities	155,107	
Change in landfill closure liability	2,717,725	
Change in compensated absences liability	<u>(204,188)</u>	
		<u>2,668,644</u>

Change in net position of governmental activities \$ 12,627,360

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Assets:		
Current assets:		
Pooled cash and cash equivalents	\$ 2,054,103	2,054,103
Accounts receivable	380,741	380,741
Due from other governments	47,908	47,908
Total current assets	<u>2,482,752</u>	<u>2,482,752</u>
Non-current assets:		
Capital assets	7,110,467	7,110,467
Accumulated depreciation	(1,617,462)	(1,617,462)
Total non-current assets	<u>5,493,005</u>	<u>5,493,005</u>
Total assets	<u>7,975,757</u>	<u>7,975,757</u>
Deferred outflows of resources		
Pensions	127,231	127,231
Total deferred outflows of resources	<u>127,231</u>	<u>127,231</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	413,126	413,126
Long-term liabilities, due within one year	36,000	36,000
Total current liabilities	449,126	449,126
Long-term liabilities, due in more than one year	10,181	10,181
Net pension liability	843,349	843,349
Total non-current liabilities	853,530	853,530
Total liabilities	<u>1,302,656</u>	<u>1,302,656</u>
Deferred inflows of resources		
Pensions	142,467	142,467
Total deferred inflows of resources	<u>142,467</u>	<u>142,467</u>
Net position:		
Net investment in capital assets	5,493,005	5,493,005
Unrestricted	1,164,860	1,164,860
Total net position	<u>\$ 6,657,865</u>	<u>6,657,865</u>

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2020

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Operating revenues:		
Charges for services	\$ 5,275,896	5,275,896
Materials sales	266,084	266,084
Miscellaneous	15,061	15,061
Total operating revenues	<u>5,557,041</u>	<u>5,557,041</u>
Operating expenses:		
Salaries and benefits	1,342,465	1,342,465
Current expenses	4,414,069	4,414,069
Depreciation	271,601	271,601
Total operating expenses	<u>6,028,135</u>	<u>6,028,135</u>
Operating loss	<u>(471,094)</u>	<u>(471,094)</u>
Non-operating income:		
Grants and contributions	102,805	102,805
Investment income	54,517	54,517
Total non-operating income	<u>157,322</u>	<u>157,322</u>
Change in net position	(313,772)	(313,772)
Net position - beginning	<u>6,971,637</u>	<u>6,971,637</u>
Net position - ending	<u>\$ 6,657,865</u>	<u>6,657,865</u>

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2020

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ 5,580,374	5,580,374
Payments to suppliers	(4,449,674)	(4,449,674)
Payments to employees	(1,164,187)	(1,164,187)
	<u>(33,487)</u>	<u>(33,487)</u>
Net cash provided by operating activities		
Cash flows from non-capital financing activities:		
Receipts from operating grants and contributions	83,825	83,825
	<u>83,825</u>	<u>83,825</u>
Net cash provided by non-capital financing activities		
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(711,938)	(711,938)
	<u>(711,938)</u>	<u>(711,938)</u>
Net cash used in capital and related financing activities		
Cash flows from investing activities:		
Interest income received	54,517	54,517
	<u>54,517</u>	<u>54,517</u>
Net cash provided by investing activities		
Net decrease in cash and cash equivalents	(607,083)	(607,083)
Cash and cash equivalents - beginning	<u>2,661,186</u>	<u>2,661,186</u>
Cash and cash equivalents - ending	<u>\$ 2,054,103</u>	<u>2,054,103</u>

(continued)

The accompanying notes are an integral part of these financials statements.

(continued)

TETON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2020

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ <u>(471,094)</u>	<u>(471,094)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	271,601	271,601
Non-cash compensation	7,666	7,666
Pension accrual	164,453	164,453
Net change in assets and liabilities:		
Accounts receivable	23,333	23,333
Accounts payable and accrued liabilities	<u>(29,446)</u>	<u>(29,446)</u>
Total adjustments	<u>437,607</u>	<u>437,607</u>
Net cash used in operating activities	\$ <u><u>(33,487)</u></u>	<u><u>(33,487)</u></u>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2020

	<u>Treasurer's Tax Agency Fund</u>
Assets:	
Pooled cash and cash equivalents	\$ 5,423,613
Cash and cash equivalents	<u>3,312,413</u>
Total assets	<u><u>8,736,026</u></u>
Liabilities:	
Due to other taxing units	<u>8,736,026</u>
Total liabilities	<u><u>\$ 8,736,026</u></u>

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2020

	Teton County Library	Teton County Weed and Pest Control	Jackson Teton County Regional Housing Authority	Jackson Hole Travel and Tourism Board	Total
Assets:					
Cash and cash equivalents	\$ 2,394,318	837,521	1,596,666	3,131,903	7,960,408
Accounts receivable	-	48,204	14,613	-	62,817
Taxes receivable	3,705,985	47,750	-	-	3,753,735
Due from other governments	92,370	-	-	267,417	359,787
Notes receivable	-	-	320,000	-	320,000
Prepaid expenses	45,543	9,671	-	80,474	135,688
Inventory	1,287	153,726	-	-	155,013
Capital assets	2,265,454	5,728,443	17,514,196	-	25,508,093
Accumulated depreciation	(1,300,096)	(2,283,481)	(860,949)	-	(4,444,526)
Total assets	7,204,861	4,541,834	18,584,526	3,479,794	33,811,015
Deferred outflows of resources:					
Pensions	240,097	139,850	-	-	379,947
Total deferred outflows of resources	240,097	139,850	-	-	379,947
Liabilities:					
Accounts payable and accrued liabilities	89,406	5,922	223,700	169,986	489,014
Long-term liabilities:					
Due within one year	88,100	42,628	129,000	-	259,728
Due in more than one year	-	-	2,365,116	-	2,365,116
Net pension liability	2,109,242	706,676	-	-	2,815,918
Total liabilities	2,286,748	755,226	2,717,816	169,986	5,929,776
Deferred inflows of resources:					
Revenues for future periods	3,496,000	-	-	-	3,496,000
Pensions	549,061	119,379	-	-	668,440
Total deferred inflows of resources	4,045,061	119,379	-	-	4,164,440
Net position:					
Net investment in capital assets	965,358	3,444,962	14,159,131	-	18,569,451
Unrestricted	147,791	362,117	1,707,579	3,309,808	5,527,295
Total net position	\$ 1,113,149	3,807,079	15,866,710	3,309,808	24,096,746

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
Year Ended June 30, 2020

	Teton County Library	Teton County Weed and Pest Control	Jackson Teton County Regional Housing Authority	Jackson Hole Travel and Tourism Board	Total
Expenses	\$ 3,872,267	1,874,534	757,780	3,574,633	10,079,214
Program revenues:					
Charges for services	31,396	250,573	670,221	-	952,190
Operating grants and contributions	328,377	76,362	-	-	404,739
Total program revenues	359,773	326,935	670,221	-	1,356,929
Net expenses	(3,512,494)	(1,547,599)	(87,559)	(3,574,633)	(8,722,285)
General revenues:					
Sales and use taxes	-	-	1,009,842	4,109,232	5,119,074
Property taxes	3,288,854	2,119,984	-	-	5,408,838
Interest and investment income	7,766	9,093	16,030	2,030	34,919
Gain (loss) on disposal of assets	-	3,550	(3,706,383)	-	(3,702,833)
Miscellaneous	3,348	38,134	1,735	-	43,217
Total general revenues	3,299,968	2,170,761	(2,678,776)	4,111,262	6,903,215
Change in net position	(212,526)	623,162	(2,766,335)	536,629	(1,819,070)
Net position – beginning	1,325,675	3,183,917	18,633,045	2,773,179	25,915,816
Net position – ending	\$ 1,113,149	3,807,079	15,866,710	3,309,808	24,096,746

The accompanying notes are an integral part of these financial statements.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies

The financial statements of Teton County, Wyoming (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the County are discussed below.

Financial Reporting Entity

The County operates as an incorporated governmental entity within the State of Wyoming. The County is a municipal corporation governed by five elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge operation and maintenance, health and social services, culture and recreation, public improvements, planning and zoning, judicial and general administrative services. As required by generally accepted accounting principles, these financial statements present the County and its component units.

As required by GAAP, the County evaluates whether separate legal entities are controlled by or dependent on the County. The evaluation of control or dependence is based on several factors including the appointment of the respective governing board, ability of the County to impose its will on the separate legal entity and whether a financial benefit or burden relationship exists.

Blended component units, although legally separate entities, are in substance part of the County's operations, and data from those units is combined with data of the primary government. Discretely presented component units, conversely, are reported in a separate column in the financial statements to emphasize that they are legally separate from the County. Each of the County's blended component units and discretely presented component units has a June 30 fiscal year-end.

Blended Component Units

The Jackson / Teton County Public Facilities Joint Powers Board (the JPB) serves all citizens of the County and is governed by a board comprised of three County Commissioners and three members appointed by the Town of Jackson. The JPB was established to provide an efficient, orderly and economically feasible method of jointly financing the acquisition, construction, and renovation of various projects, all of which will enhance the general civic welfare of the County and Town and their residents and will be of service to and be for the benefit of the County and Town and their residents. To date, the only involvement of the Town of Jackson has been to establish the JPB. Consequently, the JPB financial activity is reported in the debt service fund of the County because it has been determined to be fiscally dependent on the County. The JPB had no activity during the year ended June 30, 2020.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Discretely Presented Component Units

The Teton County Library Board (the Library Board) maintains and manages the operations of the County Library system. The Library Board is fiscally dependent upon the County because the Board of Commissioners approves the Library Board's budget, levies taxes on behalf of the Library Board and must approve any debt issuance. The Library Board's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Library Board does not issue separate financial statements.

The Teton County 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 as the Board of Commissioners approves the District's budget and tax levy. On a stand-alone basis, the District is presented as a governmental fund type. Included in the Weed and Pest Control District is Weed Management, Inc., a separate legal non-profit entity. Weed Management, Inc. was established in accordance with the laws of the State of Wyoming and its purpose is to issue debt, construct capital assets, and lease those assets to the District. Weed Management, Inc. has been determined to be a component unit of the District. The District issues separately audited financial statements that can be obtained by writing to PO Box 1852, Jackson, WY 83001.

The Jackson/Teton County Regional Housing Authority (the Regional Housing Authority) has been established to operate affordable housing projects and provide for the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration or repair of various housing related projects within the County. Three board members, appointed by the County Commissioners and the Town of Jackson, govern the Regional Housing Authority. Decisions regarding new housing projects are to be made under the direction and authorization of the County Commissioners and the Jackson Town Council. The Regional Housing Authority receives substantially all of its financial support from Teton County (11/12), while the remaining portion is provided by the Town of Jackson (1/12), indicating its fiscal dependency on the County. The Regional Housing Authority does not issue separate financial statements.

Jackson Hole Travel and Tourism Joint Powers Board (the Tourism Board) has been established to facilitate County-wide tourism promotion efforts. Seven board members, jointly appointed by the County Commissioners and the Jackson Town Council, govern the Tourism Board, with the Town and County holding joint approval authority over the Board's budget. The Tourism Board is fiscally dependent on the County as the County approves the Tourism Board's budget and imposes and collects the lodging sales tax which is the primary revenue source of the Tourism Board. The Tourism Board does not issue separate financial statements.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Jointly Governed Organizations

The Jackson Hole Airport Board (the Airport Board) was created by the Town of Jackson and the County. The Airport Board was created to establish and operate an airport facility to serve the Town of Jackson and unincorporated areas of the County. Five board members are jointly appointed by the County Commissioners and the Jackson Town Council and Mayor. The Town Council and the County Commissioners jointly approve the budget of the Airport Board. Although neither the Town of Jackson nor the County has any obligation to fund the Airport Board, they may fund any sum of money as determined in their individual budget processes. Audited financial statements can be obtained from the Airport Board by writing to P.O. Box 3594, Jackson, WY 83001.

The **Five County Board** joint powers agreement was created to maintain, develop, and enhance the computer software programs used by Teton County, Big Horn County, Hot Springs County, Sublette County and Uinta County (the participating counties). The board consists of 15 members, which include the elected County Clerk, County Treasurer and County Assessor from each of the participating counties. Operations are financed by appropriations from each of the participating counties. The Five County Board does not issue separate financial statements but does provide each of the participating counties with internally generated financial statements.

Basic Financial Statements

The County's basic financial statements include both government-wide financial statements (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. Governmental activities are usually financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The County's general administration, community development, health and human services, infrastructure, justice, parks and recreation and public safety functions are classified as governmental activities. The County's solid waste and recycling services as well as the operations of the Teton County Building Corporation are classified as business-type activities.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Government-Wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts: net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities (general, parks and recreation, public safety, etc.). The functions are also supported by general government revenues (property taxes, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants and contributions, and capital grants and contributions.

Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue (property or sales taxes, intergovernmental revenues, interest income, etc.). The County does not allocate indirect costs.

These government-wide statements focus more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

Fund Financial Statements

The County's accounting system is organized on a fund basis. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the government establishes for accountability purposes in accordance with statutes, laws, regulations, restrictions, or specific purposes.

Separate financial statements are provided for governmental funds and proprietary funds. The emphasis of fund financial statements is on major individual funds, as defined by GASB Statement No. 34, with each displayed as a separate column. All remaining governmental and proprietary funds are aggregated and reported as non-major funds in their respective fund financial statements. The following are fund types used by the County:

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Governmental Funds

The focus of the governmental funds' measurement (in the fund financial statements) is on determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than on net income. The following is a description of the governmental funds of the County:

- The **General Fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.
- **Capital Projects Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- **Debt Service Funds** are used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the government.

The County's major governmental funds consist of the General Fund (see description above), Parks and Recreation Fund, Specific Tax Fund, Capital Projects Fund, and 2012 Landfill Closure Specific Tax Fund.

The Parks and Recreation Fund is a special revenue fund established to account for the operations and maintenance of the County recreation center and parks. The operations of the Parks and Recreation Fund are jointly funded by appropriations from the Town of Jackson and the County.

The Specific Tax Fund is a special revenue fund established to account for specific taxes imposed and collected by the County but distributed directly to other governmental entities.

The Capital Projects Fund is established to account for the resources restricted, committed, or assigned to expenditure for general government capital outlays excluding those capital projects which are funded by voter-approved allocations of the Special Purpose Excise Tax (SPET).

The 2012 Landfill Closure Specific Tax Fund is established to account for SPET funds restricted for the purpose of the funding of design, planning, engineering, and implementation of the closure, environmental monitoring, and mitigation of the existing Teton County Landfill at Horse Thief Canyon.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

The County's non-major special revenue funds consist of funds that collect fees and taxes restricted for public safety (Special Fire, Fire / EMS, and Enhanced 911 Funds), grant funded operations and capital projects (Grants Fund), public road construction, maintenance and repair (Roads Fund), promotion of affordable housing (Housing Authority Fund), county fair promotion and fairground maintenance (County Fair Fund), and tourism promotion and visitor impact services (Lodging Tax Fund).

The County's non-major capital projects funds consist of funds that receive SPET revenues to be expended on voter-approved capital projects. These are titled by the County as Specific Tax Funds, with each voter-approved project being accounted for in a separate fund.

The County's non-major debt service fund is used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the County. Currently, the debt service fund holds no assets or liabilities and has no activities.

Proprietary Funds

The focus on proprietary fund measurement is on determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition, such as investment earnings, are reported as non-operating.

Proprietary funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The County's only proprietary fund consists of the Integrated Solid Waste and Recycling Fund (ISWR Fund). The ISWR Fund accounts for the county-wide solid waste disposal and recycling operations.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Fiduciary Funds

The County's fiduciary funds are not included in the government-wide financial statements and consist of one agency fund. Agency funds account for assets held in a purely custodial capacity. Given that agency funds are custodial in nature (i.e., assets equal liabilities); they do not involve the measurement of results of operations. The County has one agency fund; the Treasurer's Tax Fund. This fund is used to receive and distribute taxes and fees collected on behalf of other funds of the County and on behalf of other governmental units.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transaction or events for recognition in the financial statements. The following provides a summary of the measurement focus and basis of accounting used by the County.

Economic Resources Measurement Focus and Accrual Basis of Accounting

The governmental activities and business-type activities in the government-wide financial statements, the proprietary fund financial statements, the fiduciary funds financial statements, and the discretely presented component unit financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized 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.

Proprietary funds distinguish between operating revenues and non-operating items. Operating revenues generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Subsidies and grants to proprietary funds, which finance either capital projects or current operations, are reported as non-operating revenue or capital contributions. Other revenues that do not result from providing services are reported as non-operating revenues. For proprietary fund financial statements, operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

The governmental funds' financial statements are reporting 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 to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days (the availability period) of the end of the current fiscal period. An exception to this policy is expenditure-drive grant revenues, which generally are considered to be available if the eligible expenditures have been made. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service and compensated absences expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governments funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, motor vehicle taxes, other taxes, and interest income associated with the current fiscal period that are susceptible to accrual, and received in the availability period (within 60 days of year-end), are recognized as revenues of the fiscal period they are intended to finance. All taxes and internally dedicated resources are reported as general revenues. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Program revenues, which include charges to customers and contributions for operational or capital requirements, are recorded as revenue when earned and the amount is received within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered measurable and available only when cash is received by the government.

Financial Statement Amounts

Pooled Cash and Cash Equivalents

Wherever possible, the County's cash accounts are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein. An individual fund's equity in the pooled cash accounts is available on demand and is considered to be a cash equivalent for purposes of these financial statements. Negative balances incurred in pooled cash at year-end are treated as interfund payables of the deficit account and interfund receivables in other funds with positive balances. Investments of the pool are reported at fair value.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Cash and Cash Equivalents

For the purposes of the Statement of Net Position, the term “cash and cash equivalents” includes all demand deposits, savings accounts, certificates of deposit or other short-term, highly liquid investments. For the purposes of the Statement of Cash Flows, the proprietary funds consider all highly liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents.

Investments

Investments are reported at fair value. Wyoming statute allows the County to invest in U.S. and state and local government securities and accounts of any bank and savings associations, which are federally insured. All investments made during the year were made within these statutory limits.

Receivables and Due from Other Governments

Receivables consist of revenues earned as of year-end but received after year-end. All receivable balances are reported net of any allowance for uncollectible accounts. Allowances for uncollectible accounts are based upon historical trends and current data regarding the condition of specific debtors as of the date of issuance of the financial statements.

Due from other governments consists of amounts due to the County at year-end but remitted after year-end. The balance consists primarily of sales tax and other taxes due from the State of Wyoming, payments in lieu of taxes due from the federal government, and reimbursements for grant expenditures due from the State of Wyoming, the federal government, or other agencies.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Notes Receivable

Notes receivable are carried at the gross amount outstanding reduced by an allowance for uncollectibility, if any. These receivables are considered past due when the debtor fails to comply with the repayment terms of the loan document. These receivables are placed on non-accrual status when management believes, after considering economic and business conditions and collection efforts, that the borrower's financial condition is such that collection of additional interest is doubtful. Credit quality is determined by the Company during the loan application process. At that time, factors such as employment history and bank account activity are considered. No further determinations of credit quality are made during the life of the loan.

Capital Assets

Capital assets include land, buildings, improvements, infrastructure, equipment and vehicles. Capital assets are reported in the government-wide financial statements and the proprietary fund financial statements. The County defines capital assets as those assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than 2 years. All capital assets are valued at cost or estimated cost if actual cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life is not capitalized.

Capital assets of the County are depreciated using the straight-line method over the following estimated lives:

<u>Asset Category</u>	<u>Years</u>
Buildings and improvements	5 to 30
Infrastructure	5 to 60
Equipment and vehicles	3 to 25

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. Items qualifying for reporting in this category are related to pensions.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The following items qualify for reporting in this category.

- Property taxes for future periods are reported in both the governmental funds balance sheet and the entity-wide statement of net position. Property tax revenues are not recognized prior to the period which they are intended to finance, even if an enforceable lien is in place prior to the beginning of the intended period. Thus, property taxes received or receivable as of year-end, which are intended to finance the following fiscal year, are recorded as deferred inflows.
- Pension related items.

Pension Related Assets, Liabilities and Deferred Outflows and Inflows of Resources

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 (the System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenues

In the government-wide financial statements and the governmental fund and proprietary fund financial statements, unearned revenue is recognized when cash or other assets are received or recognized prior to completion of the earnings process. The unearned revenues are related to grant revenues and County fair deposits.

Long-term Liabilities

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

In the government-wide financial statements and proprietary fund financial statements, long-term liabilities and obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, and similar items, when material, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. Prepaid insurance costs are recorded as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt. Long-term liabilities consist of direct borrowing and accrued compensated absences.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the period incurred. The face amount of debt issued is reported as an other financing source. Issuance costs are reported as expenditures whether or not they are withheld from the actual debt proceeds received. Principal and interest payments are reported as expenditures in the period the payments are due.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation leave accumulates for all full-time permanent employees, depending upon years of service. Comp time accumulates for all full-time permanent employees, up to a maximum of 80 hours. Accumulated vacation leave and comp time is payable to the employee upon leaving employment of the County for any reason. Accumulated comp time can also be paid out at supervisor's discretion. An estimated liability for vacation leave and comp time is reported in the government-wide financial statements and the proprietary fund financial statements and the expense is allocated by function based on where the employee is assigned. No liability is reported for unpaid accumulated sick leave since sick leave credits are not paid to an employee upon termination of employment.

In the governmental fund financial statements, no liability is reported for compensated absences. The expenditure is reported when vacation time is taken or the liquidated vacation balance is payable to the employee upon termination of employment. For governmental activities, compensated absences are generally liquidated by the General Fund.

Interfund Balances and Transactions

During the course of operations, transactions sometimes occur between individual funds that may result in amounts owed between funds. Interfund payables and receivables within governmental activities or within business-type activities are eliminated from the government-wide Statement of Net Position. Interfund payables and receivables between the governmental funds and the Treasurer's Tax Agency Fund have been reclassified in the government-wide Statement of Net Position in accordance with the requirements of GASB Statement No. 34.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Transfers are used to report flows of cash (or other assets) between funds without equivalent flows of assets in return or a requirement for repayment. In the government-wide Statement of Activities, transfers between governmental funds or between proprietary funds are eliminated. In the governmental fund financial statements, transfers are reported as other financing sources or uses.

Equity Classifications

Equity in the government-wide financial statements and proprietary fund financial statements is classified as net position and displayed in three components:

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of these assets.
- Restricted net position – Consists of net position with constraints placed on their use, whether by 1) external groups such as creditors, grantors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balance Classifications

Governmental fund equity is classified as fund balance in the fund financial statements. Fund balance is further classified based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows.

- *Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County has classified prepaid assets as nonspendable.
- *Restricted* – This classification includes amounts for which constraints have been placed on the use of resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioners. These amounts cannot be used for any purpose unless the County Commissioners removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- *Assigned* – This classification includes amounts that are constrained by the County’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Commissioners. No other governing body or officials have this authority delegated to them. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- *Unassigned* – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

Net position flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance flow assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 1 – Summary of Significant Accounting Policies (continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property Tax Calendar

The County assesses all taxable property other than centrally assessed property, which is assessed by the State of Wyoming, by January 1 of each year. Properties taxes are levied on or about August 1 and are payable in two installments on September 1 and March 1. The County bills and collects its own property taxes as well as property taxes for all municipalities and political subdivisions within the County. Collections and remittances of these taxes for other taxing entities are accounted for in the Treasurer's Tax Agency Fund. County property tax revenues are recognized when levied to the extent that they result in current receivables which means collected within the current period or expected to be collected within 60 days after the period end to be used to pay liabilities of the current period. State law allows anyone to pay the delinquent taxes on a property and obtain an enforceable lien on that property. Therefore, the County's delinquent property taxes are insignificant.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments

Governmental activities:

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Pooled cash and cash equivalents:				
Demand deposits	\$ 30,481,512	274,900	-	30,756,412
WYO-STAR	-	7,079,456	-	7,079,456
Government bonds	-	517,295	-	517,295
Corporate bonds	-	5,974,700	-	5,974,700
Certificates of deposit	9,697,755	17,405,759	-	27,103,514
Total pooled cash and cash equivalents	<u>40,179,267</u>	<u>31,252,110</u>	<u>-</u>	<u>71,431,377</u>
Cash and cash equivalents:				
Cash-on-hand	-	-	3,500	3,500
Demand deposits	606,731	-	-	606,731
Certificates of deposit	1,000	-	-	1,000
Total cash and cash equivalents	<u>607,731</u>	<u>-</u>	<u>3,500</u>	<u>611,231</u>
Total governmental activities	<u>\$ 40,786,998</u>	<u>31,252,110</u>	<u>3,500</u>	<u>72,042,608</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments (continued)

Business-type activities:

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Pooled cash and cash equivalents:				
Demand deposits	\$ 2,054,103	-	-	2,054,103
Total pooled cash and cash equivalents	<u>2,054,103</u>	<u>-</u>	<u>-</u>	<u>2,054,103</u>
Total business-type activities	<u>\$ 2,054,103</u>	<u>-</u>	<u>-</u>	<u>2,054,103</u>

Fiduciary funds:

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Pooled cash and cash equivalents:				
Demand deposits	\$ 5,423,613	-	-	5,423,613
Total pooled cash and cash equivalents	<u>5,423,613</u>	<u>-</u>	<u>-</u>	<u>5,423,613</u>
Cash and cash equivalents:				
Demand deposits	<u>3,312,413</u>	<u>-</u>	<u>-</u>	<u>3,312,413</u>
Total cash and cash equivalents	<u>3,312,413</u>	<u>-</u>	<u>-</u>	<u>3,312,413</u>
Total fiduciary funds	<u>\$ 8,736,026</u>	<u>-</u>	<u>-</u>	<u>8,736,026</u>

The State of Wyoming has established laws regarding the investment of public funds (Wyoming Statutes, 9-4). The County has adopted a “Statement of Investment Policy” which specifies the County’s policies regarding the investment of County financial assets. The County’s adopted policy refers to State laws and indicates the County will comply with State law.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments (continued)

Deposits

State law specifies the types of financial institutions in which the County can deposit monies. In addition, State law requires that all deposits in financial institutions be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of collateral or the furnishing of a surety bond. At June 30, 2020, all deposits of the County were fully collateralized or insured.

Investments

The County has investments in WYO-STAR, a government investment pool operated by the State of Wyoming Treasurer’s Office. WYO-STAR is available for investments of funds administered by any local government entity within the State of Wyoming.

WYO-STAR is not registered with the SEC as an investment company. WYO-STAR is authorized and regulated by the laws of the State of Wyoming. Deposits in WYO-STAR are not insured or otherwise guaranteed by the State of Wyoming, and participants share proportionally in any realized gains or losses on investments.

WYO-STAR operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of WYO-STAR are allocated monthly based on the participant’s average balance in relation to the total balance of the pool. The fair value of the WYO-STAR investment pool is approximately equal to the value of the pool shares. As such, amounts held with WYO-STAR of \$7,079,456 are carried at amortized cost and are considered cash and cash equivalents.

At June 30, 2020, the County had additional investments in various US government-backed bonds and corporate bonds as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
<i>Governmental activities:</i>					
Government bonds	\$ 517,295	-	517,295	-	-
Corporate bonds	5,974,700	1,010,409	4,964,291		
Total	\$ 6,491,995	1,010,409	5,481,586	-	-

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments (continued)

Fair Value

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the 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; and Level 3 inputs are significant unobservable inputs.

The County's governmental activities and business-type activities have the following recurring fair value measurements as of June 30, 2020:

- Government and corporate bonds of \$6,491,995 are valued using quoted market prices (Level 1 inputs).

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 uses the specific identification method to assess interest rate risk. The County's policy for managing its exposure to fair value loss arising from increasing interest rates is to match the maturities of investments with anticipated cash flows.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's policy for managing its exposure to credit risk is limited as all investments are supported by US Government issued or insured securities or has been deposited in WYO-STAR.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments (continued)

The County’s investments subject to credit risk consist of the following:

Investment Type	Fair Value	Maturity	Rate	Rating
<i>Governmental activities:</i>				
WYO-STAR	\$ 7,079,456	Variable	Variable	Unrated
American Express Co. Bond	501,832	5/17/2021	0.63%	A3
Public Service Company of New Hampshire Bond	508,578	6/1/2021	2.07%	A1
JPMorgan Chase Bond	505,380	8/15/2021	2.01%	A2
Citigroup Inc. Bond	567,596	12/8/2021	2.05%	A3
U.S. Bancorp Bond	504,568	1/24/2022	0.67%	A1
Goldman Sachs Group Inc. Bond	504,237	4/26/2022	0.97%	A3
Intel Corp Bond	501,830	5/11/2022	0.84%	A1
Caterpillar Financial Services Bond	503,240	6/6/2022	0.71%	A3
Morgan Stanley Bond	500,231	6/10/2022	0.76%	A3
PNC Bank NA Bond	502,590	7/22/2022	0.71%	A2
Bank of America Corp Bond	541,432	1/11/2023	2.00%	A2
Metropolitan Life Global Funding Bond	333,186	1/13/2023	1.12%	Aa3
United States Treasury Bond	517,295	1/31/2022	1.65%	Aaa

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The County’s policy for reducing exposure to credit risk is to comply with State law.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments (continued)

Custodial Credit Risk

For an investment, custodial credit risk 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’s policy for custodial risk is that all securities purchased by the County shall be properly designated as assets of the County and held in safekeeping by a third-party custodial bank or third-party custodial institution chartered by the United States Government or the State of Wyoming and no withdrawal of such securities shall be made from the safekeeping except by the County Treasurer. All securities transactions, including collateral for repurchase agreements, entered into by the County shall be conducted on a delivery-versus-payment basis. Securities will be held by a third-party custodian designated by the County Treasurer and evidenced by safekeeping receipts. All investments are held in the name of the County by the investment broker.

Component units:

The component units’ deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Cash and cash equivalents:				
Cash-on-hand	\$ -	-	250	250
Demand deposits	7,960,158	-	-	7,960,158
Total cash and cash equivalents	7,960,158	-	250	7,960,408
Total component units	\$ 7,960,158	-	250	7,960,408

Deposits

State law specifies the types of financial institutions in which the component units can deposit monies. In addition, State law requires that all deposits in financial institutions be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of collateral or the furnishing of a surety bond. At June 30, 2020, all deposits of component units were fully collateralized or insured.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 2 – Deposits and Investments (continued)

Interest Rate Risk

Component units have no formal policies other than to follow the Wyoming State statutes, as previously discussed.

Credit Risk

Component units' policies for reducing exposure to credit risk are to comply with the Wyoming State statutes.

Concentration of Credit Risk

Component units' policy for reducing this risk is to comply with Wyoming State statutes.

Custodial Credit Risk

Component units have no formal policies with respect to custodial credit risk.

Note 3 – Notes Receivable

Notes receivable consist of \$320,000 due from individual homeowners to the Jackson/Teton Regional Housing Authority and bear no interest. The terms of these notes require that all unpaid principal be paid upon maturity of the notes, which is in January 2023.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 4 – Capital Assets

Governmental activities:

Capital asset activity is as follows:

	Balance 7/1/19	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/20
Capital assets not being depreciated:					
Land	\$ 11,152,647	3,797,876	-	-	14,950,523
Rights of way	357,740	-	-	-	357,740
Construction in progress	19,637,256	8,969,516	(6,892)	(2,701,431)	25,898,449
Total capital assets not being depreciated	31,147,643	12,767,392	(6,892)	(2,701,431)	41,206,712
Capital assets being depreciated:					
Buildings and improvements	66,689,302	42,283	-	2,298,848	69,030,433
Infrastructure	58,847,711	-	(3,630,107)	371,961	55,589,565
Equipment and vehicles	20,534,314	939,588	(694,892)	30,622	20,809,632
Total capital assets being depreciated	146,071,327	981,871	(4,324,999)	2,701,431	145,429,630
Accumulated depreciation:					
Buildings and improvements	(29,223,953)	(2,043,933)	-	-	(31,267,886)
Infrastructure	(27,549,728)	(2,211,332)	3,630,107	-	(26,130,953)
Equipment and vehicles	(10,291,108)	(1,332,471)	650,753	-	(10,972,826)
Total accumulated depreciation	(67,064,789)	(5,587,736)	4,280,860	-	(68,371,665)
Total capital assets being depreciated, net	79,006,538	(4,605,865)	(44,139)	2,701,431	77,057,965
Total capital assets, net	\$ 110,154,181	8,161,527	(51,031)	-	118,264,677

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 4 – Capital Assets (continued)

Depreciation expense was charged to functions of the County as follows:

Infrastructure	\$ 3,920,267
Parks and recreation	531,737
Community development	9,221
Public safety	1,054,009
Health and human services	44,927
Justice	3,502
Administration	<u>24,073</u>
 Total depreciation expense	 <u>\$ 5,587,736</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 4 – Capital Assets (continued)

Business-type activities:

Capital asset activity is as follows:

	Balance 7/1/19	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/20
Capital assets not being depreciated:					
Land	\$ 126,320	-	-	-	126,320
Construction in progress	49,550	704,064	-	(753,614)	-
Total capital assets not being depreciated	175,870	704,064	-	(753,614)	126,320
Capital assets being depreciated:					
Buildings and improvements	5,212,698	-	-	753,614	5,966,312
Equipment and vehicles	1,009,961	7,874	-	-	1,017,835
Total capital assets being depreciated	6,222,659	7,874	-	753,614	6,984,147
Accumulated depreciation:					
Buildings and improvements	(708,088)	(213,944)	-	-	(922,032)
Equipment and vehicles	(637,773)	(57,657)	-	-	(695,430)
Total accumulated depreciation	(1,345,861)	(271,601)	-	-	(1,617,462)
Total capital assets being depreciated, net	4,876,798	(263,727)	-	753,614	5,366,685
Total capital assets, net	\$ 5,052,668	440,337	-	-	5,493,005

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 4 – Capital Assets (continued)

Component Units:

Changes to capital assets are as follows:

	Balance 7/1/19	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/20
<u>County Library</u>					
Buildings and improvements	\$ 649,138	-	-	-	649,138
Equipment	664,947	109,723	-	-	774,670
Library books and media	778,379	196,600	(133,333)	-	841,646
Accumulated depreciation	(1,144,452)	(288,977)	133,333	-	(1,300,096)
Capital assets, net	<u>\$ 948,012</u>	<u>17,346</u>	<u>-</u>	<u>-</u>	<u>965,358</u>
<u>Weed and Pest</u>					
Land	\$ 702,409	-	-	-	702,409
Buildings and improvements	4,322,044	-	(29,720)	-	4,292,324
Equipment	659,364	99,200	(24,854)	-	733,710
Accumulated depreciation	(2,130,271)	(207,784)	54,574	-	(2,283,481)
Capital assets, net	<u>\$ 3,553,546</u>	<u>(108,584)</u>	<u>-</u>	<u>-</u>	<u>3,444,962</u>
<u>Housing Authority</u>					
Land	\$ 13,032,398	-	(3,706,383)	-	9,326,015
Buildings and improvements	8,166,156	-	-	-	8,166,156
Equipment	22,025	-	-	-	22,025
Accumulated depreciation	(741,092)	(119,857)	-	-	(860,949)
Capital assets, net	<u>\$ 20,479,487</u>	<u>(119,857)</u>	<u>(3,706,383)</u>	<u>-</u>	<u>16,653,247</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 4 – Capital Assets (continued)

Component Units:

Depreciation expense was charged to the component units as follows:

Weed and Pest	\$ 207,784
County Library	288,977
Housing Authority	<u>119,857</u>
 Total depreciation expense	 \$ <u>616,618</u>

Note 5 – Accounts Payable and Accrued Liabilities

The County's accounts payable and accrued liabilities consist of the following:

Governmental activities:

Payables to vendors	\$ 1,009,945
Due to other governments	1,561,973
Payables to contractors	1,153,193
Payroll-related liabilities	665,165
Self-insured health insurance liabilities	<u>581,039</u>
 Total accounts payable and accrued liabilities	 \$ <u>4,971,315</u>

Business-type activities:

Payables to vendors	\$ 118,989
Payables to contractors	152,040
Payroll-related liabilities	25,847
Due to other governments	<u>116,250</u>
 Total accounts payable and accrued liabilities	 \$ <u>413,126</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 5 – Accounts Payable and Accrued Liabilities (continued)

The County operates a self-insured employee health and dental benefit plan accounted for within the general fund. The plan provides health benefits to eligible employees and their dependents which include employees of the primary government and component units. The County has entered into reinsurance contracts (stop-loss) for this plan at \$100,000/individual. At June 30, 2020, the plan had incurred claims payable and estimated claims incurred but not reported (IBNR) of \$581,039.

For the year ended June 30, 2020, changes to aggregate claims liabilities are as follows:

Claims Liabilities 6/30/19	Claims Incurred and Changes in Estimates	Claims Paid	Claims Liabilities 6/30/20
\$ 474,228	4,156,811	(4,050,000)	581,039

For the year ended June 30, 2019, changes to aggregate claims liabilities were as follows:

Claims Liabilities 6/30/18	Claims Incurred and Changes in Estimates	Claims Paid	Claims Liabilities 6/30/19
\$ 289,006	4,389,222	(4,204,000)	474,228

Component units:

The component units' accounts payable and accrued liabilities consist of the following:

Payables to vendors	\$	217,695
Payroll-related liabilities		48,324
Security deposits		222,995
 Total accounts payable and accrued liabilities	 \$	 <u>489,014</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 6 – Funds Held in Trust

The County’s funds held in trust consist of the following:

Funds held by Planning and Development department	\$ 2,041,997
Bonds held by County Clerk of District Court	137,469
Funds held by County Sheriff for jail inmates	<u>35,734</u>
 Total funds held in trust	 \$ <u><u>2,215,200</u></u>

Note 7 – Long-Term Liabilities

Governmental activities:

Changes to long-term liabilities are as follows:

	Balance 7/1/19	Additions	Reductions	Balance 6/30/20	Due Within One Year
Direct borrowing	\$ 326,658	-	(155,107)	171,551	171,551
Compensated absences	824,331	567,000	(362,812)	1,028,519	453,000
Landfill closure liability	<u>3,241,910</u>	<u>524,185</u>	<u>(3,241,910)</u>	<u>524,185</u>	<u>524,185</u>
 Total long-term liabilities	 \$ <u><u>4,392,899</u></u>	 <u>1,091,185</u>	 <u>(3,759,829)</u>	 <u>1,724,255</u>	 <u>1,148,736</u>

Direct borrowings consist of the following:

\$1,500,000 direct borrowing from the Wyoming Business Council with interest at 1% due in annual installments of \$173,266, matures December 2020. The loan was obtained for construction of a parking lot and restrooms at Teton Village. \$ 171,551

Debt service requirements associated with this direct borrowing consist of \$171,551 in principal and \$1,715 in interest to be paid in December 2020. The terms of this direct borrowing do not include events of default.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 7 – Long-Term Liabilities (continued)

Landfill Post-Closure Liability

In previous years, the County operated a landfill. This landfill was closed and replaced with a solid waste transfer station where waste is consolidated into high-volume vehicles and transported to a landfill in a neighboring county. State and federal laws and regulations require that the County place and maintain a final cover on its closed landfill and perform ongoing maintenance and monitoring functions at the landfill site for 30 years after closure. In the Statement of Net Position, a liability is recorded based on the estimated future closure and post-closure costs that will be incurred under the current maintenance and monitoring requirements as established by the state and federal governments. Expense or gain is recorded based on changes in the estimated future closure, maintenance and monitoring liability. As of June 30, 2020, the estimated remaining closure and post-closure care liability is \$524,185. The 2012 Landfill Closure Specific Tax Fund reports the operating expenses related to these landfill closure and post-closure maintenance and monitoring activities. The County is engaged in ongoing efforts to carry-out the required remediation communicated to the County by the State Department of Environmental Quality. The actual cost of post-closure care may differ due to unexpected increases in the rate of inflation, changes in technology, or future changes in maintenance and monitoring laws and regulations. The estimate of post-closure care may also change to accommodate additional remediation activities that may be required based on the results of ongoing landfill site monitoring.

Business type activities:

Changes to long-term liabilities are as follows:

	Balance 7/1/19	Additions	Reductions	Balance 6/30/20	Due Within One Year
Compensated absences	\$ 38,515	25,000	(17,334)	46,181	36,000
Total long-term liabilities	\$ 38,515	25,000	(17,334)	46,181	36,000

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 7 – Long-Term Liabilities (continued)

Conduit debt:

The County has arranged conduit financing for a variety of projects within the County. These debt instruments are not obligations of the County. As such, no liability has been reported in the Statement of Net Position. Conduit debt consists of the following:

\$4,308,743 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due April 2025. The loan was obtained to finance the construction of the Wilson sewer project.	\$ 1,566,200
\$1,600,000 Development Revenue Bonds Series 2011 with interest at 4.03%, due August 2031. The bonds were issued to finance the construction of a building for Community Entry Services, Inc.	1,080,429
\$2,853,676 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due December 2022. The loan was obtained to finance the expansion of the Teton Village Water and Sewer District wastewater treatment plant.	521,954
\$724,035 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due June 2022. The loan was obtained to finance the construction of a storm water collection and treatment facility within the Teton Village Improvement and Service District.	89,251
\$168,792 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due January 2026. The Loan was obtained to finance the construction of Phase II of the Teton Village Water and Sewer District wastewater treatment plant expansion project.	<u>59,530</u>
Total conduit debt	\$ <u><u>3,317,364</u></u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 7 – Long-Term Liabilities (continued)

Component units:

Changes to long-term liabilities are as follows:

	Balance 7/1/19	Additions	Reductions	Balance 6/30/20	Due Within One Year
<u>County Library</u>					
Compensated absences	\$ 57,063	107,211	(76,174)	88,100	88,100
Total County Library	57,063	107,211	(76,174)	88,100	88,100
<u>Weed and Pest</u>					
Direct borrowing	594,735	-	(594,735)	-	-
Compensated absences	39,787	2,841	-	42,628	42,628
Total Weed and Pest	634,522	2,841	(594,735)	42,628	42,628
<u>Housing Authority</u>					
Direct borrowing	2,616,264	-	(122,148)	2,494,116	129,000
Total Housing Authority	2,616,264	-	(122,148)	2,494,116	129,000
Total long-term liabilities	\$ 3,307,849	110,052	(793,057)	2,624,844	259,728

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 7 – Long-Term Liabilities (continued)

Direct borrowings consist of the following:

\$3,000,000 Teton County Housing Authority direct borrowing from First Interstate Bank. Payable in monthly installments of principal and interest at 4.73%, maturing May 2034. Note is secured by real property. In an event of default, provisions include, but are not limited to, the following remedies: the timing of the repayment of outstanding amounts become immediately due, the lender take possession of all or any part of collateral, foreclose, or exercise any other right or remedy which is otherwise available at law or in equity or by statute.

\$ 2,494,116

\$ 2,494,116

Debt service requirements for direct borrowings are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 129,000	113,673	242,673
2022	134,786	107,887	242,673
2023	141,301	101,372	242,673
2024	148,132	94,541	242,673
2025	155,292	87,381	242,673
Thereafter	<u>1,785,606</u>	<u>583,101</u>	<u>2,368,707</u>
Total	<u>\$ 2,494,117</u>	<u>1,087,955</u>	<u>3,582,072</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans

The County participates in the Wyoming Retirement System (the "System"), a statewide cost-sharing multiple-employer public employee retirement system. The System is established and governed by the respective sections of Wyoming state statute. The statute provides for the administration of the System under the direction of the Wyoming State Retirement Board whose members are appointed by the Governor. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. A copy of the report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, Suite 500, Cheyenne, Wyoming 82002 or by calling 1-307-777-7691.

Substantially all County employees are eligible to participate in the following retirement plans offered by the System based upon eligibility and hiring status: 1) Public Employees Pension Plan (PEPP); 2) Law Enforcement Pension Plan (LEPP); 3) Paid Fireman's Pension Plan B (PFPP); and 4) Wyoming Deferred Compensation Plan (WDCP).

Public Employees Pension Plan

PEPP is a cost sharing multiple-employer defined benefit, contributory retirement plan covering substantially all non-law enforcement and paid firemen full-time employees of the County.

PEPP statutorily requires 17.62% of the participant's salary to be contributed to PEPP, consisting of 8.75% of the participant's salary as employee contributions and 8.87% as employer contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Through legislation passed during the 2014 legislative session, two tiers of benefits were established for participants of this plan.

- Tier 1, PEPP 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.
- Tier 2, PEPP 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 upon normal retirement on the bases that the sum of the member's age and service is at least 85.

PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional 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 PEPP 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 date of termination or, if they are vested, they may elect to remain in PEPP and be eligible for retirement benefits at age 60 (Tier 1 employees) or 65 (Tier 2 employees).

Contributions to PEPP for the year ended June 30, 2020 were \$2,037,792 for the County and \$255,258, \$0, and \$97,000 for the Library, Regional Housing Authority, and Weed & Pest component units, respectively.

Law Enforcement Pension Plan

LEPP is a cost sharing multiple-employer defined benefit, contributory retirement plan covering all law enforcement employees of the County.

LEPP statutorily requires participants to contribute 8.6% of their salary to LEPP and the employer is required to contribute 8.6% of each participant's salary.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

LEPP statutorily provides retirement, disability and death benefits according to predetermined amounts 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 LEPP is 100% funded after the COLA is awarded. Participants may withdraw from LEPP at any time and receive refunds of participant contributions plus accumulated interest.

Contributions to LEPP for the year ended June 30, 2020 were \$713,041.

Paid Fireman's Pension Plan B

PFPP is a cost sharing multiple-employer defined benefit, contributory retirement plan covering paid firemen of the County who were employed after July 1, 1981.

PFPP statutorily requires participants to contribute 9.745% of their salary to PFPP and the employer is required to contribute 13% of each participant's salary.

PFPP provides retirement, disability and death benefits according to predetermined amounts determined by salary, age and years of service of the participant. Any cost of living adjustment provided to retirees is granted by the State Legislature. In addition, a cost of living adjustment will not be approved by the legislature unless PFPP is 100% funded after the COLA is awarded. Participants may withdraw from PFPP at any time and receive refunds of participant contributions without interest.

Contributions to PFPP for the year ended June 30, 2020 were \$417,384.

Wyoming Deferred Compensation Plan

WDCP is administered by the System is an IRS Section 457 Deferred Compensation Plan. WDCP is available as a supplemental plan to the defined benefit retirement plans. Contributions may be made into WCDP (subject to plan and Internal Revenue Code limitations) by employees and employer contributions may be made into WDCP at rates determined by the County. Upon qualifying for distributions, benefits are paid out in lump sums, or as periodic benefit payments, at the option of the participant based on individual account balances and WDCP provisions. WDCP's account balances are fully vested to the participants at the time of deposit.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Investments in WDCP are individually directed by WDCP participants among WRS approved investment options of varying degrees of risk and earnings potential. Participants may transfer their funds between these options daily. Investments of WDCP are valued daily. In addition to employee contributions, WDCP also accepts employer contributions on behalf of the employees, provided such contribution when added to the employees’ deferred contribution does not exceed the maximum deferral permitted by the IRS.

During 2020, employees contributed to WDCP but the County elected not to make contributions to WDCP on behalf of participating employees.

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

Governmental and Business-type Activities:

At June 30, 2020, the County reported an entity-wide net pension liability of \$16,640,137, of which \$15,796,788 is related to governmental activities and \$843,349 is related to the County’s ISWR proprietary fund.

	Measured at:		December 31,	
	December 31, 2019		2018	
	Net Pension Liability	Proportionate Share	Proportionate Share	Change
PEPP	\$ 14,230,478	0.605571%	0.602266%	0.003305%
LEPP	1,936,499	2.246551%	2.238513%	0.008039%
PFPP	473,160	6.657232%	6.025816%	0.631417%
Total net pension liability	\$ 16,640,137			

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Component Units:

At June 30, 2020, the County reported for component units a net pension liability of \$2,815,918, of which \$2,109,242 is related to the Library, \$0 is related to the Regional Housing Authority, and \$706,676 is related to the Weed & Pest.

	Measured at:		December 31,	
	December 31, 2019		2018	
<u>PEPP</u>	Net	Proportionate	Proportionate	Change
	Pension	Share	Share	
	Liability			
Library	\$ 2,109,242	0.089758%	0.094779%	-0.005022%
Housing Authority	-	0.000000%	0.000000%	0.000000%
Weed & Pest	706,676	0.030072%	0.028864%	0.001208%
Total net pension liability	<u>\$ 2,815,918</u>			

The net pension liability was measured at December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2019.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Governmental and Business-type Activities:

For the year ended June 30, 2020, the County recognized for the primary government pension expense of \$2,825,382. At June 30, 2020, the County reported for the primary government deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 371,697	849,343
Net difference between projected and actual earnings on pension plan investments	-	3,290,016
Changes in assumptions	3,342,900	3,431,238
Contributions subsequent to the measurement date	1,614,916	-
Change in proportionate share	<u>848,477</u>	<u>14,654</u>
	<u>\$ 6,177,990</u>	<u>7,585,251</u>

Deferred outflows of resources related to pensions resulting from County contributions of \$1,614,916 made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

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

Fiscal Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources
<u> </u>	<u> </u>
2021	\$ (49,661)
2022	(592,571)
2023	(301,889)
2024	(1,779,600)
2025	(194,765)
Thereafter	<u>(103,691)</u>
	<u>\$ (3,022,177)</u>

Component Units:

For the year ended June 30, 2020, the County recognized for the Library, Regional Housing Authority, and Weed & Pest component units pension expense of \$277,493, \$0, and \$75,357, respectively.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

At June 30, 2020, the County reported for the Library, Regional Housing Authority, and Weed and Pest component units net deferred outflows (inflows) of resources related to pensions from the following sources:

	Library Net Deferred Outflows (Inflows) of Resources	HA Net Deferred Outflows (Inflows) of Resources	WP Net Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ (41,593)	-	(13,935)
Net difference between projected and actual earnings on pension plan investments	(314,720)	-	(105,444)
Changes in assumptions	74,341	-	24,907
Contributions subsequent to the measurement date	133,241	-	48,574
Change in proportionate share	<u>(160,233)</u>	<u>-</u>	<u>66,369</u>
	<u>\$ (308,964)</u>	<u>-</u>	<u>20,471</u>

Deferred outflows of resources related to pensions resulting from Library, Regional Housing Authority, and Weed & Pest contributions of \$133,241, \$0, and \$48,574, respectively, made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

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

Fiscal Year Ending June 30,	Library Net Deferred Outflows of Resources	HA Net Deferred Outflows of Resources	WP Net Deferred Outflows of Resources
2021	\$ (96,651)	-	16,375
2022	(165,285)	-	(9,432)
2023	(39,642)	-	12,070
2024	(140,627)	-	(47,116)
	<u>\$ (442,205)</u>	<u>-</u>	<u>(28,103)</u>

Actuarial Assumptions

The total pension liability based on the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PEPP</u>	<u>LEPP</u>	<u>PFPP</u>
Projected salary increases, includes inflation	2.50% to 6.50%	4.75% to 8.75%	4.50% to 7.50%
Assumed inflation rate	2.25%	2.25%	2.25%
Investment Rate of Return	7.00%	7.00%	7.00%

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table, fully generational, projected with Scale MP-2017 for males and females with no set back with a multiplier of 100%. Post-retirement mortality rates were based on the RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 for males with no set back with a multiplier of 100% and for females with no set back with a multiplier of 88%.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Discount Rate

The discount rate used to measure the total pension liability for all plans was 7%. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made based on the actuarially determined rates based on the Wyoming State Retirement Board’s funding policy, which establishes the contractually required rates under Wyoming state statutes. Based on those assumptions, the Systems’ fiduciary net position was projected to be available to make all the 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 payment to determine the total pension liability.

The assumed asset allocation of the plans’ portfolio, the long-term expected rate of return for each asset class, and the expected rate of return is presented arithmetically and geometrically below over a 20-year time frame.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plans target asset allocation as of January 1, 2019, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Arithmetic Real Return	30 Year Assumptions		30 Year Assumptions Nominal Geometric Return
			Arithmetic Nominal Return	Geometric Real Return	
Tactical Cash	2.0%	-0.2%	2.4%	-0.2%	2.4%
Fixed Income	21.0%	1.7%	4.3%	1.3%	3.9%
Equity	48.5%	7.4%	10.0%	5.4%	8.0%
Marketable Alternatives	19.0%	4.3%	6.9%	3.5%	6.1%
Private Markets	9.5%	5.6%	8.2%	4.5%	7.1%
Total	100%	5.30%	7.90%	3.99%	6.59%

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6 percent) or 1-percentage-point higher (8 percent) than the current rate:

Governmental and Business-type Activities:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
 <i>PEPP</i>			
Proportionate share of net pension liability	21,499,850	14,230,478	8,163,516
 <i>LEPP</i>			
Proportionate share of net pension liability	4,317,113	1,936,499	(9,609)
 <i>PFPP</i>			
Proportionate share of net pension liability	2,094,362	473,160	(871,374)

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 8 – Retirement Plans (continued)

Component Units:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	6.00%	7.00%	8.00%
 <i>PEPP - LB</i>			
Proportionate share of net pension liability	3,186,709	2,109,242	1,209,997
 <i>PEPP - HA</i>			
Proportionate share of net pension liability	-	-	-
 <i>PEPP - WP</i>			
Proportionate share of net pension liability	1,067,670	706,676	405,395

Governmental and Business-type Activities:

Pension plan fiduciary net position

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

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 9 – Net Position and Fund Equities

Net position of governmental activities includes certain amounts restricted by enabling legislation. As of June 30, 2020 net position restricted by enabling legislation totaled \$2,231,543, all of which related to energy mitigation fees collected by the County's planning and development office. These fees are required to be used on energy mitigation related projects.

The County has adopted a resolution establishing three separate fund reserve policies: Operation Stabilization Reserve Policy (OSR), Special Revenue Fund Balance Policy (SRFB), and Emergency Reserve/Capital Projects Fund Policy (ERCP). The County Commissioners are the body authorized to establish such policies with administration of the policies by Teton County Clerk, Teton County Treasurer, and the Board of County Commissioner's Administrator. The Board of Commissioners may authorize the use of the reserves.

The OSR requires the County to maintain a minimum of 2 ½ months of regular, on-going operating expenses (including transfers out) for the committed operation stabilization reserve. For purposes of this calculation, the total general fund operations expenses for the next fiscal year budget will be used. The County Clerk will calculate the OSR level during the annual budget process. Upon approval, the OSR may be used to allow time for the County to restructure its operations in a deliberate manner (as might be required in an economic downturn), but such use will only take place in the context of an adopted plan. As of June 30, 2020, the County had committed approximately \$7.1 million.

The SRFB requires the County to maintain a minimum of 15% of prior year audited revenue excluding interfund transfers in special revenue funds. The SRFB excludes Parks and Recreation and ISWR funds, which maintain previously adopted policies. At June 30, 2020, the minimum fund balance requirement is approximately \$4 million compared to approximately \$19.1 million in restricted or committed fund balance in special revenue funds at June 30, 2020.

The ERCP requires the County to maintain a minimum of 20% of the total general fund revenues for the committed emergency capital reserve. For the purposes of this calculation, the total general fund revenues for the prior audited fiscal year will be utilized. The County Clerk calculates the ERCP level after the year-end audit and prepares a budget amendment. If revenues decline, the ERCP amount will remain the same. At June 30, 2020, the County committed approximately \$14.1 million in its capital projects fund exceeding the minimum fund balance requirement of approximately \$8.1 million.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 10 – Operating Leases

Governmental activities:

The County leases office equipment under operating leases. Lease rental expenses under operating leases for the year ended June 30, 2020 was approximately \$71,000. Future minimum non-cancelable operating lease payments are approximately as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ 64,000
2022	48,000
2023	29,000
2024	19,000
2025	5,000
	<u>\$ 165,000</u>

Component Units:

The Jackson/Teton County Regional Housing Authority acts as lessor and leases office space and residential units to tenants. Lease rental revenues under operating leases for the year ended June 30, 2020 were approximately \$673,000. Future minimum non-cancelable operating lease revenues are approximately as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ 312,000
2022	249,000
2023	219,000
2024	140,000
	<u>\$ 920,000</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 11 – Interfund Receivables, Payables, and Transfers

At June 30, 2020, the General Fund has a receivable due from the Grants Fund of \$237,429. This interfund amount represents a short-term advance from the General Fund to the Grants Fund from the County’s cash and investment pool. This advance is expected to be repaid in fiscal year 2021.

The County made the following interfund transfers:

Purpose	Amount	Transfer in	Transfer out
Capital purchases	\$ 7,451,263	Capital Projects Fund	General Fund
Operations and capital purchases	\$ 9,525	Non-Major Funds	Capital Projects Fund
Operations and capital purchases	\$ 2,417,614	Non-Major Funds	General Fund
Operations and capital purchases	\$ 1,596,672	Parks and Rec Fund	General Fund
Program-specific funding	\$ 886,959	General Fund	Non-Major Funds
Operations	\$ 158,541	General Fund	Non-Major Funds
Operations and capital purchases	\$ 355,000	Parks and Rec Fund	Non-Major Funds
Capital purchases	\$ 2,939,440	Parks and Rec Fund	Capital Projects Fund
Operations	\$ 150,000	Non-Major Funds	Non-Major Funds

Note 12 – Related Party Transactions

The Teton County Library Board pays monthly premiums to the County to participate in the County’s self-insured health insurance plan. During the year, the general fund received approximately \$361,000 in health insurance premiums from the Teton County Library Board.

Note 13 – Risk Management

The nature of the County’s operations makes it susceptible to lawsuits, legal actions, and other judgments. The County is also subject to the risk of casualty and theft losses with respect to capital assets. The County mitigates its risk of material loss from these events through the purchase of liability and property insurance arranged through the Wyoming Association of Risk Management and the Wyoming Local Government Liability Pool. The County had no claim settlements over the past three years that exceeded its insurance coverage.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

Note 14 – Commitments and Contingencies

Governmental activities:

The County has executed multiple contracts for the completion of various projects including but not limited to: South Park Loop Pathway Connector, Cattleman’s Bridge, and Fish Creek Road. The remaining expenditure commitment for services yet to be performed on these contracts as of June 30, 2020 is approximately \$360,000. The total commitment amount is subject to adjustment for change orders and additional costs incurred by the contractors.

The County has executed a contract for various professional services related to the landfill closure. The remaining expenditure commitment for services yet to be performed as of June 30, 2020 is approximately \$524,000.

Business-type Activities:

The Integrated Solid Waste and Recycling Fund has executed several multi-year contracts for the provision of solid waste handling and transportation operations. The total commitment amount is subject to adjustment for actual services performed and transport mileage incurred by the contractor.

This page intentionally left blank

Required Supplementary Information

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
<u>Taxes</u>				
Sales and use taxes	\$ 19,360,812	18,538,832	19,430,522	891,690
Property taxes	11,396,712	11,396,712	11,586,841	190,129
Payments in lieu of property tax	1,548,933	2,436,687	2,429,256	(7,431)
Gasoline tax	1,525,000	1,525,000	1,576,294	51,294
Lodging tax	488,220	427,546	430,846	3,300
Severance tax	150,000	209,420	209,420	-
Motor vehicle fees	833,500	985,417	1,012,679	27,262
Other taxes	16,000	19,000	19,677	677
Total taxes	35,319,177	35,538,614	36,695,535	1,156,921
<u>Other Revenues</u>				
Intergovernmental	201,000	268,606	299,104	30,498
Charges for services	2,553,042	2,763,252	2,122,323	(640,929)
Licenses and permits	3,021,218	3,021,218	2,637,473	(383,745)
Miscellaneous	231,000	469,589	762,903	293,314
Total revenues	41,325,437	42,061,279	42,517,338	456,059
Expenditures:				
<u>Administration</u>				
General administration	6,924,939	4,041,554	3,599,861	441,693
County commissioners	812,116	781,004	710,371	70,633
County clerk	1,040,780	1,052,639	1,003,426	49,213
County treasurer	760,214	778,228	745,700	32,528
County assessor	699,280	580,046	576,964	3,082
Information systems	747,168	747,168	682,637	64,531
Facilities maintenance	1,264,826	1,238,770	1,184,867	53,903
Special projects	151,100	229,416	265,126	(35,710)
Total administration	12,400,423	9,448,825	8,768,952	679,873
<u>Community development</u>				
County planner	1,979,247	1,862,347	1,447,625	414,722
Community development	266,341	781,651	820,922	(39,271)
Special projects	467,611	467,553	417,990	49,563
Total community development	2,713,199	3,111,551	2,686,537	425,014

(continued)

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>Health and human services</u>				
Public and environmental health	2,056,753	2,301,277	2,077,739	223,538
Human services	1,471,333	1,474,545	1,474,545	-
County coroner	214,369	174,619	169,142	5,477
Agricultural extension	225,047	212,449	173,362	39,087
WIC program	10,930	10,930	3,461	7,469
Health officer	7,230	7,230	6,930	300
Total health and human services	<u>3,985,662</u>	<u>4,181,050</u>	<u>3,905,179</u>	<u>275,871</u>
<u>Justice</u>				
County attorney	1,239,783	1,374,333	1,336,653	37,680
Clerk of district court	645,891	621,538	571,713	49,825
Court supervised treatment program	133,531	144,847	123,142	21,705
Justice court	4,000	1,000	957	43
Total justice	<u>2,023,205</u>	<u>2,141,718</u>	<u>2,032,465</u>	<u>109,253</u>
<u>Infrastructure</u>				
Road and bridge	1,748,751	1,886,166	1,843,539	42,627
County engineer	992,169	1,008,680	977,353	31,327
Pathways	197,520	157,310	131,177	26,133
Total infrastructure	<u>2,938,440</u>	<u>3,052,156</u>	<u>2,952,069</u>	<u>100,087</u>
<u>Public safety</u>				
County sheriff	6,133,652	6,166,540	5,759,791	406,749
Board of prisoners and jail	1,841,712	1,910,154	1,834,396	75,758
Emergency management	244,741	229,404	226,519	2,885
Homeland security	206,857	214,154	211,618	2,536
Special projects	114,057	114,057	78,346	35,711
Total public safety	<u>8,541,019</u>	<u>8,634,309</u>	<u>8,110,670</u>	<u>523,639</u>
Total expenditures	<u>32,601,948</u>	<u>30,569,609</u>	<u>28,455,872</u>	<u>2,113,737</u>
Excess of revenues over expenditures	<u>8,723,489</u>	<u>11,491,670</u>	<u>14,061,466</u>	<u>2,569,796</u>

(continued)

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other financing sources (uses):				
Transfer from grants fund	765,049	899,212	886,959	(12,253)
Transfer from fire / EMS fund	348,281	348,281	158,541	(189,740)
Transfer to fire / EMS fund	(2,164,533)	(2,164,533)	(2,101,883)	62,650
Transfer to parks and recreation fund	(1,596,672)	(1,596,672)	(1,596,672)	-
Transfer to housing authority fund	(315,731)	(315,731)	(315,731)	-
Transfer to capital projects fund	(7,216,285)	(7,470,375)	(7,451,263)	19,112
Total other financing sources (uses)	<u>(10,179,891)</u>	<u>(10,299,818)</u>	<u>(10,420,049)</u>	<u>(120,231)</u>
Change in fund balance	\$ <u>(1,456,402)</u>	<u>1,191,852</u>	3,641,417	<u>2,449,565</u>
Fund balance - July 1			<u>26,172,873</u>	
Fund balance - June 30			\$ <u>29,814,290</u>	

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 3,250,572	3,895,572	3,669,969	(225,603)
Charges for services	1,340,740	1,340,740	742,451	(598,289)
Licenses and permits	202,000	202,000	124,246	(77,754)
Contributions	16,500	16,500	9,779	(6,721)
Miscellaneous	2,500	3,220	23,306	20,086
	<u>4,812,312</u>	<u>5,458,032</u>	<u>4,569,751</u>	<u>(888,281)</u>
Expenditures:				
Parks and recreation	<u>8,415,990</u>	<u>9,957,512</u>	<u>8,873,788</u>	<u>1,083,724</u>
	<u>8,415,990</u>	<u>9,957,512</u>	<u>8,873,788</u>	<u>1,083,724</u>
Deficiency of revenues over expenditures	<u>(3,603,678)</u>	<u>(4,499,480)</u>	<u>(4,304,037)</u>	<u>195,443</u>
Other financing sources:				
Transfer from lodging tax fund	355,000	355,000	355,000	-
Transfer from general fund	1,596,672	1,596,672	1,596,672	-
Transfer from capital projects fund	<u>1,652,006</u>	<u>2,440,339</u>	<u>2,939,440</u>	<u>499,101</u>
Total other financing sources	<u>3,603,678</u>	<u>4,392,011</u>	<u>4,891,112</u>	<u>499,101</u>
Change in fund balance	<u>\$ -</u>	<u>(107,469)</u>	587,075	<u>694,544</u>
Fund balance - July 1			<u>246,946</u>	
Fund balance - June 30			<u>\$ 834,021</u>	

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
SPECIFIC TAX FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Sales and use taxes	\$ 13,640,267	13,640,267	12,728,125	(912,142)
Miscellaneous	<u> -</u>	<u> -</u>	<u> 703</u>	<u> 703</u>
Total revenues	<u>13,640,267</u>	<u>13,640,267</u>	<u>12,728,828</u>	<u>(911,439)</u>
Expenditures:				
Administration	<u>13,640,267</u>	<u>8,356,648</u>	<u>10,013,760</u>	<u>(1,657,112)</u>
Total expenditures	<u>13,640,267</u>	<u>8,356,648</u>	<u>10,013,760</u>	<u>(1,657,112)</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>5,283,619</u>	<u>2,715,068</u>	<u>(2,568,551)</u>
Fund balance - July 1			<u> -</u>	
Fund balance - June 30			<u>\$ 2,715,068</u>	

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
2012 LANDFILL CLOSURE SPECIFIC TAX FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Miscellaneous	\$ 30,000	30,000	46,209	16,209
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>46,209</u>	<u>16,209</u>
Expenditures:				
Infrastructure	<u>1,862,564</u>	<u>2,762,486</u>	<u>2,392,391</u>	<u>370,095</u>
Total expenditures	<u>1,862,564</u>	<u>2,762,486</u>	<u>2,392,391</u>	<u>370,095</u>
Deficiency of revenues over expenditures	\$ <u>(1,832,564)</u>	<u>(2,732,486)</u>	<u>(2,346,182)</u>	<u>386,304</u>
Fund balance - July 1			<u>4,154,619</u>	
Fund balance - June 30			<u>\$ 1,808,437</u>	

TETON COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PRIMARY GOVERNMENT

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
<u>Public Employee Pension Plan:</u>						
Proportion of the net pension liability	0.605571%	0.602266%	0.564796%	0.523927%	0.501527%	0.466463%
Proportionate share of the net pension liability	\$ 14,230,478	18,340,749	12,873,618	12,665,934	11,682,315	8,231,636
Covered employee payroll	\$ 10,526,116	10,487,585	10,032,904	9,341,120	8,956,486	7,791,267
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	135.19%	174.88%	128.31%	135.59%	130.43%	106.00%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%
<u>Law Enforcement Pension Plan:</u>						
Proportion of the net pension liability	2.246551%	2.238513%	2.360675%	2.425935%	2.271553%	2.101185%
Proportionate share of the net pension liability	\$ 1,936,499	5,418,818	2,031,229	1,831,385	1,706,389	619,086
Covered employee payroll	\$ 3,501,283	3,400,272	3,624,747	3,754,842	3,416,409	3,252,244
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	55.31%	159.36%	56.04%	48.77%	49.95%	19.04%
Plan fiduciary net position as a percentage of the total pension liability	89.05%	71.22%	87.99%	88.11%	87.49%	94.76%
<u>Paid Firemen's Pension Plan B:</u>						
Proportion of the net pension liability	6.657232%	6.025816%	5.886357%	5.680151%	4.809564%	3.820583%
Proportionate share of the net pension liability (asset)	\$ 473,160	1,264,410	2,427,228	1,792,731	1,470,505	(42,967)
Covered employee payroll	\$ 1,865,915	1,615,587	1,660,523	1,499,019	1,249,835	1,006,802
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	25.36%	78.26%	146.17%	119.59%	117.66%	-4.27%
Plan fiduciary net position as a percentage of the total pension liability	95.93%	87.07%	77.98%	80.16%	79.33%	100.98%

TETON COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
COMPONENT UNITS

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014
<u>Public Employee Pension Plan - Library:</u>						
Proportion of the net pension liability	0.089758%	0.947790%	0.103533%	0.097924%	0.093980%	0.093356%
Proportionate share of the net pension liability	\$ 2,109,242	2,886,308	2,359,876	2,367,308	2,189,121	1,647,440
Covered employee payroll	\$ 1,560,182	1,650,445	1,839,142	1,745,889	1,678,813	1,559,307
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	135.19%	174.88%	128.31%	135.59%	130.40%	105.65%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%
<u>Public Employee Pension Plan - Housing Authority:</u>						
Proportion of the net pension liability	0.000000%	0.000000%	0.000000%	0.003245%	0.010695%	0.012962%
Proportionate share of the net pension liability	\$ -	-	-	78,453	249,127	228,744
Covered employee payroll	\$ -	-	-	57,859	190,144	216,509
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	135.59%	131.02%	105.65%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%
<u>Public Employee Pension Plan - Weed & Pest:</u>						
Proportion of the net pension liability	0.030072%	0.028864%	0.028864%	0.029842%	0.027434%	0.026726%
Proportionate share of the net pension liability	\$ 706,676	858,866	657,918	721,423	639,026	471,633
Covered employee payroll	\$ 534,819	490,574	507,201	533,753	489,243	464,377
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	132.13%	175.07%	129.72%	135.16%	130.62%	101.56%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%

TETON COUNTY
SCHEDULE OF CONTRIBUTIONS
PRIMARY GOVERNMENT

	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
<u>Public Employee Pension Plan:</u>						
Contractually required contribution	\$ 2,037,792	1,754,991	1,728,539	1,592,361	1,492,813	1,354,444
Contributions in relation to the contractually required contribution	<u>2,037,792</u>	<u>1,754,991</u>	<u>1,728,539</u>	<u>1,592,361</u>	<u>1,492,813</u>	<u>1,354,444</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 11,565,221	10,299,423	10,400,355	9,580,993	8,982,028	8,534,619
Contributions as a percentage of covered employee payroll	17.62%	17.04%	16.62%	16.62%	16.62%	15.87%
<u>Law Enforcement Pension Plan:</u>						
Contractually required contribution	\$ 713,041	608,048	649,779	667,728	654,629	583,138
Contributions in relation to the contractually required contribution	<u>713,041</u>	<u>608,048</u>	<u>649,779</u>	<u>667,728</u>	<u>654,629</u>	<u>583,138</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 4,145,587	3,535,163	3,777,785	3,882,140	3,805,983	3,390,337
Contributions as a percentage of covered employee payroll	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%
<u>Paid Firemen's Pension Plan B:</u>						
Contractually required contribution	\$ 471,384	364,515	351,628	339,266	333,826	239,097
Contributions in relation to the contractually required contribution	<u>471,384</u>	<u>364,515</u>	<u>351,628</u>	<u>339,266</u>	<u>333,826</u>	<u>239,097</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 2,072,473	1,715,768	1,655,109	1,596,922	1,571,316	1,125,427
Contributions as a percentage of covered employee payroll	22.75%	21.25%	21.25%	21.25%	21.25%	21.25%

TETON COUNTY
SCHEDULE OF CONTRIBUTIONS
COMPONENT UNITS

	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
<u>Public Employee Pension Plan - Library:</u>						
Contractually required contribution	\$ 255,258	258,187	306,688	294,378	306,136	253,544
Contributions in relation to the contractually required contribution	<u>255,258</u>	<u>258,187</u>	<u>306,688</u>	<u>294,378</u>	<u>306,136</u>	<u>253,544</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 1,448,683	1,515,182	1,845,295	1,771,227	1,841,974	1,597,631
Contributions as a percentage of covered employee payroll	17.62%	17.04%	16.62%	16.62%	16.62%	15.87%
<u>Public Employee Pension Plan - Housing Authority:</u>						
Contractually required contribution	\$ -	-	-	-	30,500	29,517
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,500</u>	<u>29,517</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ -	-	-	-	183,514	185,992
Contributions as a percentage of covered employee payroll	17.62%	17.04%	16.62%	16.62%	16.62%	15.87%
<u>Public Employee Pension Plan - Weed & Pest:</u>						
Contractually required contribution	\$ 97,000	88,571	80,190	85,999	87,745	74,457
Contributions in relation to the contractually required contribution	<u>97,000</u>	<u>88,571</u>	<u>80,190</u>	<u>85,999</u>	<u>87,745</u>	<u>74,457</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 550,509	519,884	482,491	517,443	527,948	469,168
Contributions as a percentage of covered employee payroll	17.62%	17.04%	16.62%	16.62%	16.62%	15.87%

TETON COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

Note 1 – Budget Presentation

A Budgetary Comparison Schedule is presented for the General Fund and each major special revenue fund as required by generally accepted accounting principles (GAAP). Budgets for governmental funds are adopted on a GAAP basis except for instances in which capital assets are purchased through issuance of debt. Annual appropriated budgets are adopted for the general fund and all special revenue funds as required by state law. All annual appropriations lapse at fiscal year-end. The Board of County Commissioners may authorize increases to or uses of fund balances. In the budget presentation, authorized increases to fund balance are shown as positive changes in fund balance and authorized decreases are shown as negative changes in fund balance.

Note 2 – Budget Adoption and Monitoring

The budget is required to be prepared in a format acceptable to the Wyoming Department of Audit, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. 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. A public hearing is conducted prior to the third Monday in July to obtain public comments. The budget is adopted within 24 hours of the public hearing, or by the third Tuesday of July. The County expends funds only as authorized by the approved budget unless a departure from the budget is authorized by the Board of County Commissioners. State statute requires that County boards or officials shall not incur expenditures or encumbrances in excess of total appropriations of the County's general fund budget as adopted or subsequently amended. Only the Board of County Commissioners at a properly advertised public hearing can make increases in total fund appropriations. The final budget information presented is after all approved amendments.

Note 3 – Schedules of the Proportionate Share of the Net Pension Liability and Contributions

Generally accepted accounting standards require the presentation of 10 years of the County's proportionate share of the net pension liability and the County's annual contributions. Transition provisions in the accounting standard indicate that information should be presented for as many years as are available. The County determined that it is not practicable to provide information prior to 2014.

Supplementary Information

TETON COUNTY
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2020

Special Revenue Funds

	Special Fire	Grants	Fire/EMS	Enhanced 911	Housing Authority	Roads	Lodging Tax	County Fair
Assets:								
Pooled cash and cash equivalents	\$ 2,297,663	-	1,208,102	774,200	6,534,022	3,067,380	558,600	1,678,376
Cash and cash equivalents	-	-	-	-	-	-	-	17,708
Accounts receivable	-	-	317,528	56,533	10,788	-	-	-
Taxes receivable	655,985	-	-	-	-	-	-	-
Due from other governments	16,313	313,911	-	-	-	67,313	57,614	19,434
Prepaid expenses	-	-	-	-	-	-	-	14,162
Total assets	2,969,961	313,911	1,525,630	830,733	6,544,810	3,134,693	616,214	1,729,680
Liabilities:								
Interfund payable - pooled cash	-	237,429	-	-	-	-	-	-
Accounts payable and accrued liabilities	50,851	64,761	124,502	5,552	21,106	15,476	12,500	56,795
Unearned revenue	-	11,721	-	-	-	-	-	33,225
Total liabilities	50,851	313,911	124,502	5,552	21,106	15,476	12,500	90,020
Deferred inflows of resources:								
Revenues for future periods	650,534	-	-	-	-	-	-	-
Total deferred inflows of resources	650,534	-	-	-	-	-	-	-
Fund balances:								
Nonspendable:								
Prepaid expenses	-	-	-	-	-	-	-	14,162
Restricted for:								
Capital projects	-	-	-	-	6,523,704	-	-	-
Infrastructure	-	-	-	-	-	3,119,217	-	-
Public safety	2,268,576	-	-	825,181	-	-	-	-
Community development	-	-	-	-	-	-	603,714	-
Committed for:								
Public safety	-	-	1,401,128	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	1,625,498
Total fund balances	2,268,576	-	1,401,128	825,181	6,523,704	3,119,217	603,714	1,639,660
Total liabilities, deferred inflows of resources and fund balances	\$ 2,969,961	313,911	1,525,630	830,733	6,544,810	3,134,693	616,214	1,729,680

TETON COUNTY
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2020

Capital Projects Funds									
2010 Wilson Specific Tax Fund	2014 Pathways Specific Tax Fund	2014 Fire/EMS Specific Tax Fund	2017 Pathways Specific Tax Fund	2017 Fire/EMS Specific Tax Fund	2017 Parks & Rec Housing Specific Tax Fund	2019 Zero Waste Specific Tax Fund	2019 Wildlife Crossings Specific Tax Fund	2019 P&R Expansion Specific Tax Fund	Total Non-major Governmental Funds
226,947	620,696	-	688,398	3,434,677	-	-	-	-	21,089,061
-	-	-	-	-	-	-	-	-	17,708
-	-	-	-	-	-	-	-	-	384,849
-	-	-	-	-	-	-	-	-	655,985
-	-	-	-	-	-	250,000	176,533	284,366	1,185,484
-	-	-	-	-	-	-	-	-	14,162
<u>226,947</u>	<u>620,696</u>	<u>-</u>	<u>688,398</u>	<u>3,434,677</u>	<u>-</u>	<u>250,000</u>	<u>176,533</u>	<u>284,366</u>	<u>23,347,249</u>
-	-	-	-	-	-	-	-	-	237,429
-	-	-	14,267	322,416	-	-	-	-	688,226
-	-	-	-	-	-	-	-	-	44,946
-	-	-	14,267	322,416	-	-	-	-	970,601
-	-	-	-	-	-	-	-	-	650,534
-	-	-	-	-	-	-	-	-	650,534
-	-	-	-	-	-	-	-	-	14,162
226,947	620,696	-	674,131	3,112,261	-	250,000	176,533	284,366	11,868,638
-	-	-	-	-	-	-	-	-	3,119,217
-	-	-	-	-	-	-	-	-	3,093,757
-	-	-	-	-	-	-	-	-	603,714
-	-	-	-	-	-	-	-	-	1,401,128
-	-	-	-	-	-	-	-	-	1,625,498
<u>226,947</u>	<u>620,696</u>	<u>-</u>	<u>674,131</u>	<u>3,112,261</u>	<u>-</u>	<u>250,000</u>	<u>176,533</u>	<u>284,366</u>	<u>21,726,114</u>
<u>226,947</u>	<u>620,696</u>	<u>-</u>	<u>688,398</u>	<u>3,434,677</u>	<u>-</u>	<u>250,000</u>	<u>176,533</u>	<u>284,366</u>	<u>23,347,249</u>

TETON COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2020

	Special Revenue Funds							
	Special Fire	Grants	Fire/EMS	Enhanced 911	Housing Authority	Roads	Lodging Tax	County Fair
Revenues:								
Taxes	\$ 680,014	-	-	-	-	575,698	1,292,539	843,974
Intergovernmental	-	2,826,970	1,171	-	-	350,082	-	-
Charges for services	389,085	-	2,239,323	327,015	1,734,087	-	-	599,434
Contributions	88,825	-	110,000	-	-	-	-	756
Miscellaneous	39,559	-	28,726	16,402	121,910	51,282	11,922	71,691
Total revenues	<u>1,197,483</u>	<u>2,826,970</u>	<u>2,379,220</u>	<u>343,417</u>	<u>1,855,997</u>	<u>977,062</u>	<u>1,304,461</u>	<u>1,515,855</u>
Expenditures:								
Community development	-	-	-	-	3,062,143	-	-	-
Health and human services	-	88,533	-	-	-	-	-	-
Infrastructure	-	1,682,686	-	-	-	128,379	912,865	-
Parks and recreation	-	25,000	-	-	-	-	199,500	1,004,342
Public safety	858,630	143,792	4,595,084	186,266	-	-	-	-
Total expenditures	<u>858,630</u>	<u>1,940,011</u>	<u>4,595,084</u>	<u>186,266</u>	<u>3,062,143</u>	<u>128,379</u>	<u>1,112,365</u>	<u>1,004,342</u>
Excess (deficiency) of revenues over expenditures	<u>338,853</u>	<u>886,959</u>	<u>(2,215,864)</u>	<u>157,151</u>	<u>(1,206,146)</u>	<u>848,683</u>	<u>192,096</u>	<u>511,513</u>
Other financing sources (uses):								
Proceeds from the sale of land	-	-	-	-	1,800,405	-	-	-
Transfers in (out)	-	(886,959)	2,102,866	-	315,731	-	(505,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(886,959)</u>	<u>2,102,866</u>	<u>-</u>	<u>2,116,136</u>	<u>-</u>	<u>(505,000)</u>	<u>-</u>
Change in fund balance	338,853	-	(112,998)	157,151	909,990	848,683	(312,904)	511,513
Fund balance - July 1	1,929,723	-	1,514,126	668,030	5,613,714	2,270,534	916,618	1,128,147
Fund balance - June 30	<u>\$ 2,268,576</u>	<u>-</u>	<u>1,401,128</u>	<u>825,181</u>	<u>6,523,704</u>	<u>3,119,217</u>	<u>603,714</u>	<u>1,639,660</u>

TETON COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2020

Capital Projects Funds									
2010 Wilson Specific Tax Fund	2014 Pathways Specific Tax Fund	2014 Fire/EMS Specific Tax Fund	2017 Pathways Specific Tax Fund	2017 Fire/EMS Specific Tax Fund	2017 Parks & Rec Housing Specific Tax Fund	2019 Zero Waste Specific Tax Fund	2019 Wildlife Crossings Specific Tax Fund	2019 P&R Expansion Specific Tax Fund	Total Non-major Governmental Funds
-	-	-	-	2,076,603	-	250,000	176,533	284,366	6,179,727
-	-	-	-	-	-	-	-	-	3,178,223
-	-	-	-	-	-	-	-	-	5,288,944
-	-	-	-	-	-	-	-	-	199,581
4,462	11,724	3,268	14,220	76,969	5,131	-	-	-	457,266
4,462	11,724	3,268	14,220	2,153,572	5,131	250,000	176,533	284,366	15,303,741
-	-	-	-	-	-	-	-	-	3,062,143
-	-	-	-	-	-	-	-	-	88,533
-	11,150	-	209,962	2,485,848	-	-	-	-	5,430,890
54,830	-	-	-	-	1,081,249	-	-	-	2,364,921
-	-	679,719	-	-	-	-	-	-	6,463,491
54,830	11,150	679,719	209,962	2,485,848	1,081,249	-	-	-	17,409,978
(50,368)	574	(676,451)	(195,742)	(332,276)	(1,076,118)	250,000	176,533	284,366	(2,106,237)
-	-	-	-	-	-	-	-	-	1,800,405
-	-	-	-	-	-	-	-	-	1,026,638
-	-	-	-	-	-	-	-	-	2,827,043
(50,368)	574	(676,451)	(195,742)	(332,276)	(1,076,118)	250,000	176,533	284,366	720,806
277,315	620,122	676,451	869,873	3,444,537	1,076,118	-	-	-	21,005,308
226,947	620,696	-	674,131	3,112,261	-	250,000	176,533	284,366	21,726,114

TETON COUNTY
STATEMENT OF REVENUES AND EXPENSES –
BUDGET AND ACTUAL –
INTEGRATED SOLID WASTE AND RECYCLING FUND
Year Ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Operating revenues:				
Charges for services	\$ 5,352,205	5,083,488	5,275,896	192,408
Materials sales	435,612	245,865	266,084	20,219
Miscellaneous	2,000	12,000	15,061	3,061
Total operating revenues	<u>5,789,817</u>	<u>5,341,353</u>	<u>5,557,041</u>	<u>215,688</u>
Operating expenses:				
Salaries and benefits	1,085,742	1,212,827	1,178,012	34,815
Current expenses	4,844,252	4,348,544	4,414,069	(65,525)
Total operating expenses	<u>5,929,994</u>	<u>5,561,371</u>	<u>5,592,081</u>	<u>(30,710)</u>
Operating loss	<u>(140,177)</u>	<u>(220,018)</u>	<u>(35,040)</u>	<u>184,978</u>
Non-operating income:				
Grants and contributions	108,500	110,075	102,805	(7,270)
Investment income	30,000	37,000	54,517	17,517
Total non-operating income	<u>138,500</u>	<u>147,075</u>	<u>157,322</u>	<u>10,247</u>
Income (loss) before capital budget expense	(1,677)	(72,943)	122,282	195,225
Capital budget expense:				
Capital outlay	<u>(711,939)</u>	<u>(711,939)</u>	<u>(711,939)</u>	<u>-</u>
Net loss budget basis	<u>\$ (713,616)</u>	<u>(784,882)</u>	<u>(589,657)</u>	<u>195,225</u>
Adjustment from budget basis to GAAP basis:				
Capital outlay			711,939	
Depreciation			(271,601)	
Pension expense			<u>(164,453)</u>	
Net loss GAAP basis			<u>\$ (313,772)</u>	

Teton County Court Supervised Treatment Program
Required Financial Reporting

TETON COUNTY COURT SUPERVISED TREATMENT PROGRAM
SCHEDULE OF FINANCIAL POSITION
June 30, 2020

Assets:		
Cash		\$ 6,703
Accounts receivable		<u>699</u>
Total assets		<u><u>7,402</u></u>
Liabilities:		
Accounts payable		<u>7,402</u>
Total liabilities		<u><u>7,402</u></u>
Fund balance		<u>-</u>
Total liabilities and fund balance		<u><u>\$ 7,402</u></u>

TETON COUNTY COURT SUPERVISED TREATMENT PROGRAM
SCHEDULE OF ACTIVITIES AND FUNCTIONAL EXPENSES
Year Ended June 30, 2020

Revenues:

State grants	\$ 67,517
Program participant fees	3,500
Contributions from Teton County	30,231
Contributions from Town of Jackson	<u>21,894</u>
 Total revenues	 <u>123,142</u>

Expenses:

Administrative	50,347
Treatment and supervision	67,645
Travel and training	<u>5,150</u>
 Total expenses	 <u>123,142</u>

Net change in fund balance	\$ <u><u>-</u></u>
----------------------------	--------------------

This page intentionally left blank

Governmental Audit Reports

TETON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Contract Number	Expenditures
<u>U.S. Department of Agriculture (USDA)</u>			
Direct Program:			
Schools and Roads Cluster:			
Secure Rural Schools - Title I	10.666	None	350,082
Passed through Wyoming State Forestry Division:			
Cooperative Forestry Assistance - SFA Fire Training	10.664	None	4,106
Passed through Wyoming Department of Health:			
Special Supplemental Nutrition Program For WIC	10.557	None	2,966
Total USDA			<u>357,154</u>
<u>U.S. Department of Transportation (DOT)</u>			
Passed through Wyoming Department of Transportation:			
Highway Safety Cluster:			
BJA-Selective Traffic Enforcement	20.616	DUI 405D	24,450
Total Highway Safety Cluster			<u>24,450</u>
Total DOT			<u>24,450</u>
<u>U.S. Department of Health and Human Services (HHS)</u>			
Passed through Wyoming Department of Family Services:			
Family Planning Services	93.217	None	5,716
Temporary Assistance For Needy Families Cluster:			
Temp Assistance for Needy Families - Climb	93.558	None	66,358
Temp Assistance for Needy Families - Pub Hlth	93.558	None	92,220
Total Temporary Assistance for Needy Families Cluster			<u>158,578</u>
Passed through Wyoming Department of Health:			
Public Health Emergency Preparedness			
All Hazards (PH Emer Preparedness)	93.069	None	111,460
County Health Officer	93.069	None	9,600
Communicable Disease	93.074	None	158,272
Total Public Health Emergency Preparedness			<u>279,332</u>
Substance Abuse and Mental Health Services	93.243	None	186,800
Public Health Emergency Response - COVID	93.354	None	25,000
Community Services Block Cluster:			
WY Rural & Frontier Health CSBG Tripartite	93.569	None	3,669
Total HHS			<u>659,095</u>

TETON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Contract Number	Expenditures
<u>U.S. Department of Homeland Security (DHS)</u>			
Passed through Wyoming Office of Homeland Security:			
Homeland Security Cluster:			
FY 2017 HSGP	97.067	17-GPD-TET-SC-HSG17	1,391
FY 2018 HRT	97.067	18-SHSP-RR8-RR-HRT18	63,249
FY 2019 HRT	97.067	19-SHSP-RR8-RR-HRT-19	54,692
FY 2018 HRP	97.067	18-SHSP-TET-SC-HRP18	12,270
RERT Call out	97.067	None	<u>7,081</u>
Total Homeland Security Cluster			138,683
 FY 2019 EMPG	 97.042	 19-EMP-TET-GCF19	 <u>82,677</u>
Total DHS			<u>221,360</u>
Total Expenditures of Federal Awards			\$ <u><u>1,262,059</u></u>

TETON COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2020

Note 1 – Purpose of the Schedule

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is provided in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 – Significant Accounting Policies

Basis of Accounting

The information in the Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

CFDA Numbers

Title 2 U.S. *Code of Federal Regulations* Part 200 requires that the Schedule show the total expenditures for each of the entity's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Each program included in the CFDA is assigned a five-digit program identification number (CFDA number).

Major Programs

Title 2 U.S. *Code of Federal Regulations* Part 200 establishes the levels of expenditures or expenses and other criteria to be used in defining major programs. Major programs have been noted in the Schedule of Findings and Questioned Costs in accordance with those definitions.

Indirect Costs

The County has not elected to use the 10% de minimis indirect cost rate.

This page intentionally left blank



Certified Public Accountants

www.jones-simkins.com

Logan Office:

1011 West 400 North, Suite 100
Logan, UT 84323-0747
Phone: (435) 752-1510 • (877) 752-1510
Fax: (435) 752-4878

Salt Lake City Office:

41 North Rio Grande; Suite 101
Salt Lake City, UT 84101
Phone: (801) 561-6026
Fax: (801) 561-2023

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

To the Board of County Commissioners
Teton County
Jackson, Wyoming

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Teton County, Wyoming (the County) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 14, 2020. Our report includes a reference to other auditors who audited the financial statements of Teton County Weed and Pest Control District (a discretely presented component unit), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented,

or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.

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.



JONES SIMKINS LLC

Logan, Utah

December 14, 2020



Certified Public Accountants

www.jones-simkins.com

Logan Office:

1011 West 400 North, Suite 100
Logan, UT 84323-0747
Phone: (435) 752-1510 • (877) 752-1510
Fax: (435) 752-4878

Salt Lake City Office:

41 North Rio Grande; Suite 101
Salt Lake City, UT 84101
Phone: (801) 561-6026
Fax: (801) 561-2023

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

To the Board of County Commissioners
Teton County
Jackson, Wyoming

Report on Compliance for Each Major Federal Program

We have audited Teton County, Wyoming's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstance.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

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

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

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

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

Jones Simkins LLC

JONES SIMKINS LLC

Logan, Utah

December 14, 2020

TETON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

A. Summary of Auditors' Results

1.	Type of Report issued:	Unmodified
2.	Internal control over financial reporting: Material weaknesses identified:	No
	Significant deficiencies identified that were not considered to be material weaknesses:	None reported
3.	Non-compliance material to financial statements noted:	No
4.	Internal control over major programs: Material weaknesses identified:	No
	Significant deficiencies identified that were not considered to be material weaknesses:	None reported
5.	Type of auditor's report issued on compliance for major programs:	Unmodified
6.	Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):	None
7.	Federal programs tested as major programs:	Schools and Roads Cluster CFDA # 10.666
8.	Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
9.	Auditee qualification as high or low risk:	Low

TETON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

- B. Findings related to the financial statements required to be reported in accordance with *Government Auditing Standards*.

None

- C. Findings and Questioned Costs Related to Federal Awards Required to be reported in accordance with the Uniform Guidance.

None

TETON COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Client Submitted Document)
Year Ended June 30, 2020

None required as there were no findings or questioned costs related to federal awards required to be reported in accordance with Uniform Guidance in the prior year.

TETON COUNTY
CORRECTIVE ACTION PLAN
(Client Submitted Document)
Year Ended June 30, 2020

No corrective action plan required as there were no findings related to the financial statements required to be reported in accordance with *Government Auditing Standards*.