

Natrona County, Wyoming

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2020



NATRONA COUNTY, WYOMING

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2020

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CONTENTS

Independent Auditor's Report	1
Management's Discussion and Analysis – (Unaudited)	4
Basic Financial Statements	15
Government-Wide Financial Statements	
Statement of Net Position	16
Statement of Activities	17
Fund Financial Statements	
Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	20
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	22
Fiduciary Fund Financial Statements	
Statement of Fiduciary Net Position	24
Statement of Changes in Fiduciary Net Position	26
Combining Statements of Discretely Presented Component Units	
Combining Statement of Net Position – Discretely Presented Component Units	27
Combining Statement of Activities – Discretely Presented Component Units	29
Notes to Financial Statements	31
Required Supplementary Information (Unaudited)	74
Infrastructure Assets Reported using the Modified Approach (Unaudited)	75
Schedule of Changes in Net Pension Liability and Related Ratios (Unaudited)	78
Schedule of Pension Contributions (Unaudited)	82
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budgetary Basis) - General Fund (Unaudited)	86
Notes to Required Supplementary Information (Unaudited)	87
Other Supplementary Information	89
Combining Balance Sheet - Nonmajor Funds	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Funds	91
Natrona County Court Supervised Treatment Program	
Statement of Cash Receipts and Cash Disbursements	92
Schedule of Property Taxes Levied and Collected - Last Five Fiscal Years	93
Combining Statement of Net Position - Natrona County Public Library	94
Combining Statement of Activities - Natrona County Public Library	95
Combining Statement of Net Position - Natrona County Fair	96
Combining Statement of Activities - Natrona County Fair	98
Combining Statement of Net Position - Community Action Partnership of Natrona County	100
Combining Statement of Activities - Community Action Partnership of Natrona County	101

CONTENTS (CONTINUED)

Other Supplementary Information (Continued)

Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) – Non-GAAP	
Natrona County Weed and Pest Control	103
Natrona County Fair	104
Natrona County Public Library	105
City of Casper/Natrona County Health Department	106
Community Action Partnership of Natrona County	107
Single Audit Section	108
Schedule of Expenditures of Federal Awards	109
Notes to the Schedule of Expenditures of Federal Awards	112
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>	113
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	115
Schedule of Findings and Questioned Costs	118
Summary Schedule of Prior Audit Findings – Client prepared	

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Natrona County, Wyoming

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit includes 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 in 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.



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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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Natrona 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, the infrastructure assets reported using the modified approach, the pension information, and the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Natrona County, Wyoming's basic financial statements. The other supplementary information as listed in the table of contents and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information as listed in the table of contents and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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. In our opinion, based on our audit, the procedures performed as described above, the other supplementary information as listed in the table of contents and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2020 on our consideration of Natrona County, Wyoming's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Natrona County, Wyoming's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Natrona County, Wyoming's internal control over financial reporting and compliance.

Porter, Muirhead, Cornia & Howard

Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming
December 22, 2020

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NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

This section of the Natrona County, Wyoming's (the "County") annual financial report presents our discussion and analysis of financial performance during the fiscal year ended June 30, 2020. The selected financial data presented was derived from the financial statements of the County, which were audited by Porter, Muirhead, Cornia & Howard, Certified Public Accountants. The Independent Auditor's Report, financial statements and accompanying notes and supplementary information should be read in conjunction with the following discussion.

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$223,924,512.
- Of this amount, the unrestricted net position available to meet the County's ongoing obligations to citizens and creditors is a balance of \$22,292,467.
- The County's total net position decreased by \$1,150,596.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$43,949,651, an increase of \$1,155,056 in comparison with the prior year. Approximately 91% of this total amount, \$39,876,756, is available for spending at the government's discretion, with consideration of ongoing commitments and assignments.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,748,998, or 17% percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, 3) combining statements of discretely presented component units, and 4) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The focus of the County's government-wide financial statements is on the overall financial position and activities of the Natrona County, Wyoming, similar to the focus of a private sector business. The County's government-wide financial statements include the statement of net position and statement of activities. The purpose of the statement of net position is to attempt to report all of the assets held and liabilities owed by the County. The County reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the County's total assets, deferred outflows, total liabilities, and deferred inflows is titled net position and this difference is similar to the owner's equity presented by a private sector business. Although the purpose of the County is not to accumulate net position, this amount does indicate the financial position of the County.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

The purpose of the statement of activities is to present all the revenues and expenses of the County. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a private sector business in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred by the County. Revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have been paid during the current period.

Although the statement of activities looks different from a private sector business' income statement, the statement is different only in format, not substance. Whereas the private sector reports its bottom line as net income, the County reports an amount described as change in net position, essentially the same thing.

The focus of the statement of activities is on the net cost of various activities provided by the County. The first column identifies the cost of each of the County's major functions. Another column identifies the specific revenues related to the classified governmental functions. The difference between the expenses and revenues related to specific programs computes the net cost or benefit of the program, which identifies the extent to which each function of the County draws from general revenues or is self-sufficient through fees, intergovernmental aid, and other sources of resources.

Both of these government-wide financial statements would distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or in part a portion of their costs through user fees and charges (business-type activities). All of the County activities are governmental activities.

The government-wide financial statements include not only Natrona County itself, (known as the primary government), but also the following legally separate entities: Natrona County Weed and Pest Control, Natrona County Fair, Natrona County Public Library, Community Action Partnership of Natrona County, City of Casper/Natrona County Health Department, and Natrona County International Airport. The County is financially accountable for these entities and appoints directors to their boards. Financial information for these component units is reported separately from the financial information presented for the primary government itself. Complete financial statements for Natrona County International Airport may be obtained from the entity's administrative offices.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds – not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending. Except for the General Fund, a specific fund is established to satisfy legal requirements established by external parties or governmental statutes or regulations. The County establishes other funds to control and manage money for particular purposes or to show that it is properly using certain resources. The County's fund financial statements are divided into two broad categories, governmental funds and fiduciary funds.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Governmental fund financial statements consist of a balance sheet and statement of revenues, expenditures, and changes in fund balances. The statements are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements. All of the County programs are included in the governmental funds, which focus on how cash and other financial assets that can readily be converted to cash flow in and out within a short period of time. For example, amounts reported on the balance sheet include items such as cash and receivables collectable within a short period of time, but do not include capital assets such as land and buildings. Fund liabilities include amounts that are to be paid in a short period after the end of the fiscal year. The difference between a fund's total assets and total liabilities is labeled as the fund balance. The fund balance generally indicates the amount that can be used to finance next year's activities. The operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid in cash, respectively, during the current period or very shortly after the end of the year. Consequently, the governmental funds statements provide a short-term view that helps determine if there are more or fewer financial resources to finance the County's programs. Because this information does not encompass the long-term focus of the government-wide statements, we provide an analysis at the bottom of the balance sheet reconciling the total fund balances to the amount of net position reported in the statement of net position. Also, there is an analysis at the bottom of the statement of revenues, expenditures, and changes in fund balances that reconciles to the change in net position presented in the government-wide statement of activities.

The County presents in separate columns the funds that are most significant to the County and all other governmental funds are aggregated and reported in a single column.

Fiduciary funds are used to account for assets held by the County for the benefit of other parties. Fiduciary funds are not presented in the government-wide financial statements because the resources of these funds are not available to finance the County's activities. However, the financial statements of fiduciary funds are included in the County's financial statements because the County is financially accountable for these resources, even though they belong to other parties.

Notes to the Financial Statements

Notes to the basic financial statements provide additional information that is essential to a full understanding of data provided in the government-wide and fund statements. The notes are presented on pages 31 through 73.

Other Information

Required supplementary information is presented concerning infrastructure assets reported using the modified approach. The County also presents schedules concerning the changes in net pension liability as well as pension contributions. Last, the County adopts an annual budget for its general fund. A budgetary comparison schedule has been provided to demonstrate compliance with this budget.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

In addition to the required elements, we have included combining statements that provide details about our non-major governmental funds and fiduciary funds presented as single columns in the basic financial statements. Additionally, we have included fund financial statements and information about budgetary compliance for the discretely presented component units which do not issue separate financial statements. This information is presented as other supplementary information immediately following the required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. By far the largest portion of the County's net position (88%) reflects its investment in capital assets. The vast majority of these capital assets are the \$42 million in buildings, \$26 million investment in infrastructure assets, and \$112 million in hospital assets leased to the Wyoming Medical Center. These assets are not available for future spending. An additional \$4,030,231 of the County's net position (2 percent) represents resources that are subject to external restrictions on how they may be used.

The County was able to report positive balances in all three categories of net position for the current year and in the prior year. The County has a balance of \$22,292,467 in unrestricted net position in the current year. The unrestricted balance is available to meet the County's ongoing obligations.

The government's net position decreased by \$1,150,596 during the current fiscal year.

The County's net position as of June 30, 2020 and 2019 was as follows:

	Primary Government		
	2020	2019	Variance
ASSETS			
Current assets	\$ 60,684,800	\$ 60,180,260	\$ 504,540
Capital assets, net of accumulated depreciation	201,137,029	202,758,629	(1,621,600)
Other assets	3	1,466	(1,463)
Total assets	<u>261,821,832</u>	<u>262,940,355</u>	<u>(1,118,523)</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>10,025,233</u>	<u>13,240,253</u>	<u>(3,215,020)</u>
LIABILITIES			
Current liabilities	1,982,092	2,775,606	(793,514)
Due in more than one year	18,801,301	29,639,336	(10,838,035)
Total liabilities	<u>20,783,393</u>	<u>32,414,942</u>	<u>(11,631,549)</u>
DEFERRED INFLOWS OF RESOURCES	<u>27,139,160</u>	<u>18,690,558</u>	<u>8,448,602</u>
NET POSITION			
Net investment in capital assets	197,601,814	198,563,949	(962,135)
Restricted	4,030,231	2,803,579	1,226,652
Unrestricted	22,292,467	23,707,580	(1,415,113)
Total net position	<u>\$ 223,924,512</u>	<u>\$ 225,075,108</u>	<u>\$ (1,150,596)</u>

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Governmental Activities

Governmental activities decreased the County's net position by \$1,150,596, compared to an decrease of \$7,730,960 in the prior year. Key elements of this decrease are as follows:

- Increase in taxes of \$1,812,750 in fiscal year 2020 in comparison to fiscal year 2019 was due to a 4% increase in the assessed value used for setting mill levies for 2019. Tax revenue increased by \$433,000 in fiscal year 2020 in comparison to fiscal year 2019. Motor Vehicle taxes increased by \$203,000 in fiscal year 2020 in comparison to fiscal year 2019. There was also a \$436,000 increase in fiscal year 2020 in impact assistance revenue from the Cedar Springs Wind Energy Project.
- Increase in general government expenses of \$3,159,439 in fiscal year 2020 in comparison to fiscal year 2019. This was due to expenses that were paid out of public works and culture and recreation in fiscal year 2019 being paid with 1% reserve funds and so reported as general government expenses in fiscal year 2020.
- Decrease in public safety expenses of \$2,222,795 in fiscal year 2020 in comparison to fiscal year 2019 was due to a decrease in the public safety pension expense of \$1,642,500. There was also a decrease in workers compensation expense of \$101,000. In addition there was a decrease of \$91,500 in 911 monthly expenditures.
- Decrease in public works expenses of \$1,669,499 in fiscal year 2020 in comparison to fiscal year 2019 was due to equipment being purchased with 1% reserve funds and so reported as general government expenses in fiscal year 2020. There were several road projects (Kortes Road, Bates Creek Gravel, and 33 Mile Road) that had dramatically less expenditures in fiscal year 2020.
- Decrease in culture and recreation of \$1,390,063 in fiscal year 2020 in comparison to fiscal year 2019 was due to equipment being purchased with 1% reserve funds and so reported as general government expenses in fiscal year 2020. There was also a \$582,000 decrease in full-hookup expenditures at Alcova Lake in fiscal year 2020 in comparison to fiscal year 2019.
- Decrease in assets leased to the Wyoming Medical Center of \$2,013,941 in fiscal year 2020 in comparison to fiscal year 2019.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Governmental Activities (Continued)

The following schedule illustrates the changes in net position for governmental activities:

Revenues	2020		2019	
General				
Taxes	\$ 30,112,583	52.18%	\$ 28,299,833	51.20%
Payments in lieu of taxes	3,805,569	6.59%	3,725,447	6.74%
Investment income	517,289	0.90%	648,282	1.17%
Miscellaneous revenue	1,046,984	1.81%	1,045,322	1.89%
Program revenues				
Charges for services	5,694,414	9.87%	5,528,446	10.00%
Operating grants and contributions	5,248,146	9.09%	4,986,935	9.02%
Capital grants and contributions	11,280,941	19.55%	11,038,916	19.97%
Total revenues	57,705,926	100.00%	55,273,181	100.00%
Expenses				
General government	15,969,935	27.13%	12,810,496	20.33%
Public safety	19,647,588	33.38%	21,870,383	34.71%
Public works	3,937,617	6.69%	5,607,116	8.90%
Health and welfare	2,679,320	4.55%	2,653,084	4.21%
Culture and recreation	5,069,410	8.61%	6,459,473	10.25%
Conservation of natural resources	617,468	1.05%	632,177	1.00%
Assets leased to hospital	10,843,636	18.42%	12,857,577	20.41%
Interest on long-term debt	91,548	0.16%	113,835	0.18%
Total expenses	58,856,522	100.00%	63,004,141	100.00%
Total changes in net position	(1,150,596)		(7,730,960)	
Beginning net position	225,075,108		232,806,068	
Ending net position	\$ 223,924,512		\$ 225,075,108	

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

Governmental Funds

The County's activities are contained in the General, County Road Construction, Drug Court, Hall of Justice Joint Powers Board, and Jail Joint Powers Board funds. As previously mentioned, the focus on the County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Governmental Funds (Continued)

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$43,949,651, an increase of \$1,155,056 in comparison with the prior year. Of that, \$4,030,231 is subject to external restrictions and \$42,664 is not available for spending as it is held in reserve for inventory. The external restrictions consist of (1) \$165,733 for the Drug Court program, (2) \$2,541,571 for Lake Alcova under an agreement with the Bureau of Reclamation, (3) \$1,210,289 for road construction, and (4) \$112,638 for water and sewer projects at the lake. The Drug Court Fund is restricted for use in the Drug Court program.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, the general fund total fund balance reached \$42,439,352. Of that, \$10,240,206 has been committed by resolution of the Board of County Commissioners: (1) \$2,331,758 for perpetual care of one cent projects, (2) \$7,908,448 for County roads, (3) \$48,121 for the Natrona County Detention Center Joint Powers Board, and (4) \$86,156 for the Hall of Justice Joint Powers Board. The Board of County Commissioners assigned by designation \$21,753,275 as follows: (1) \$7,324,833 for emergency reserves and (2) \$14,428,442 for future capital projects. The remaining \$7,748,998 is unassigned in the General Fund.

The fund balance of the County's general fund increased approximately \$260,000 during the current fiscal year. Key factors in this increase are as follows:

- Increase in taxes of \$408,287 in fiscal year 2020 in comparison to fiscal year 2019 was due to a 4% increase in the assessed value used for setting mill levies for 2019. Tax revenue increased by \$433,000 in fiscal year 2020 in comparison to fiscal year 2019. There was also a \$24,000 decrease in optional sales tax in fiscal year 2020 in comparison to 2019 due to the effects COVID-19 in the last of quarter of fiscal 2020.
- Increase in intergovernmental revenues of \$964,898 in fiscal year 2020 in comparison to fiscal year 2019 was mainly due to an increase of \$614,300 in the historic horse racing payout by the Wyoming Pari-Mutuel Commission. There was also a \$436,000 increase in fiscal year 2020 in impact assistance revenue from the Cedar Springs Wind Energy Project.
- Increase in general government expenses of \$2,369,167 in fiscal year 2020 in comparison to fiscal year 2019. This was due to expenses that were paid out of public works and culture and recreation in fiscal year 2019 being paid with 1% reserve funds and so reported as general government expenses in fiscal year 2020. This included capital purchases and various additional projects.
- Decrease in culture and recreation expenses of \$300,881 in fiscal year 2020 in comparison to fiscal year 2019 was due to less activity/construction at with the Full Hookup Campsite project at Alcova Lake.
- Decrease in capital outlay expenses of \$1,557,314 in fiscal year 2020 in comparison to fiscal year 2019 was due to the vast majority of capital outlay expenditures were paid from 1% reserve funds and so reported as general government expenses in fiscal year 2020.

The Road Construction fund is used to account for the acquisition and construction of major capital facilities other than those financed by the general fund. At the end of the current fiscal year, the fund balance increased to \$1,210,289. The fund balance of the County's road construction fund increased \$878,606 during the current fiscal year due to revenues outpacing expenditures.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Governmental Funds (Continued)

The following schedule presents revenues and expenditures by source for all governmental funds.

	2020		2019	
Revenues				
Taxes	\$ 18,224,801	38.03%	\$ 17,816,514	38.35%
Licenses and permits	1,904,254	3.97%	1,739,047	3.74%
Intergovernmental revenues	22,506,210	46.96%	21,541,312	46.37%
Charges for services	3,790,160	7.91%	3,789,398	8.16%
Investment income	517,290	1.08%	648,282	1.40%
Miscellaneous revenues	983,581	2.05%	920,198	1.98%
Total revenues	47,926,296	100.00%	46,454,751	100.00%
Expenditures				
Current				
General government	15,805,792	33.79%	13,436,625	28.95%
Public safety	18,617,033	39.80%	18,483,667	39.82%
Public works	2,621,866	5.61%	2,899,246	6.25%
Health and welfare	2,489,354	5.32%	2,559,019	5.51%
Culture and recreation	4,196,160	8.97%	4,497,041	9.69%
Conservation of natural resources	448,898	0.96%	381,479	0.82%
Debt service				
Principal	650,000	1.39%	635,000	1.37%
Interest	101,014	0.22%	123,300	0.27%
Capital outlay	1,841,123	3.94%	3,398,437	7.32%
Total expenditures	\$ 46,771,240	100.00%	\$ 46,413,814	100.00%

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were approximately \$4.2 million summarized as follows:

Clerk	\$ 1,567
Coroner	30,500
Clerk of Court	46,590
Commissioners	805,010
One percent	3,189,444
Sheriff	93,750
	\$ 4,166,861

The increases were possible because of additional anticipated and unanticipated revenues.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Capital Asset and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2020 amounted to \$201,137,029 (net of accumulated depreciation). This investment in capital assets includes infrastructure (consisting of land, roadways and bridges), land, site improvements, buildings and equipment. The total decrease in the County's investment in capital assets for the current fiscal year was 1 percent. The schedule below shows the changes in capital assets during the year:

	2020	2019	Variance
Capital assets, not being depreciated			
Land	\$ 16,265,656	\$ 16,265,656	\$ -
Infrastructure	25,698,770	25,698,770	-
Construction in progress	908,413	814,989	93,424
Total capital assets not being depreciated	42,872,839	42,779,415	93,424
Capital assets being depreciated			
Buildings	146,365,129	146,440,843	(75,714)
Machinery and equipment	22,903,792	21,934,898	968,894
Hospital assets*	378,243,561	368,464,475	9,779,086
Total capital assets being depreciated	547,512,482	536,840,216	10,672,266
Less accumulated depreciation for			
Buildings	103,889,458	102,343,976	1,545,482
Machinery and equipment	19,629,248	19,631,076	(1,828)
Hospital assets*	265,729,586	254,885,950	10,843,636
Total accumulated depreciation	389,248,292	376,861,002	12,387,290
Total capital assets being depreciated, net	158,264,190	159,979,214	(1,715,024)
Capital assets, net	\$ 201,137,029	\$ 202,758,629	\$ (1,621,600)

* These assets are leased to the Wyoming Medical Center, Inc. under an operating lease.

The County's infrastructure assets are recorded at historical cost in the government-wide financial statements as required by GASB statement No. 34. The County has elected to use the modified approach for infrastructure reporting, and therefore does not depreciate its infrastructure assets. The infrastructure consists of a road and bridge system.

NATRONA COUNTY, WYOMING

MANAGEMENT’S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

The County manages its road network by assessing the condition of all County roads annually with an assessment system developed by the County. The roads are rated as being in standard or substandard condition. To be rated standard, paved roads are not expected to need major repairs for another 8 to 20 years. Paved roads rated substandard need major repairs within 7 years. To be rated standard, gravel roads are not expected to need major repairs for at least 4 years. Gravel roads rated substandard are expected to need major repairs within 4 years due to not having the proper structural base.

It is the County’s policy to maintain its paved roads with at least 25% rated as standard and to maintain its gravel roads with at least 21% rated as standard. Condition ratings of 70 and above are considered standard. The number of miles of paved and gravel rated standard and substandard are as follows:

2020 Condition Rating	Paved		Gravel		Dirt/Unimproved	
	Miles	Percent	Miles	Percent	Miles	Percent
Standard						
85 - 100	5	3.7%	n/a	n/a	n/a	n/a
70 - 85	60	44.4%	n/a	n/a	n/a	n/a
60 - 80	n/a	n/a	79	22.3%	n/a	n/a
Sub-standard						
Less than 70	70	51.9%	n/a	n/a	n/a	n/a
50 - 60	n/a	n/a	164	46.3%	n/a	n/a
40 - 50	n/a	n/a	87	24.6%	n/a	n/a
30 - 40	n/a	n/a	20	5.6%	n/a	n/a
20 - 30	n/a	n/a	4	1.1%	n/a	n/a
Unimproved	n/a	n/a	n/a	n/a	260	100%
	<u>135</u>	<u>100%</u>	<u>354</u>	<u>100%</u>	<u>260</u>	<u>100%</u>

The County manages its bridge system using a modified approach. The County’s bridges are classified in three categories. Those at 80% to 100% condition are acceptable and needing no repair, 50% to 80% condition needing some repair and less than 50% condition as structurally deficient and in need of repair. The County’s policy is to maintain 55 percent of its bridges in the 50% to 100% acceptable condition.

Actual expenditures for the year ended June 30, 2020 on infrastructure for maintenance and preservation were \$3.2 million, compared to planned amount of \$4.5 million.

The sale of the assets of the Wyoming Medical Center resulted in approximately \$120 million available for investment subsequent to year end.

Debt Administration

The County’s total debt decreased by \$10,781,413 (36 percent) during the current fiscal year. The decrease reflects a decrease from principal payments of \$650,000 on the 2014 certificates of participation as well as an increase of \$10,212,071 in net pension liability. In addition, vacation and sick leave increased \$80,658. Additional information on the County’s debt administration can be found in Note 5.

NATRONA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Economic Factors and Next Year's Budget

A recent Wyoming Economic Analysis Division report stated that the COVID-19 pandemic has had some devastating impacts on the Wyoming economy. The aforementioned report stated that there have been substantial declines in the mining industry including oil & gas extraction, the Wyoming tourism industry, either measured by national park visitations or lodging sales, dropped by 50%. The Wyoming Economic Analysis report did state that the retail industry grew 6.5% which was mostly attributed to the increasing amount of submission from remote sellers, which is a result of new legislation on collections of sales tax by marketplace facilitators. In fiscal year 2020, Natrona County property tax revenue increased 4 percent, sales and use tax increased by .26 percent, while optional sales and use tax decreased by .09 percent.

The Research & Planning section of the Wyoming Department of Workforce Services reported the state's unemployment rate fell from 6.1% in September 2020 to 5.5% in October 2020. From September 2020 to October 2020, the unemployment rate in Natrona County fell from 8.9% to 7.8%. Fiscal year 2021 budgeted General Fund revenues are expected to be approximately 5% lower than fiscal year 2020 budgeted revenues because of the decreases in property taxes, sales and use taxes, and optional sales and use taxes.

The County had a 3% decrease in their fiscal year 2021 expenditure budget in comparison to fiscal year 2020 expenditure budget.

Subsequent to year end, the County Commissioners approved a proposed sale of the County owned hospital assets to Banner Health. This sale resulted in proceeds of approximately \$117 million available for investments.

Requests for Information

The above discussion and analysis is presented to provide additional information regarding the activities of the County and also to meet the disclosure requirements of GASB Statement No. 34. We believe that all requirements of GASB Statement No. 34 have been met as it applies to the County. The financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Natrona County Treasurer, Natrona County, Wyoming, 200 North Center, Casper, Wyoming 82601.

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BASIC FINANCIAL STATEMENTS

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NATRONA COUNTY, WYOMING

STATEMENT OF NET POSITION

June 30, 2020

	Primary Government		Component Units
	Governmental Activities	Total	Total
ASSETS			
Cash and cash equivalents	\$ 26,587,920	\$ 26,587,920	\$ 6,107,534
Investments	14,596,665	14,596,665	1,385,495
Beneficial interest in assets held by others	-	-	252,855
Property taxes receivable	15,659,985	15,659,985	1,285,783
Accounts receivable	573,273	573,273	388,323
Accounts receivable - restricted	-	-	53,940
Accrued interest receivable	-	-	2,615
Due from other governments	3,224,293	3,224,293	2,645,745
Due from primary government	-	-	66,385
Inventory	42,664	42,664	120,388
Prepaid items	-	-	34,374
Capital assets not being depreciated	42,872,839	42,872,839	17,945,475
Capital assets being depreciated, net	158,264,190	158,264,190	43,415,817
Restricted cash and cash equivalents	3	3	534,836
Restricted investments	-	-	3,506,163
Total assets	261,821,832	261,821,832	77,745,728
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan items	10,025,233	10,025,233	3,359,251
LIABILITIES			
Accounts payable and accrued liabilities	1,128,992	1,128,992	4,092,311
Unearned revenues	-	-	194,371
Due to component units	66,386	66,386	-
Due to other governments	-	-	7,472
Noncurrent liabilities			
Due within one year	786,714	786,714	655,395
Due in more than one year	18,801,301	18,801,301	10,396,143
Total liabilities	20,783,393	20,783,393	15,345,692
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenues	15,512,699	15,512,699	1,286,264
Pension plan items	11,626,461	11,626,461	3,757,853
Total deferred inflows of resources	27,139,160	27,139,160	5,044,117
NET POSITION			
Net investment in capital assets	197,601,814	197,601,814	60,212,095
Restricted, expendable			
Restricted by statute and grantors	1,376,022	1,376,022	-
Restricted from facility charges	-	-	506,768
Restricted for lake, water, and sewer	2,654,209	2,654,209	-
Restricted by donors, nonexpendable	-	-	3,534,231
Unrestricted	22,292,467	22,292,467	(3,537,924)
Total net position	\$ 223,924,512	\$ 223,924,512	\$ 60,715,170

See accompanying notes to the financial statements

NATRONA COUNTY, WYOMING

STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 15,969,935	\$ 2,203,180	\$ 3,296,988	\$ -
Public safety	19,647,588	2,181,748	291,758	602,031
Public works	3,937,617	-	45,380	899,824
Health and welfare	2,679,320	1,171,579	589,168	-
Culture and recreation	5,069,410	137,907	33,500	-
Conservation of natural resources	617,468	-	991,352	-
Assets leased to hospital	10,843,636	-	-	9,779,086
Interest on long-term debt	91,548	-	-	-
Total governmental activities	<u>58,856,522</u>	<u>5,694,414</u>	<u>5,248,146</u>	<u>11,280,941</u>
Total primary government	<u>\$ 58,856,522</u>	<u>\$ 5,694,414</u>	<u>\$ 5,248,146</u>	<u>\$ 11,280,941</u>
Component units	<u>\$ 22,987,795</u>	<u>\$ 6,572,629</u>	<u>\$ 9,977,937</u>	<u>\$ 8,684,611</u>

General revenues
 Property taxes
 Sales taxes
 Other taxes
 Payments in lieu of taxes
 Unrestricted investment earnings
 Miscellaneous revenue
 Contributions to permanent endowment

Total general revenues

Change in net position

Net position - beginning of year
 Prior period adjustment
 Net position - beginning of year as restated

 Net position - end of year

See accompanying notes to the financial statements

Net (Expense) Revenue and Changes in Net Position

Primary Government		Component Units Totals
Governmental Activities	Total	
\$ (10,469,767)	\$ (10,469,767)	\$ -
(16,572,051)	(16,572,051)	-
(2,992,413)	(2,992,413)	-
(918,573)	(918,573)	-
(4,898,003)	(4,898,003)	-
373,884	373,884	-
(1,064,550)	(1,064,550)	-
(91,548)	(91,548)	-
<u>(36,633,021)</u>	<u>(36,633,021)</u>	<u>-</u>
<u>(36,633,021)</u>	<u>(36,633,021)</u>	<u>-</u>
-	-	2,247,382
14,960,421	14,960,421	657,560
8,092,167	8,092,167	-
7,059,995	7,059,995	365,977
3,805,569	3,805,569	-
517,289	517,289	167,149
1,046,984	1,046,984	1,002,226
-	-	1,054
<u>35,482,425</u>	<u>35,482,425</u>	<u>2,193,966</u>
(1,150,596)	(1,150,596)	4,441,348
225,075,108	225,075,108	56,200,192
-	-	73,630
<u>225,075,108</u>	<u>225,075,108</u>	<u>56,273,822</u>
<u>\$ 223,924,512</u>	<u>\$ 223,924,512</u>	<u>\$ 60,715,170</u>

NATRONA COUNTY, WYOMING

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	Major Funds			Totals
	General Fund	County Road Construction Fund	Nonmajor Funds	
ASSETS				
Cash and cash equivalents	\$ 26,453,643	\$ -	\$ 134,277	\$ 26,587,920
Investments	14,596,665	-	-	14,596,665
Property taxes receivable	15,659,985	-	-	15,659,985
Accounts receivable	573,273	-	-	573,273
Due from other funds	-	1,210,289	165,733	1,376,022
Due from other governments	3,224,293	-	-	3,224,293
Inventory	42,664	-	-	42,664
Restricted cash	3	-	-	3
Total assets	\$ 60,550,526	\$ 1,210,289	\$ 300,010	\$ 62,060,825
LIABILITIES				
Accounts payable and accrued liabilities	\$ 1,128,992	\$ -	\$ -	\$ 1,128,992
Compensated absences	18,708	-	-	18,708
Due to other funds	1,376,022	-	-	1,376,022
Due to component units	66,386	-	-	66,386
Total liabilities	2,590,108	-	-	2,590,108
DEFERRED INFLOWS OF RESOURCES				
Unavailable property tax revenues	15,521,066	-	-	15,521,066
Total deferred inflows of resources	15,521,066	-	-	15,521,066
FUND BALANCES				
Nonspendable	42,664	-	-	42,664
Restricted	2,654,209	1,210,289	165,733	4,030,231
Unrestricted				
Committed	10,240,206	-	134,277	10,374,483
Assigned	21,753,275	-	-	21,753,275
Unassigned	7,748,998	-	-	7,748,998
Total fund balances	42,439,352	1,210,289	300,010	43,949,651
Total liabilities, deferred inflows of resources, and fund balances	\$ 60,550,526	\$ 1,210,289	\$ 300,010	\$ 62,060,825

See accompanying notes to the financial statements

NATRONA COUNTY, WYOMING

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

June 30, 2020

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

Total fund balances - governmental funds		\$ 43,949,651
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund statements. As capital assets used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in the governmental funds. This is the total of capital assets reported in the government-wide statements.

201,137,029

Since the focus of governmental fund statements is on short-term financing, some assets will not be available to pay for current expenditures. Those assets are offset by deferred inflows in the governmental funds and are not included in the governmental fund balances.

Governmental funds - unavailable property tax revenues	\$ 15,521,066	
Government-wide - unavailable property tax revenues	<u>(15,512,699)</u>	8,367

Deferred outflows and inflows for pension items are not available to pay for current period expenditures and, therefore, the underlying resources are not reported in the governmental funds.

Pension plan items - Deferred outflows of resources	10,025,233	
Pension plan items - Deferred inflows of resources	<u>(11,626,461)</u>	(1,601,228)

Some liabilities exceed the amount that is due and payable in the current period and therefore are not fully reported in the governmental funds. Long-term liabilities at year end consist of:

Certificates of participation	(3,480,000)	
Premium on certificates of participation	(55,215)	
Total compensated absences	(1,221,547)	
Compensated absences recorded in governmental funds	18,708	
Net pension liability	<u>(14,831,253)</u>	<u>(19,569,307)</u>

Net position of governmental activities		<u><u>\$ 223,924,512</u></u>
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See accompanying notes to the financial statements

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NATRONA COUNTY, WYOMING

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

	Major Funds			Totals
	General Fund	County Road Construction Fund	Nonmajor Funds	
Revenues				
Taxes	\$ 18,224,801	\$ -	\$ -	\$ 18,224,801
Licenses and permits	1,904,254	-	-	1,904,254
Intergovernmental revenues	21,137,051	882,229	486,930	22,506,210
Charges for services	3,764,930	-	25,230	3,790,160
Investment income	510,478	6,812	-	517,290
Miscellaneous revenues	946,860	-	36,721	983,581
Total revenues	<u>46,488,374</u>	<u>889,041</u>	<u>548,881</u>	<u>47,926,296</u>
Expenditures				
Current				
General government	15,805,792	-	-	15,805,792
Public safety	18,617,033	-	-	18,617,033
Public works	2,621,866	-	-	2,621,866
Health and welfare	1,993,588	-	495,766	2,489,354
Culture and recreation	4,196,160	-	-	4,196,160
Conservation of natural resources	448,898	-	-	448,898
Debt service				
Principal	650,000	-	-	650,000
Interest	101,014	-	-	101,014
Capital outlay	1,793,967	10,435	36,721	1,841,123
Total expenditures	<u>46,228,318</u>	<u>10,435</u>	<u>532,487</u>	<u>46,771,240</u>
Net change in fund balances	260,056	878,606	16,394	1,155,056
Fund balances - beginning of year	<u>42,179,296</u>	<u>331,683</u>	<u>283,616</u>	<u>42,794,595</u>
Fund balances - end of year	<u>\$ 42,439,352</u>	<u>\$ 1,210,289</u>	<u>\$ 300,010</u>	<u>\$ 43,949,651</u>

See accompanying notes to the financial statements

NATRONA COUNTY, WYOMING

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

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

Net changes in fund balances - total governmental funds	\$ 1,155,056
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Governmental funds report capital outlays as expenditures.

However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Additionally, the County's assets increase from new capital assets purchased by the Wyoming Medical Center under the terms of their lease. These changes are detailed as follows:

Additions to capital assets recorded as expenses in the governmental funds	\$ 2,049,387	
Contributions of capital assets from the Wyoming Medical Center	9,779,086	
Sales of capital assets include the effects of past depreciation when recorded in the statement of activities	(1,294)	
Depreciation expense for the year	<u>(13,448,779)</u>	(1,621,600)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on lease purchase obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on changes in net position. This is the effect of this difference in the treatment of long-term debt.

Amortization of debt premium	9,465	
Payment of principal on certificates of participation	650,000	
Prior year total compensated absences	1,140,889	
Prior year compensated absences - general fund short-term	(13,349)	
Current year total compensated absences	(1,221,547)	
Current year compensated absences - general fund short-term	<u>18,708</u>	584,166

(Continued)

NATRONA COUNTY, WYOMING

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES (CONTINUED)**

Year Ended June 30, 2020

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

Pension liability as of June 30, 2019	\$25,043,324	
Pension liability as of June 30, 2020	(14,831,253)	
Deferred outflows - pension items June 30, 2019	(13,240,253)	
Deferred outflows - pension items June 30, 2020	10,025,233	
Deferred inflows - pension items June 30, 2019	3,360,645	
Deferred inflows - pension items June 30, 2020	<u>(11,626,461)</u>	\$ (1,268,765)

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

Unavailable property taxes - governmental funds June 30, 2019	(15,337,733)	
Unavailable property taxes - governmental activities June 30, 2019	15,329,913	
Unavailable property taxes - governmental funds June 30, 2020	15,521,066	
Unavailable property taxes - governmental activities June 30, 2020	<u>(15,512,699)</u>	<u>547</u>

Changes in net position of governmental activities		<u><u>\$ (1,150,596)</u></u>
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NATRONA COUNTY, WYOMING

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2020

	Agency Funds		
	Property Tax Fund	General Agency Fund	Fire Fighters of Natrona County
ASSETS			
Cash and cash equivalents	\$ -	\$ 26,323,777	\$ 29,749
Investments	-	-	98,652
Account receivable	-	-	-
Property taxes receivable	705,097	-	-
Total assets	\$ 705,097	\$ 26,323,777	\$ 128,401
LIABILITIES			
Due to other governments	\$ 705,097	\$ 25,375,195	\$ 128,401
Payable to external entities	-	948,582	-
Medical claims payable	-	-	-
Total liabilities	\$ 705,097	\$ 26,323,777	\$ 128,401
NET POSITION			
Restricted for			
Employees' medical benefits			
Other governments and organizations			
Total net position			

See accompanying notes to the financial statements

Trust Funds

Employee Benefit Trust Fund	Investment Pool Trust Fund	Total
\$ 3,886,587	\$ -	\$ 30,240,113
2,649	842,791	944,092
6,112		
-	-	705,097
<u>3,895,348</u>	<u>842,791</u>	<u>31,895,414</u>
24,861	-	26,233,554
-	-	948,582
812,500	-	812,500
<u>837,361</u>	<u>-</u>	<u>27,994,636</u>
3,057,987	-	3,057,987
-	842,791	842,791
<u>\$ 3,057,987</u>	<u>\$ 842,791</u>	<u>\$ 3,900,778</u>

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NATRONA COUNTY, WYOMING

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2020

	Employee Benefit Trust Fund	Investment Pool Trust Fund	Totals
Additions			
Contributions from employer	\$ 7,577,282	\$ -	\$ 7,577,282
Investment income	102	31,561	31,663
Miscellaneous Revenues	-	100,000	100,000
Total additions	7,577,384	131,561	7,708,945
Deductions			
Medical benefits paid	7,324,869	-	7,324,869
Total deductions	7,324,869	-	7,324,869
Change in net position	252,515	131,561	384,076
Net position - beginning of year	2,805,472	711,230	3,516,702
Net position - end of year	<u>\$ 3,057,987</u>	<u>\$ 842,791</u>	<u>\$ 3,900,778</u>

See accompanying notes to the financial statements

NATRONA COUNTY, WYOMING

**COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS**

June 30, 2020

	Natrona County Weed and Pest Control	Natrona County Public Library	Natrona County Fair
ASSETS			
Cash and cash equivalents	\$ 484,879	\$ 1,256,432	\$ 542,079
Investments	189,841	109,924	-
Beneficial interest in assets held by others	-	252,855	-
Property taxes receivable	1,285,783	-	-
Accounts receivable	9,985	166,584	12,850
Accounts receivable - restricted	-	-	-
Accrued interest receivable	1,800	-	815
Due from other governments	-	-	-
Due from primary government	40,588	-	-
Inventory	104,220	-	-
Prepaid items	7,900	-	-
Capital assets not being depreciated	-	2,307,680	3,483,312
Capital assets being depreciated, net	254,443	676,463	3,179,100
Restricted cash and cash equivalents	-	28,068	-
Restricted investments	-	3,009,563	496,600
Total assets	<u>2,379,439</u>	<u>7,807,569</u>	<u>7,714,756</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan items	168,054	563,584	160,732
Total deferred outflows of resources	<u>168,054</u>	<u>563,584</u>	<u>160,732</u>
LIABILITIES			
Accounts payable and accrued liabilities	50,684	29,261	704,892
Due to other governments	7,472	-	-
Unearned revenue	-	-	-
Noncurrent liabilities			
Due within one year	-	3,606	-
Due in more than one year	532,653	1,937,196	533,581
Total liabilities	<u>590,809</u>	<u>1,970,063</u>	<u>1,238,473</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax revenues	1,286,264	-	-
Pension plan items	216,841	691,192	212,243
Total deferred inflows of resources	<u>1,503,105</u>	<u>691,192</u>	<u>212,243</u>
NET POSITION			
Net investment in capital assets	254,443	2,984,143	6,662,412
Restricted, expendable			
Restricted from facility charges	-	-	-
Restricted by donors, nonexpendable	-	3,037,631	496,600
Unrestricted (deficit)	199,136	(311,876)	(734,240)
Total net position (deficit)	<u>\$ 453,579</u>	<u>\$ 5,709,898</u>	<u>\$ 6,424,772</u>

City of Casper/ Natrona County Health Department	Community Action Partnership of Natrona County	Natrona County International Airport	Total
\$ 548,429	\$ 249,599	\$ 3,026,116	\$ 6,107,534
563,783	-	521,947	1,385,495
-	-	-	252,855
-	-	-	1,285,783
37,226	-	161,678	388,323
-	-	53,940	53,940
-	-	-	2,615
462,988	63,503	2,119,254	2,645,745
-	25,797	-	66,385
-	-	16,168	120,388
-	-	26,474	34,374
-	-	12,154,483	17,945,475
303,031	67,774	38,935,006	43,415,817
-	-	506,768	534,836
-	-	-	3,506,163
<u>1,915,457</u>	<u>406,673</u>	<u>57,521,834</u>	<u>77,745,728</u>
<u>926,403</u>	<u>371,022</u>	<u>1,169,456</u>	<u>3,359,251</u>
<u>926,403</u>	<u>371,022</u>	<u>1,169,456</u>	<u>3,359,251</u>
13,618	55,131	3,238,725	4,092,311
-	-	-	7,472
91,463	-	102,908	194,371
-	190	651,599	655,395
<u>2,635,748</u>	<u>1,124,816</u>	<u>3,632,149</u>	<u>10,396,143</u>
<u>2,740,829</u>	<u>1,180,137</u>	<u>7,625,381</u>	<u>15,345,692</u>
-	-	-	1,286,264
<u>901,814</u>	<u>440,591</u>	<u>1,295,172</u>	<u>3,757,853</u>
<u>901,814</u>	<u>440,591</u>	<u>1,295,172</u>	<u>5,044,117</u>
303,031	67,774	49,940,292	60,212,095
-	-	506,768	506,768
-	-	-	3,534,231
<u>(1,103,814)</u>	<u>(910,807)</u>	<u>(676,323)</u>	<u>(3,537,924)</u>
<u>\$ (800,783)</u>	<u>\$ (843,033)</u>	<u>\$ 49,770,737</u>	<u>\$ 60,715,170</u>

NATRONA COUNTY, WYOMING

COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
Year Ended June 30, 2020

	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component Units				
Natrona County Weed and Pest Control	\$ 1,564,331	\$ 458,770	\$ 145,625	\$ -
Natrona County Public Library	3,339,950	19,444	3,232,970	-
Natrona County Fair	1,874,181	588,138	733,325	2,118,020
City of Casper/Natrona County Health Department	4,475,787	1,590,198	2,808,953	-
Community Action Partnership of Natrona County	2,352,819	42,531	2,210,082	-
Natrona County International Airport	9,380,727	3,873,548	846,982	6,566,591
	\$ 22,987,795	\$ 6,572,629	\$ 9,977,937	\$ 8,684,611

General revenues
Property taxes
Other taxes
Unrestricted investment earnings
Miscellaneous revenues
Contributions to permanent endowment
Total general revenues

Change in net position

Net position (deficit) - beginning of year
Prior period adjustment
Net position (deficit) - beginning of year

Net position (deficit) - end of year

See accompanying notes to the financial statements

Net (Expense) Revenue and Changes in Net Position

Natrona County Weed and Pest Control	Natrona County Public Library	Natrona County Fair	City of Casper/ Natrona County Health Department	Community Action Partnership of Natrona County	Natrona County International Airport	Totals
\$ (959,936)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (959,936)
-	(87,536)	-	-	-	-	(87,536)
-	-	1,565,302	-	-	-	1,565,302
-	-	-	(76,636)	-	-	(76,636)
-	-	-	-	(100,206)	-	(100,206)
-	-	-	-	-	1,906,394	1,906,394
<u>(959,936)</u>	<u>(87,536)</u>	<u>1,565,302</u>	<u>(76,636)</u>	<u>(100,206)</u>	<u>1,906,394</u>	<u>2,247,382</u>
657,560	-	-	-	-	-	657,560
287,462	-	-	-	-	78,515	365,977
3,501	129,285	19,901	8,504	-	5,958	167,149
1,507	232,679	-	80,878	32,162	655,000	1,002,226
-	1,054	-	-	-	-	1,054
<u>950,030</u>	<u>363,018</u>	<u>19,901</u>	<u>89,382</u>	<u>32,162</u>	<u>739,473</u>	<u>2,193,966</u>
(9,906)	275,482	1,585,203	12,746	(68,044)	2,645,867	4,441,348
463,485	5,391,936	4,839,569	(844,679)	(774,989)	47,124,870	56,200,192
-	42,480	-	31,150	-	-	73,630
<u>463,485</u>	<u>5,434,416</u>	<u>4,839,569</u>	<u>(813,529)</u>	<u>(774,989)</u>	<u>47,124,870</u>	<u>56,273,822</u>
<u>\$ 453,579</u>	<u>\$ 5,709,898</u>	<u>\$ 6,424,772</u>	<u>\$ (800,783)</u>	<u>\$ (843,033)</u>	<u>\$ 49,770,737</u>	<u>\$ 60,715,170</u>

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NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 1. Nature of Operations and Significant Accounting Policies

Natrona County, Wyoming (the County) provides a broad range of services to its citizens, including general government, public safety, transportation, roads and bridges, health, cultural, recreational, conservation and social services.

Financial Reporting Entity

The County (primary government) is a municipal corporation governed by five elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge maintenance and operation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations and so data from those units is combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combining statements for component units to emphasize it is legally separate from the County. Each blended and discretely presented component unit has a June 30 year end.

Blended Component Units

The following entities are considered blended component units of the County:

Hall of Justice Joint Powers Board – accounts for funds received from the County and the City of Casper for continuing maintenance of the Hall of Justice. The Hall of Justice Joint Powers Board's governing body is not substantially the same as the County's. However, the County is financially accountable for the Hall of Justice Joint Powers Board as the County is financially responsible for the Hall of Justice. In addition, the Hall of Justice Joint Powers Board is fiscally dependent upon the County. The Hall of Justice Joint Powers Board is reported as a special revenue fund of the County.

Natrona County Jail Joint Powers Board – accounts for funds received from the County and the City of Casper for continuing maintenance of the Jail. The Natrona County Jail Joint Powers Board's governing body is not substantially the same as the County's. However, the County is financially accountable for the Jail Joint Powers Board as the County is financially responsible for the Jail. In addition, the Natrona County Jail Joint Powers Board is fiscally dependent upon the County. The Natrona County Jail Joint Powers Board is reported as a special revenue fund of the County.

Memorial Hospital of Natrona County

The Memorial Hospital of Natrona County is governed by a Hospital Board of Trustees. In 1986, the Board of Trustees entered into a lease with the Wyoming Medical Center. The lease allows the Wyoming Medical Center to use specific County assets as part of its operations. The lease provides for many mutually beneficial outcomes and specifically provides that creating any lien, encumbrance, mortgage or assignment by Wyoming Medical Center requires the approval of the Board of Trustees and the Natrona County Commissions. The Memorial Hospital of Natrona County only owns capital assets, all of which are included as County capital assets.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Discretely Presented Component Units

The combining statements for the discretely presented component units identify the County's other component units and include their financial data. On the statement of net position and the statement of activities, these discretely presented component units are reported in separate columns to emphasize that they are legally separate from the County. The governing boards of these component units are appointed by the Board of County Commissioners, except for the Health Department's board, which is appointed by the County Commissioners and the City Council of the City of Casper, Wyoming.

The Natrona County Weed and Pest Control District was established for the purpose of implementing and pursuing an effective program for the control of weeds and pests within the County. The District is fiscally dependent upon the County because the Board of Commissioners approves the District's budget and levies taxes (if necessary) on behalf of the District. The District does not issue separate external financial statements.

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

The Natrona County Public Library Foundation (the Foundation) is reported as a component unit of the Natrona County Public Library as it raises and holds economic resources for the direct benefit of the Natrona County Public Library. The Foundation is a legally separate entity which does not issue separate financial statements.

The Natrona County Fair maintains and manages the operations of the County Fair and conducts agricultural, industrial and other fairs and exhibitions within the County. The Fair is fiscally dependent upon the County because the Board of Commissioners approves the Fair's budget, levies taxes (if necessary) and must approve any debt issuances. The Fair's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Fair does not issue separate external financial statements.

The Central Wyoming Sports Foundation Executrust (the Executrust) is reported as a component unit of the Natrona County Fair as it raises and holds economic resources for the direct benefit of the Natrona County Fair. The Executrust is a legally separate entity which does not issue separate financial statements.

The City of Casper/Natrona County Health Department serves all the citizens of the County. The Board was established to provide effective review and evaluation of health service programs within the County as well as to provide coordination between services and a procedure for contracting funding for services in the County. The Health Department does not issue separate external financial statements.

The Community Action Partnership of Natrona County (CAP) is a nine member tri-partite board with board members equally representing public officials, the public at-large, and representatives of the low-income population of Natrona County. The primary goals of CAP are to reduce poverty, revitalize low-income communities, empower low-income families and individuals to become self-sufficient, reduce delinquency and crime, promote mental health, prevent substance abuse and family violence and encourage cooperation with educational, health, and other anti-poverty programs. CAP is fiscally dependent upon the County because the Board of Commissioners approves the budget and must approve any debt issuances. CAP does not issue separate financial statements.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Discretely Presented Component Units (Continued)

The Friends of Community Action Partnership is reported as a component unit of CAP as it raises and holds economic resources for the direct benefit of CAP. The Friends of Community Action Partnership is a legally separate entity which does not issue separate financial statements.

The Natrona County International Airport (the Airport) is a facility which provides air travel and freight services to all the citizens of the County. The Airport is a legally separate municipal corporation formed under Wyoming State Statutes. The Airport is governed by a five member board of trustees who are appointed by the County Board of Commissioners. The Airport submits their proposed operating budget to the County Commissioners. Under the empowering statutes, the Airport is a body corporate, empowered to sue and be sued under its own name. The Airport issues separate external financial statements, which may be obtained at the Airport's administrative offices.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The County's government-wide financial statements are designed to present the information in a format more closely resembling that of the private sector and to provide the user with more managerial analysis regarding the financial results and the County's financial outlook.

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

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

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

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

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

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

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

The government reports the following major governmental funds:

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

County road construction fund is a capital projects fund and is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The County's fiduciary fund type includes Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations, and Trust Funds, with a measurement focus upon determination of change in financial position similar to the accounting utilized in governmental fund types.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance

Cash and Cash Equivalents

The County considers all demand deposits and highly liquid investments with a maturity date of three months or less when purchased to be cash equivalents.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Investments

Wyoming Statutes authorize the types of investments in which the County may invest. Among these authorized investments are certificates of deposit, money market funds, commercial paper, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government, mortgage backed securities, guaranteed investment contracts, specific mutual funds and repurchase agreements with banks with the underlying securities being obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government. Mutual funds, corporate bonds, and common stocks may be held by the Central Wyoming Sports Foundation Executrust and the Natrona County Public Library Foundation; these entities are not subject to the state statutes which restrict investments to governmental securities. The County's investments consist of government sponsored enterprise securities (GSEs), which are carried at fair value, certificates of deposit and participation in the Wyoming Government Investment Fund (WGIF). WGIF is a comprehensive cash management program available to Wyoming public entities. WGIF provides a full range of programs to meet participants' needs. The fund employs a team of professionals to manage the investments which are comprised of governmental securities meeting state statutory requirements. The value of the County's investments in WGIF equals the proportional value of its WGIF shares of all WGIF assets. Investments in certificates of deposit are carried at cost, which approximates fair value.

The County maintains an investment pool that is available for use by all funds and component units, as well as outside governmental entities. Each fund's share of the pool balance is reported in the financial statements as investments. Earnings from the pooled investments are allocated monthly to each participant based on a formula that takes into consideration each participant's average investment in the pool.

The County reviews statements of investments on a monthly basis to identify significant downturns which might affect the fair value measurements of investments.

Endowments

Restricted nonexpendable net position as of June 30, 2020, represents the principal of permanent endowments restricted to investment in perpetuity by donors of the library and fair foundations. Investment earnings, except for changes in fair market value, are expendable to support the purposes designated by the donors.

Receivables, Payables, and Interfund Balances

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds". All other outstanding balances between funds are reported as "due to/due from" the entities and funds involved. Transfers and interfund transactions between governmental funds are eliminated in the government-wide financial statements.

Advances between funds, if reported in the fund financial statements, are offset by a non-spendable fund balance account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Receivables, Payables, and Interfund Balances (Continued)

Property taxes attach as an enforceable lien on the property on January 1. Property taxes are levied at the second Commissioners meeting in August, and are due in two installments. The first becomes due on November 10 and delinquent on the next business day; the second becomes due on May 10 and delinquent on the next business day. If the entire amount is paid by December 31, the interest on the first installment will be waived. Delinquent taxes have been recognized as revenue to the extent they have been collected within 60 days after the fiscal year end, with the net balance considered unavailable and, therefore, deferred.

The County is permitted by Wyoming Statutes to levy up to 12 mils of assessed valuation for all purposes, exclusive of state revenue, except for the payment of public debt and interest thereon. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt for the year ended June 30, 2020, was 12 mils, which means the County has levied to the maximum amount available.

Major Taxpayers

The County's 10 largest taxpayers account for over 27% of the County's total assessed property valuation. Eight of the 10 taxpayers are involved in mineral extraction industries. A utility company and a transportation company make up the other two major taxpayers. The County received approximately 21% of its total tax revenues from these taxpayers.

Inventory

Inventory consists of expendable supplies held for consumption and is reported at cost (first-in, first-out). The cost is recorded as an expenditure at the time individual inventory items are used. Inventory is offset by a non-spendable fund balance account which indicates it is not an "available spendable resource."

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Capital Assets

Capital assets, which include property, equipment and infrastructure assets, are recorded at historical cost or at estimated historical cost if the actual historical cost is not available in the government-wide financial statements. Infrastructure assets include roads, bridges, water/sewer, drainage systems and flood control. The County's capitalization level for buildings, improvements, equipment, vehicles, furniture and fixtures is \$5,000. The County's capitalization level for infrastructure assets is \$100,000. Depreciation on property and equipment is provided on the straight-line basis over the following useful lives:

Primary Government	Years
Buildings	40
Machinery and equipment	5
Hospital assets	5 - 40
Component Units	
Buildings and improvements	10 - 40
Machinery and equipment	5 - 20
Library collection	3 - 15
Water and sewage system	20

In accordance with the alternative approach to depreciating infrastructure assets permitted by GASB Statement No. 34, the County has elected to expense all infrastructure related expenditures, except for those expenditures related to additions to or improvement of infrastructure assets, in lieu of depreciating infrastructure assets. In order to utilize the alternative system, the County must maintain an asset management system which assesses asset condition and must maintain infrastructure assets at the condition level established by the County.

Capital asset purchases are accounted for as expenditures of the general fund and road construction fund in the governmental fund financial statements. Other costs for repairs and maintenance are accounted for as expenditures as incurred.

Pensions

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

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Deferred Outflows and Deferred Inflows of Resources

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

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

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

Compensated Absences

All regular, full-time employees are entitled to vacation leave and all regular part-time employees accumulate vacation leave on a prorated basis. Employees accumulate vacation leave hours monthly based on number of years of service with the County. Upon termination of employment, employees will be paid for any unused vacation leave at their salary rate up to a maximum of 192 accumulated hours. Regular employees accrue sick leave of one day per month. Accumulation of sick leave is limited to 480 hours/60 days. Employees with 10 or more years of service will be paid for one-third (1/3) of their unused sick leave not to exceed 10 days upon termination of employment.

A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Budgets

The County Commissioners annually adopt a budget and approve the related appropriations for the funds in accordance with provisions of the Wyoming Statutes. The legally adopted budget consist of the primary government general fund, the capital projects fund, the special revenue funds, and the discretely presented component units. Annual appropriated budgets are prepared on a basis of estimated cash receipts and cash disbursements. In the case of the general fund, the capital projects fund, the special revenue funds, and the discretely presented component units, unexpended and unencumbered budgeted amounts and budget appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing year.

The County Commissioners exercise legal spending control at the department level. Any over-expenditures or transfers of appropriations must be approved by them, as are all departmental budget amendments. Management control is exercised at budgetary line item levels. The County Commissioners and the governing boards of the component units may also amend the budget after it is approved, using the same procedures necessary to approve the original budget. The budgetary data presented in the financial statements reflects all approved budget amendments. Supplemental budget appropriations of \$4,166,861 were approved for the general fund during the year.

Fund Equity

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned. Non-spendable fund balances include amounts which cannot be spent because they are not in spendable form. Restrictions on fund balances have been externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions. Commitments of fund balances were imposed by resolution of the Board of County Commissioners, the highest level of authority; these balances may be redeployed with appropriate due process. Assignments of fund balances express the intent of the County, as designated by the Board of County Commissioners, to utilize the funds for specific purposes. Unassigned fund balance of the General Fund is the net resources in excess of what can be properly classified in one of the above four categories.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. While the County has not adopted a formal policy, when committed, assigned, or unassigned amounts are available for use, the County intends to utilize committed resources first, then assigned resources, and finally, unassigned resources as they are needed.

Restricted Net Position

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

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance (Continued)

Collections

The Natrona County Library owns a collection of rare historical books on Wyoming, as well as its complete collection of library books. These items are not considered to be held for financial gain. All books in the collection are protected, kept unencumbered, and preserved. The Library has capitalized this collection, but does not depreciate the rare books collection. The library collection has a limited life and is available to be borrowed by the general public. The library collection is capitalized and depreciated.

Standard Implemented in Current Year

The Governmental Accounting Standards Board Statement (GASB) has issued GASB No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The GASB establishes accounting and financial reporting requirements related to debt. Natrona County implemented the requirements of this standard in the current year.

Short-term Financing

The County did not issue any tax anticipation notes or use any other type of short-term financing for the year ended June 30, 2020.

Accounting Estimates

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

Note 2. Deposits and Investments

Primary Government

Deposits are placed with various financial institutions and are carried at cost. As of June 30, 2020, the carrying amount of the County's deposits, including its fiduciary funds, was \$56,804,861 and the bank balance was \$58,124,659. The County also had \$23,175 of petty cash on hand at various locations as of June 30, 2020, which is not on deposit at any financial institution. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2020 were covered by insurance or collateral held in joint custody with the financial institution.

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that the County's deposits in excess of Federal depository insurance must be collateralized. The County follows state statutes as their credit risk policy for deposits. At June 30, 2020, the County's deposits were fully insured or collateralized as required by statute.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 2. Deposits and Investments (Continued)

Component Units

At June 30, 2020, the carrying amount of the component units' deposits was \$6,623,406 and the bank balance was \$7,708,754. The component units also held \$2,175 in petty cash on hand at various locations as of June 30, 2020, which is not on deposit at any financial institution. The difference between the carrying amount and the bank balance is a result of transactions in transit. All bank deposits at June 30, 2020 were covered by insurance or collateral held in joint custody with the financial institution except for Community Action Partnership which was under collateralized by \$3,735.

Investments

As of June 30, 2020, the primary government and fiduciary funds had the following investments:

Investment Type	Total	Interest Rate	Investment Maturities in Years				Rating
			Less Than 1	1 - 5	6 - 10	More Than 10	
Natrona County external							
investment pool	\$ 3,896,140	n/a	\$ 3,896,140	\$ -	\$ -	\$ -	n/a
WGIF - LAS	4,641,059	n/a	4,641,059	-	-	-	n/a
WGIF - CD	654,000	n/a	654,000	-	-	-	n/a
Certificates of deposit	<u>6,349,558</u>		<u>421,936</u>	<u>4,479,650</u>	<u>1,191,932</u>	<u>256,040</u>	
Total	<u>\$ 15,540,757</u>		<u>\$ 9,613,135</u>	<u>\$ 4,479,650</u>	<u>\$ 1,191,932</u>	<u>\$ 256,040</u>	

These investments are reported under the following captions:

Investments - general fund	\$ 14,596,665
Investments - fiduciary fund - Fire Fighters of Natrona County	98,652
Investments - fiduciary fund - Employee Benefit Trust Fund	2,649
Investments - fiduciary fund - Investment Pool Trust Fund	842,791
	<u>\$ 15,540,757</u>

As of June 30, 2020, the component units of the County had the following investments:

Investment Type	Total	Interest Rate	Investment Maturities in Years				Rating
			Less Than 1	1 - 5	6 - 10	More Than 10	
GSE notes	\$ 227,549	1.25-2.25%	\$ 151,109	\$ 76,440	\$ -	\$ -	Aaa
GSE mortgage backed securities	691,867	1.20-2.50%	-	691,867	-	-	Aaa
Mutual funds	2,267,393	n/a	2,267,393	-	-	-	n/a
Natrona County external							
investment pool	673,707	n/a	673,707	-	-	-	n/a
Certificates of deposit	<u>1,031,142</u>	.15-2.07%	<u>1,031,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>n/a</u>
Total	<u>\$ 4,891,658</u>		<u>\$ 4,123,351</u>	<u>\$ 768,307</u>	<u>\$ -</u>	<u>\$ -</u>	

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 2. Deposits and Investments (Continued)

Investments (Continued)

Investments of the component units are reported under the following captions:

Investments	\$ 1,385,495
Restricted investments	3,506,163
	<u>\$ 4,891,658</u>

Credit Risk

Generally, credit risk is the risk that an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law does not allow governments to invest in corporate bonds, stocks or most mutual funds and limits investments in commercial paper to short term maturities (not greater than 270 days) and to the top ratings issued by nationally recognized statistical rating organizations (Moody's and Standard and Poor's). Obligations of the U.S. Government and obligations specifically guaranteed by the U.S. Government are backed by the full faith and credit of the U.S. Government. The U.S. Government-sponsored enterprise securities and obligations are not specifically guaranteed by the U. S. Government. However, they are rated Aaa/AA+ by Standard and Poor's and Moody's. Under investment agreements with WGIF, the County has invested in a pool of short-term funds (WGIF Liquid Asset Pool) which offers complete liquidity; this pool is rated AAAm by Standard and Poor's. The County follows the mandates for allowable investments as prescribed by state statutes as their credit risk policy.

Concentration of Credit Risk

The County does not have a formal policy that allows for or limits an investment in any one issuer to a specified percentage of the County's total investments. Excluding external investment pools and investments issued by or explicitly guaranteed by the U.S. Government, no single account or issuer represents 5 percent or more of total investments.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The only significant exposure is for securities held by securities brokers or other banks. While the County has no formal policy for custodial credit risk for investments, management believes the stability and reputation of these brokers and other banks serves to limit its custodial credit risk.

Interest Rate Risk – Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of investments. As of June 30, 2020, the County's investment portfolio included mortgage backed securities that have fair values highly sensitive to interest rate changes. When interest rates fall, mortgages are typically refinanced and paid off early. The reduced stream of future interest payments diminishes the value of investments. The County does not have a formal policy to address interest rate risk.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 2. Deposits and Investments (Continued)

Investments (Continued)

Fair Value of Investments

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

Following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at June 30, 2020.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the component units are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

Government sponsored enterprises (GSE) notes and mortgage backed securities: Valued using quoted prices for identical or similar assets in active markets.

Primary Government Investments

Fair value of the County's investments in WGIF and certificates of deposit approximate historical cost. All investments in the Natrona County external investment pool are recorded at market value and the County's share is allocated based on proportionate ownership.

Natrona County external investment pool	\$ 3,896,140
WGIF - Liquid Asset Series	4,641,059
WGIF - Certificates of deposit	654,000
Certificates of Deposit	6,349,558
	\$ 15,540,757

Component Unit Investments

	Investments at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 2,267,393	\$ -	\$ -	\$ 2,267,393
GSE notes	-	227,549	-	227,549
GSE mortgage backed securities	-	691,867	-	691,867
	\$ 2,267,393	\$ 919,416	\$ -	3,186,809

Other investments reported in the following classifications

Natrona County external investment pool	673,707
Certificates of deposit	1,031,142
Total component unit investments	\$ 4,891,658

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 2. Deposits and Investments (Continued)

Investments (Continued)

Fair Value of Investments (Continued)

At June 30, 2020, the County's component unit investment portfolios include mortgage backed securities that have fair values highly sensitive to interest rate changes. When interest rates fall, mortgages are refinanced and paid off early. The reduced stream of future interest payments diminishes the value of the investment.

Note 3. Interfund Balances and Transactions

Interfund and intra-entity receivables and payables at June 30, 2020 are as follows:

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ -	\$ 1,442,408
County Road Construction Fund	1,210,289	-
Drug Court Fund	165,734	-
Component Units	66,385	-
	<u>\$ 1,442,408</u>	<u>\$ 1,442,408</u>

Interfund balances result from the time lag between dates that (1) interfund goods and services were provided or reimbursable expenses occurred, (2) transactions were recorded in the accounting systems, and (3) payments between funds were made.

Transfers, if any, are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, if needed, as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 4. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 16,265,656	\$ -	\$ -	\$ 16,265,656
Infrastructure	25,698,770	-	-	25,698,770
Construction in progress	814,989	93,424	-	908,413
Total capital assets not being depreciated	<u>42,779,415</u>	<u>93,424</u>	<u>-</u>	<u>42,872,839</u>
Capital assets being depreciated				
Buildings	146,440,843	9,286	(85,000)	146,365,129
Machinery and equipment	21,934,898	1,946,677	(977,783)	22,903,792
Hospital assets*	368,464,475	9,779,086	-	378,243,561
Total capital assets being depreciated	<u>536,840,216</u>	<u>11,735,049</u>	<u>(1,062,783)</u>	<u>547,512,482</u>
Less accumulated depreciation for				
Buildings	102,343,976	1,630,482	(85,000)	103,889,458
Machinery and equipment	19,631,076	974,661	(976,489)	19,629,248
Hospital assets*	254,885,950	10,843,636	-	265,729,586
Total accumulated depreciation	<u>376,861,002</u>	<u>13,448,779</u>	<u>(1,061,489)</u>	<u>389,248,292</u>
Total capital assets being depreciated, net	<u>159,979,214</u>	<u>(1,713,730)</u>	<u>(1,294)</u>	<u>158,264,190</u>
Capital assets, net	<u>\$ 202,758,629</u>	<u>\$ (1,620,306)</u>	<u>\$ (1,294)</u>	<u>\$ 201,137,029</u>

* These assets are leased to the Wyoming Medical Center, Inc. under an operating lease.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 4. Capital Assets (Continued)

Primary Government (Continued)

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

Governmental activities	
General government	\$ 827,141
Public safety	1,227,199
Public works	438,931
Health and welfare	25,000
Conservation of natural resources	86,872
Hospital	10,843,636
Total depreciation expense - governmental activities	\$ 13,448,779

Component Units

Capital asset activity for each component unit for the year ended June 30, 2020 follows.

Capital asset activity for the Natrona County Weed and Pest Control for the year ended June 30, 2020 was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets being depreciated				
Buildings and improvements	\$ 419,077	\$ -	\$ -	\$ 419,078
Machinery and equipment	443,749	-	-	443,749
Total capital assets being depreciated	862,826	-	-	862,827
Less accumulated depreciation for				
Buildings and improvements	201,114	9,169	-	210,283
Machinery and equipment	368,192	29,909	-	398,101
Total accumulated depreciation	569,306	39,078	-	608,384
Capital assets, net	\$ 293,520	\$ (39,078)	\$ -	\$ 254,443

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 4. Capital Assets (Continued)

Component Units (Continued)

Capital asset activity for the Natrona County Public Library for the year ended June 30, 2020 was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 1,545,080	\$ -	\$ -	\$ 1,545,080
Rare book collection	758,400	4,200	-	762,600
Total capital assets not being depreciated	<u>2,303,480</u>	<u>4,200</u>	<u>-</u>	<u>2,307,680</u>
Capital assets being depreciated				
Machinery and equipment	785,510	-	(5,102)	780,408
Library collection	3,096,515	162,881	(715,171)	2,544,225
Total capital assets being depreciated	<u>3,882,025</u>	<u>162,881</u>	<u>(720,273)</u>	<u>3,324,633</u>
Less accumulated depreciation for				
Machinery and equipment	743,519	15,394	(5,102)	753,811
Library collection	2,375,432	234,098	(715,171)	1,894,359
Total accumulated depreciation	<u>3,118,951</u>	<u>249,492</u>	<u>(720,273)</u>	<u>2,648,170</u>
Total capital assets being depreciated, net	<u>763,074</u>	<u>(86,611)</u>	<u>-</u>	<u>676,463</u>
Capital assets, net	<u>\$ 3,066,554</u>	<u>\$ (82,411)</u>	<u>\$ -</u>	<u>\$ 2,984,143</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 4. Capital Assets (Continued)

Component Units (Continued)

Capital asset activity for the Natrona County Fair for the year ended June 30, 2020, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets not being depreciated				
Construction in progress	\$ 1,368,217	\$ 2,287,095	\$ (172,000)	\$ 3,483,312
Total capital assets not being depreciated	<u>1,368,217</u>	<u>2,287,095</u>	<u>(172,000)</u>	<u>3,483,312</u>
Capital assets being depreciated				
Buildings and improvements	6,594,231	-	-	6,594,231
Machinery and equipment	<u>1,673,054</u>	<u>172,000</u>	<u>-</u>	<u>1,845,054</u>
Total capital assets being depreciated	<u>8,267,285</u>	<u>172,000</u>	<u>-</u>	<u>8,439,285</u>
Less accumulated depreciation for				
Buildings and improvements	3,892,331	164,855	-	4,057,186
Machinery and equipment	<u>1,106,820</u>	<u>96,179</u>	<u>-</u>	<u>1,202,999</u>
Total accumulated depreciation	<u>4,999,151</u>	<u>261,034</u>	<u>-</u>	<u>5,260,185</u>
Total capital assets being depreciated	<u>3,268,134</u>	<u>(89,034)</u>	<u>-</u>	<u>3,179,100</u>
Capital assets, net	<u>\$ 4,636,351</u>	<u>\$ 2,198,061</u>	<u>\$ (172,000)</u>	<u>\$ 6,662,412</u>

Buildings and improvements for the Natrona County Fair includes a facility that was acquired under capital leases in the amount of \$3,421,693, with associated accumulated amortization of \$1,668,075. The related amortization expense of \$85,542 has been included in annual depreciation expense.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 4. Capital Assets (Continued)

Component Units (Continued)

Capital asset activity for the City of Casper/Natrona County Health Department for the year ended June 30, 2020, was as follows:

	Beginning Balance Restated	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets being depreciated				
Machinery and equipment	\$ 843,149	\$ 150,415	\$ (76,377)	\$ 917,187
Total capital assets being depreciated	<u>843,149</u>	<u>150,415</u>	<u>(76,377)</u>	<u>917,187</u>
Less accumulated depreciation for				
Machinery and equipment	596,947	90,386	(73,177)	614,156
Total accumulated depreciation	<u>596,947</u>	<u>90,386</u>	<u>(73,177)</u>	<u>614,156</u>
Capital assets, net	<u>\$ 246,202</u>	<u>\$ 60,029</u>	<u>\$ (3,200)</u>	<u>\$ 303,031</u>

Capital asset activity for the Community Action Partnership of Natrona County for the year ended June 30, 2020, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets being depreciated				
Building improvements	\$ 82,003	\$ -	\$ -	\$ 82,003
Machinery and equipment	181,248	-	100,956	80,292
Total capital assets being depreciated	<u>263,251</u>	<u>-</u>	<u>100,956</u>	<u>162,295</u>
Less accumulated depreciation for				
Building improvements	163,769	1,857	-	26,129
Machinery and equipment	24,273	5,579	100,956	68,392
Total accumulated depreciation	<u>188,042</u>	<u>7,436</u>	<u>100,956</u>	<u>94,521</u>
Capital assets, net	<u>\$ 75,209</u>	<u>\$ (7,436)</u>	<u>\$ -</u>	<u>\$ 67,774</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 4. Capital Assets (Continued)

Component Units (Continued)

Capital asset activity for the Natrona County International Airport for the year ended June 30, 2020, was as follows:

	Beginning Balance	Transfers and Additions	Transfers and Deletions	Ending Balance
Capital assets not being depreciated				
Land	\$ 4,146,968	\$ -	\$ -	\$ 4,146,968
Construction in progress	11,880,228	7,312,428	(11,185,141)	8,007,515
Total capital assets not being depreciated	<u>16,027,196</u>	<u>7,312,428</u>	<u>(11,185,141)</u>	<u>12,154,483</u>
Capital assets being depreciated				
Buildings and improvements	100,769,171	11,242,153	(729,785)	111,281,539
Machinery and equipment	6,802,799	11,315	(230,960)	6,583,154
Water and sewage system	929,820	90,000	-	1,019,820
Total capital assets being depreciated	<u>108,501,790</u>	<u>11,343,468</u>	<u>(960,745)</u>	<u>118,884,513</u>
Less accumulated depreciation for				
Buildings and improvements	69,568,504	4,386,923	(470,094)	73,485,333
Machinery and equipment	5,380,048	402,305	(140,960)	5,641,393
Water and sewage system	796,984	25,797	-	822,781
Total accumulated depreciation	<u>75,745,536</u>	<u>4,815,025</u>	<u>(611,054)</u>	<u>79,949,507</u>
Total capital assets being depreciated, net	<u>32,756,254</u>	<u>6,528,443</u>	<u>(349,691)</u>	<u>38,935,006</u>
Capital assets, net	<u>\$ 48,783,450</u>	<u>\$ 13,840,871</u>	<u>\$ (11,534,832)</u>	<u>\$ 51,089,489</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 5. County Debt

The Wyoming Constitution (Article 16 §3) limits the amount of indebtedness for any County to be not more than two percent of the last general assessment. This limit was \$25,639,383 at June 30, 2020. The County had \$3,480,000 in outstanding debt subject to this limitation.

The following is a summary of changes in long-term debt of the County for the year ended June 30, 2020:

	Balance June 30, 2019	New Debt Incurred	Debt Retired	Balance June 30, 2020	Due Within One Year
Primary Government					
Certificates of participation	\$ 4,130,000	\$ -	\$ 650,000	\$ 3,480,000	\$ 665,000
Compensated absences	1,140,889	1,221,547	1,140,889	1,221,547	112,249
Net pension liability	25,043,324		10,212,071	14,831,253	-
Total debt	30,314,213	1,221,547	12,002,960	19,532,800	777,249
Original issue premium	64,680	-	9,465	55,215	9,465
	<u>\$ 30,378,893</u>	<u>\$ 1,221,547</u>	<u>\$ 12,012,425</u>	<u>\$ 19,588,015</u>	<u>\$ 786,714</u>

Certificates of participation, notes payable, compensated absences, and net pension liability of the primary government are generally liquidated by the general fund.

	Balance June 30, 2019	New Debt Incurred	Debt Retired	Balance June 30, 2020	Due Within One Year
Component Units					
Note payable	\$ 1,199,937	\$ -	\$ 95,400	\$ 1,104,537	\$ 100,171
Line of credit	-	551,428	-	551,428	551,428
Compensated absences	469,655	34,111	4,634	499,132	3,796
Net pension liability	10,975,670	-	(2,079,229)	8,896,441	-
	<u>\$ 12,645,262</u>	<u>\$ 585,539</u>	<u>\$ (1,979,195)</u>	<u>\$ 11,051,538</u>	<u>\$ 655,395</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 5. County Debt (Continued)

Primary Government, Certificates of Participation

During 2014, the County issued Certificates of Participation for a current refunding of Certificates of Participation previously issued in 2004 to finance the expansion and renovations of the Natrona County Detention Center. The refunding was undertaken to reduce future debt service payments; reducing interest requirements by approximately \$981,000, the 2004 certificates were redeemed and fully discharged with the refunding. A summary of the outstanding Certificates of Participation as of June 30, 2020 is as follows:

Certificates of participation series 2014, due in remaining annual installments of \$635,000 to \$735,000 through June 2025, interest at 3.0% to 4.0%, original amount issued \$7,900,000 at premium of \$113,584, secured by an interest in the Detention Center.	\$ 3,480,000
	\$ 3,480,000

Scheduled principal and interest requirements as of June 30, 2020 are as follows:

<u>Year ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	665,000	96,775	761,775
2022	680,000	80,150	760,150
2023	695,000	62,300	757,300
2024	705,000	42,319	747,319
2025	735,000	22,050	757,050
	\$ 3,480,000	\$ 303,594	\$ 3,783,594

The balances above do not include the unamortized premium in the amount of \$55,214 that is reported as a component of the certificates of participation.

Component Units, Note Payable

During the fiscal year ended June 30, 2020, the Airport obtained a \$2,550,000 line of credit from a bank at 3.630% interest rate for the purpose of project financing. As of June 30, 2020, the Airport has drawn \$551,428 and had no minimum payments other than the accrued interest. The line of credit was paid off in September 2020.

A summary of the note payable for the Natrona County International Airport as of June 30, 2020 is as follows:

Note payable to a government agency, payable in annual installments of \$155,397 including interest at 5%, matures January 2029.	\$ 1,104,537
Total notes payable	1,104,537
Less current portion	(100,171)
Total non current portion	\$ 1,004,366

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 5. County Debt (Continued)

Component Units, Note Payable (Continued)

Scheduled principal and interest requirements as of June 30, 2020 are as follows:

Fiscal year ending, June 30	Principal	Interest	Total
2021	\$ 100,171	\$ 55,227	\$ 155,398
2022	105,179	20,218	125,397
2023	110,438	44,959	155,397
2024	115,960	39,437	155,397
2025	121,758	33,639	155,397
2026 - 2029	551,031	70,558	621,589
	<u>\$ 1,104,537</u>	<u>\$ 264,038</u>	<u>\$ 1,368,575</u>

Note 6. Natrona County Memorial Hospital Lease

On August 11, 1986, Wyoming Medical Center (the Center) entered into a lease with the Board of Trustees of Memorial Hospital of Natrona County (Landlord) with the approval and consent of the Board of County Commissioners of Natrona County, Wyoming. The lease was amended May 16, 1995. The lease provides that the certain capital assets of the Landlord be leased to the Center.

The amended lease is for a primary term of ten years with two optional ten year renewals. In the event of expiration, termination, or default of the lease, substantially all of the assets under the operating lease will revert to the Board of Trustees of Memorial Hospital of Natrona County.

Under this lease, the Center is responsible for all costs, expenses, and obligations of every kind and nature relating to the use and occupancy of the leased premises. The Center is required to comply with all covenants imposed on the County and/or Landlord by the Bond Indenture (Note 7) and is required to meet certain financial covenants, as defined in the lease.

In consideration of the lease, the Center agrees to provide medically necessary hospital care without charge to residents of Natrona County, Wyoming, who have no means to pay for such care. As further consideration for this lease, as amended, the Center agrees to assume all costs and expenses for services provided by the Center in excess of \$120,000 per year for prisoner medical care and involuntary hospitalizations. In addition, the Center is required to pay the principal, premium, interest, and all other obligations required by the Bond Indenture.

Services provided and payments in lieu of rent for the years ended June 30 are as follows:

	2020	2019
Indigent and prisoner care	\$ 17,914,646	\$ 14,939,465
Property insurance	621,795	588,760
	<u>\$ 18,536,441</u>	<u>\$ 15,528,225</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 6. Natrona County Memorial Hospital Lease (Continued)

The operating lease provides that creating any lien, encumbrance, mortgage, or assignment by the Center requires the approval of the Landlord and the Board of County Commissioners of Natrona County, Wyoming.

All assets and liabilities related to the Wyoming Medical Center, Inc. are to revert to the County upon expiration or termination of the agreement. The County retained title to all property and equipment originally transferred to the Center and additions purchased with the proceeds of all bond issues. Subsequent to June 30, 2020 the County sold its hospital property and equipment. See note 19.

Note 7. Revenue Bonds

In February 2011, the Wyoming Medical Center (the Center) issued \$20,000,000 aggregate principal amount of its Revenue Bonds, Series 2011, dated February 17, 2011 through Natrona County, Wyoming. The bond issuance resulted in net proceeds to the Center of \$20,039,244, including a premium of \$39,244. The Series 2011 Bonds are special, limited obligations of the Center and the Board of Trustees of the Memorial Hospital of Natrona County, equally and ratably payable from the "Net Pledged Revenues" and certain funds held under the Indenture. As of June 30, 2020, \$1,520,000 of principal on the Series 2011 was outstanding. This obligation is not included on the balance sheet of the County since the County is not obligated in any manner for repayment of the bonds.

In fiscal year 2020, the Medical Center refinanced its Series 2018 Promissory Note through the issuance of the Series 2019 Promissory Note. As a result of the refinancing transaction the Medical Center used \$2,560,400 of the Series 2018 Project Funds held by the trustee under the promissory note agreement to pay down the outstanding principal balance on the promissory note.

Note 8. Beneficial Interest in Assets Held by Others

In the past, the Library Foundation transferred investments to the Wyoming Community Foundation specifying itself as the beneficiary. The Library Foundation receives distributions from the Wyoming Community Foundation which approximate the earnings on the investments held on the Library Foundation's behalf. The Wyoming Community Foundation may substitute another beneficiary in place of the Library Foundation, should the Library Foundation cease to exist or if the governing board of the Wyoming Community Foundation votes that support of the Library Foundation is not necessary, or is inconsistent with the needs of the community. No other explicit variance power was granted in conjunction with the transfer. Financial Accounting Standards Board (FASB) ASC 958-605-50-4 requires those transferred assets to be reported on the Library Foundation's books at fair value, which was \$252,855 as of June 30, 2020, as beneficial interest in assets held by others.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans

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

Public Employees' Pension Plan

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

PEPP members are required to contribute 8.75% of their annual covered salary and the County is required to contribute 8.87%, of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees' contribution in addition to the matching contribution. The County currently pays 14.87% and employees pay 2.75%.

The County's contributions to the PEPP for the years ended June 30, 2020, 2019, and 2018, were \$1,275,003, \$1,208,850, and \$1,207,685, while the employees' portion was \$235,794, \$137,637, and \$98,218, respectively, equal to the required contributions for each year.

The Weed and Pest, the Fair and the Health Department component units currently pay all of the required employee's contribution. The Library pays 17.12% of the annual covered payroll and the employees pay the remaining 0.50%. Community Action Partnership pays 14.94% of the annual covered payroll and the employees pay the remaining 2.68%. The component units' contributions to the System, excluding the Airport, for the years ended June 30, 2020, 2019, and 2018, were \$844,360, \$791,340, and \$732,163, while the employees' portion was \$29,363, \$29,278, and \$28,686, respectively, equal to the required contributions for each year for regular employees.

The Airport's contributions to the System for the years ended June 30, 2020, 2019, and 2018, were \$231,398, \$191,533, and \$186,396, respectively, equal to the required contributions for each year for regular employees, respectively, for each year. The Airport also pays 100 percent of the full required contribution which is 17.62% for regular employees.

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

Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The Public Employees Plan 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. The State Legislature must grant any cost of living adjustment provided to retirees. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

Public Employees' Pension Plan (Continued)

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

Law Enforcement Pension Plan

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

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

The LEPP is funded by amounts withheld from participating employees' salaries and by contributions from the County. These contributions are determined by state statutes and as of June 30, 2020, the percentages to be contributed on compensation were 8.60% for the employees and the same for the County. Currently, the County pays 13.42% of the covered payroll, while employees pay the remaining 3.78%.

For the years ended June 30, 2020, 2019, and 2018, total contributions for the LEPP were \$1,300,420, \$1,307,756, and \$1,264,549 respectively, equal to the required contributions for each year. The County's portion of these contributions was \$1,014,630, \$1,020,354, and \$995,804, while the employees' portion was \$285,790, \$287,402 and \$268,745, equal to the required contributions for each year.

Paid Firemen's Pension Fund

The Natrona County International Airport ("Airport") participates in the Paid Firemen's Pension Fund ("Fund"), a statewide cost-sharing multiple-employer defined benefit, contributory retirement plan administered by the State of Wyoming Retirement System Board. All paid Airport firemen are eligible to participate. The Fund is comprised of two plans. Plan A relates to members hired prior to July 1, 1981 and Plan B relates to members hired on or after July 1, 1981 (and any earlier hires electing this plan).

Plan A statutorily required participants to contribute 8% of their salary, while employers were required to contribute 21% of their salary. Effective April 1, 1997 required contributions were suspended as Plan A had been determined to be actuarially over-funded. This plan is being reviewed to determine the appropriate measures to take to ensure this plan is adequately funded, as it is a closed plan.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

Paid Firemen's Pension Fund (Continued)

Plan A statutorily provides retirement, disability and death benefit according to a percentage of a fireman first class salary. Plan A also statutorily provides for an annual percentage increase in the benefit amounts beginning in the year following twelve (12) months of payments, by at least 3%. In the event the current actuarial valuation indicates the fair value of assets is greater than one hundred fifteen percent (115%) of the actuarial value of liabilities, the Board may increase the benefit by an amount determined affordable by the actuary but not greater than five percent (5%) of the benefit. Participants may withdraw from Plan A at any time and receive refunds of participant contributions without interest.

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

The Airport's contributions to Plan B for the years ended June 30, 2020, 2019, and 2018 were \$85,078, \$80,902, and \$82,968, respectively, equal to the required contributions each year. The Airport currently pays 100 percent of the required employee's contribution. As of July 1, 2020, the employee contribution rate will increase by 0.50% from 9.745% to 10.245% and the employer contribution rate will increase by 1% from 13% to 14%.

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

At June 30, 2020, the County reported a liability of \$14,831,253 for its proportionate share of the net pension liability. The County's component units: Weed and Pest, Library, Fair, Health Department, Community Action Partnership, and Airport reported \$495,019, \$1,823,038, \$483,195, \$2,500,605, \$1,091,832, and \$2,502,752, respectively, for their proportionate share of the net pension liability. The net pension liability was determined by an actuarial valuation as of January 1, 2019, applied to all prior periods included in the measurement. Actuarial valuation involves estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. An experience study was conducted covering the five year period ending December 31, 2016. The net pension liability as of December 31, 2019 is based on the results of an actuarial valuation as of January 1, 2019, rolled forward to a measurement date of December 31, 2019, and taking into consideration information from the recent experience study.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

The schedule below shows the County's and each of its component units' liability proportionate share of the net pension liability at June 30, 2020, the proportionate portion at the measurement date of December 31, 2019, and the change in the proportion from the previous measurement date:

	Pension liability at June 30, 2020	Proportion at December 31, 2019	Increase (decrease) from December 31, 2018
Primary Government			
Public Employees' Pension Plan	\$ 10,828,222	0.460789824%	0.008407503%
Law Enforcement Pension Plan	4,003,031	4.64395630742%	(0.010424917%)
	<u>\$ 14,831,253</u>		
Component Units			
Public Employees' Pension Plan			
Natrona County Weed and Pest Control	\$ 495,019	0.021065292%	(0.001709369%)
Natrona County Public Library	1,823,038	0.077578518%	0.000902458%
Natrona County Fair Board	483,195	0.020562119%	(0.001175805%)
City of Casper/Natrona County Health Department	2,500,605	0.106412081%	0.006194332%
Community Action Partnership of Natrona County	1,091,832	0.046462397%	0.000682043%
Natrona County International Airport Paid Firemen's Retirement Plan A	1,759,545	0.074876500%	0.009320500%
Natrona County International Airport Paid Firemen's Retirement Plan B	646,038	0.247928900%	0.002566300%
Natrona County International Airport	97,169	1.367145400%	0.005526100%
	<u>\$ 8,896,441</u>		

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

For the year ended June 30, 2020, the County and its component units Weed and Pest, Library, Fair, Health Department, Community Action Partnership, and the Airport recognized pension expense of \$4,079,982 and \$1,575,738, respectively. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	PEPP		LEPP		Total	
	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows
<i>Primary Government</i>						
Net difference between projected and actual earnings on pension plan investments	\$ 2,090,296	\$ (3,716,991)	\$ 1,868,703	\$ (3,298,733)	\$ 3,958,999	\$ (7,015,724)
Changes in assumptions	369,298	-	3,343,550	(3,996,654)	3,712,848	(3,996,654)
Difference between actual and expected experience rate	-	(209,025)	712,183	(335,586)	712,183	(544,612)
Change in employer's proportion	230,938	(46,861)	56	(22,611)	230,994	(69,471)
Amortizing deferred outflows and deferred inflows	2,690,532	(3,972,877)	5,924,492	(7,653,584)	8,615,024	(11,626,461)
Contributions subsequent to the measurement date	760,072	-	650,137	-	1,410,209	-
Total	\$ 3,450,605	\$ (3,972,877)	\$ 6,574,628	\$ (7,653,584)	\$ 10,025,233	\$ (11,626,461)

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

	Natrona County Weed and Pest		Natrona County Public Library		Natrona County Fair	
	Control		PEPP		PEPP	
	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows
Net difference between projected and actual earnings on pension plan investments	\$ 105,092	\$ (174,294)	\$ 354,426	\$ (632,364)	\$ 100,537	\$ (167,927)
Changes in assumptions	18,829	-	65,102	-	17,398	-
Difference between actual and expected experience rate	-	(10,457)	-	(35,890)	-	(9,893)
Change in employer's proportion	11,296	(32,090)	16,941	(22,938)	8,238	(34,423)
Amortizing deferred outflows and deferred inflows	135,217	(216,841)	436,469	(691,192)	126,173	(212,243)
Contributions subsequent to the measurement date	32,837	-	127,115	-	34,559	-
Total	\$ 168,054	\$ (216,841)	\$ 563,584	\$ (691,192)	\$ 160,732	\$ (212,243)

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

	City of Casper/Natrona County Health Department		Community Action Partnership of Natrona County	
	PEPP		PEPP	
	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows
Net difference between projected and actual earnings on pension plan investments	\$ 462,649	\$ (836,451)	\$ 211,355	\$ (382,347)
Changes in assumptions	75,517	-	40,602	-
Difference between actual and expected experience rate	-	(45,307)	-	(21,774)
Change in employer's proportion	217,977	(20,056)	45,274	(36,470)
Amortizing deferred outflows and deferred inflows	756,143	(901,814)	297,231	(440,591)
Contributions subsequent to the measurement date	170,260	-	73,791	-
Total	<u>\$ 926,403</u>	<u>\$ (901,814)</u>	<u>\$ 371,022</u>	<u>\$ (440,591)</u>

	Natrona County International Airport					
	PEPP		Fire A		Fire B	
	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows	Deferred outflows	Deferred inflows
Net difference between projected and actual earnings on pension plan investments	\$ 302,589	\$ (588,545)	\$ 16,905	\$ (28,704)	\$ 128,226	\$ (231,164)
Difference between actual and expected experience rate	-	(30,637)	-	-	5,748	(85,423)
Difference due to changes in assumptions	53,127	-	-	-	295,777	(307,818)
Change in employer's proportion	207,594	-	-	-	1,070	(22,881)
Amortizing deferred outflows and deferred inflows	563,310	(619,182)	16,905	(28,704)	430,821	(647,286)
Contributions subsequent to the measurement date	114,022	-	-	-	44,398	-
Total	<u>\$ 677,332</u>	<u>\$ (619,182)</u>	<u>\$ 16,905</u>	<u>\$ (28,704)</u>	<u>\$ 475,219</u>	<u>\$ (647,286)</u>

Natrona County International Airport reported total deferred outflows of \$1,169,456 and total deferred inflows of \$1,295,172 at June 30, 2019.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

The County and its component units reported \$1,410,209 and \$596,982, respectively, as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows or resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Primary Government

Year Ended June 30,	PEPP		LEPP		Total	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
2021	\$ 1,116,391	\$ (1,306,818)	\$ 2,319,607	\$ (2,365,071)	\$ 3,435,999	\$ (3,671,889)
2022	835,198	(1,211,421)	2,163,552	(2,317,559)	2,998,749	(3,528,980)
2023	738,943	(732,689)	1,359,716	(1,866,468)	2,098,660	(2,599,157)
2024	-	(721,948)	81,616	(1,104,486)	81,616	(1,826,434)
	<u>\$ 2,690,532</u>	<u>\$ (3,972,877)</u>	<u>\$ 5,924,492</u>	<u>\$ (7,653,584)</u>	<u>\$ 8,615,024</u>	<u>\$ (11,626,461)</u>

Component Units

Year Ended June 30,	Natrona County Weed and Pest Control		Natrona County Public Library		Natrona County Fair	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
2021	\$ 61,072	\$ (71,211)	\$ 182,100	\$ (227,774)	\$ 53,184	\$ (77,409)
2022	39,596	(68,736)	132,615	(218,512)	39,813	(62,773)
2023	34,548	(43,889)	121,755	(123,359)	33,176	(39,845)
2024	-	(33,004)	-	(121,547)	-	(32,216)
	<u>\$ 135,217</u>	<u>\$ (216,841)</u>	<u>\$ 436,469</u>	<u>\$ (691,192)</u>	<u>\$ 126,173</u>	<u>\$ (212,243)</u>

Year Ended June 30,	City of Casper/Natrona County Health Department		Community Action Partnership of Natrona County		Natrona County International Airport	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
2021	\$ 310,786	\$ (297,949)	\$ 138,004	\$ (149,158)	\$ 354,114	\$ (353,689)
2022	253,156	(267,967)	85,663	(144,758)	300,129	(346,705)
2023	192,201	(169,176)	73,565	(73,880)	278,831	(247,083)
2024	-	(166,722)	-	(72,796)	49,207	(245,557)
2024	-	-	-	-	27,757	(74,138)
Thereafter	-	-	-	-	998	(28,000)
	<u>\$ 756,143</u>	<u>\$ (901,814)</u>	<u>\$ 297,231</u>	<u>\$ (440,591)</u>	<u>\$ 1,011,036</u>	<u>\$ (1,295,172)</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

Actuarial Assumptions

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

Public Employee Pension Plan

Actuarial Assumptions and Methods

Valuation date	January 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	29 years
Asset valuation method	5 year smoothed market
Inflation	2.25%
Salary increases	2.5% to 6.5%, including inflation
Payroll growth rate	2.50%
Cost of living increase	0.00%
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 - 2016.
Post-retirement mortality	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a 100% multiplier Females: No set back with a 88% multiplier
Pre-retirement mortality	RP - 2014 Employee Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Law Enforcement Pension Plan

Actuarial Assumptions and Methods

Valuation date	January 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	29 years
Asset valuation method	5 year smoothed market
Inflation	2.25%
Salary increases	4.75% to 8.75%, including inflation
Payroll growth rate	2.50%
Cost of living increase	0.00%
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 - 2016.
Post-retirement mortality	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a 100% multiplier Females: No set back with a 88% multiplier
Pre-retirement mortality	RP - 2014 Employee Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Paid Fire A Pension Plan

	Actuarial Assumptions and Methods
Valuation date	January 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Open
Remaining amortization period	10 years
Asset valuation method	5 year smoothed market
Inflation	2.25%
Salary increases	4.50% including inflation
Cost of living increase	3.00%
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 - 2016.
Post-retirement mortality	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a 100% multiplier Females: No set back with a 88% multiplier
Pre-retirement mortality	RP - 2014 Employee Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

Actuarial Assumptions (Continued)

Paid Fire B Pension Plan

	Actuarial Assumptions and Methods
Valuation date	January 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	29 years
Asset valuation method	5 year smoothed market
Inflation	2.25%
Salary increases	4.50% to 7.50%, including inflation
Payroll growth rate	2.50%
Cost of living increase	0.00%
Investment rate of return	7.00%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2012 - 2016.
Post-retirement mortality	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected Scale MP-2017 Males: No set back with a 100% multiplier Females: No set back with a 88% multiplier
Pre-retirement mortality	RP-2014 Healthy Annuitant Mortality Table, fully generational, projected with Scale MP-2017 Males: No set back with a multiplier of 100% Females: No set back with a 100% multiplier

The plan's trustees adopted the assumed rate of investment return after considering input from the plan's investment consultant(s) and actuary(s). Additional information about the assumed rate of investment return is included in the WRS actuarial valuation report as of January 1, 2019. In addition, a five-year experience study was completed as of December 31, 2016 and this study provides a detailed analysis regarding recommendations on the long-term rates for inflation and the real rate of return. The assumed rate of investment return of 7.00% (real return net of inflation of 4.75%) falls within a reasonable range of the long-term expected rate of return.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>	<u>Long-Term Expected Arithmetic Real of Return</u>
Cash	2.00%	-0.20%	-0.20%
Fixed income	21.00%	1.32%	1.67%
Equity	48.50%	5.43%	7.42%
Marketable alternatives	19.00%	3.46%	4.33%
Private markets	9.50%	4.46%	5.58%
Total	<u>100.00%</u>	<u>3.99%</u>	<u>5.30%</u>

Discount Rate

The discount rate used to measure the Public Employees Plan, Law Enforcement Plan and Paid Firefighter B Plan total pension liability was 7.00%. The discount rate for the Paid Fireman’s Retirement Fund Plan A changed from 4.01% in the prior valuation to 3.09% for the current valuation.

The discount rate used to measure the Public Employees Plan pension liability was 7.00%. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects 1) a long-term expected rate of return on pension plan investments (to the extent that the plan’s fiduciary net position is projected to be sufficient to pay benefits using a 100 year analysis) and 2) tax-exempt municipal bond rate based on an index of 20 year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For purposes of this valuation, the expected rate of return on pension plan investments is 7.00%, the municipal bond rate is 2.75% (based on the weekly rate closest to but not later than the measurement date of the “state and local bonds” rate from the Federal Reserve statistical release (H.15); and the resulting single discount rates are listed above.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 9. Defined Benefit Pension Plans (Continued)

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

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

	1% Decrease	Current Discount Rate	1% Increase
Primary Government	6.00%	7.00%	8.00%
Public Employees' Pension Plan	\$ 16,359,616	\$ 10,828,222	\$ 6,211,764
	6.00%	7.00%	8.00%
Wyoming Law Enforcement Retirement Plan	8,924,115	4,003,031	(19,864)
Component Units			
Natrona County Weed and Pest Public Employees' Pension Plan	747,890	495,019	283,975
Natrona County Library Public Employees' Pension Plan	2,754,303	1,823,038	1,045,812
Natrona County Fair Board Public Employees' Pension Plan	730,026	483,195	277,192
City of Casper/Natrona County Health Department Public Employees' Pension Plan	3,777,993	2,500,605	1,434,508
Natrona County Community Action Partnership Public Employees' Pension Plan	1,649,574	1,091,832	626,345
Natrona County International Airport Public Employees' Pension Plan	2,658,375	1,759,545	1,009,388
	2.09%	3.09%	4.09%
Fire Pension Plan A	\$ 782,914	\$ 646,038	\$ 536,312
	6.00%	7.00%	8.00%
Fire Pension Plan B	\$ 430,104	\$ 97,169	\$ (178,948)

Payables to the Pension Plans – At June 30, 2020, the County reported \$232,788 as payable to the pension plans.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 10. Deferred Compensation Plans

As required by the Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the County does not include assets in deferred compensation plans in the County's financial statements. The County's 457 plan document, in compliance with the Internal Revenue Code, requires all assets of the two deferred compensation plans offered to its employees to be held in trust for the exclusive benefit of the participants and their beneficiaries. The plans, available to all full-time employees (except for employees of the Weed and Pest Control), permit employees to defer a portion of their salary. The deferred compensation and accumulated earnings thereon is not available to employees until termination, retirement, death, or unforeseeable emergency.

Note 11. County Equity

The following table outlines the specific purpose details of the governmental fund balances of the County:

	General Fund	County Road Construction Fund	Other Nonmajor Funds	Totals
Fund balances				
Nonspendable				
Inventory	\$ 42,664	\$ -	\$ -	\$ 42,664
Restricted for				
Road construction	-	1,210,289	-	1,210,289
Drug court	-	-	165,733	165,733
Lake water and sewer	112,638	-	-	112,638
Bureau of Reclamation lake	2,541,571	-	-	2,541,571
Committed to				
Perpetual care of one cent projects	2,331,758	-	-	2,331,758
Natrona County Detention Center Joint Powers Board	-	-	48,121	48,121
Hall of Justice Joint Powers Board	-	-	86,156	86,156
County roads	7,908,448	-	-	7,908,448
Assigned to				
Emergency reserves	7,324,833	-	-	7,324,833
Planned capital projects	14,428,442	-	-	14,428,442
Unassigned	7,748,998	-	-	7,748,998
Totals	<u>\$ 42,439,352</u>	<u>\$ 1,210,289</u>	<u>\$ 300,010</u>	<u>\$ 43,949,651</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 12. Deficit Net Position

At June 30, 2020, the component units of the County had an unrestricted deficit in the amount of \$311,876, \$734,240, \$1,103,814, \$910,807, and \$676,323 in the Natrona County Public Library, Natrona County Fair, the City of Casper/Natrona County Health Department, Community Action Partnership of Natrona County, and Casper Natrona County International Airport, respectively. These deficits were the direct result of recognizing the net pension liability.

Note 13. Commitments and Contingencies

Contingencies

There are several lawsuits pending against the County for various reasons. The outcome and eventual liability to the County, if any, in these cases is not known at this time; however, management and legal counsel estimate the potential claims against the County, not covered by insurance, resulting from such litigation would not materially affect the basic financial statements of the County.

COVID-19 Pandemic

During 2020, the world-wide coronavirus pandemic impacted national and global economies. The County is closely monitoring its operations, liquidity and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the date of issuance of these financial statements, the current and future full impact to the County is not known.

Note 14. Risk Management Programs

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. As a result of these and other risks, the County participates in Wyoming Association of Risk Management (WARM), a management risk pool and WARM property insurance pool. Assessments for premiums or retroactive premiums are based on each member's payroll costs in relation to the total payroll costs of all members. Historically, the County's payroll has represented approximately 17.4% of the total payroll of all participants in the pool. The Coverage limit is \$21,000,000, which also includes various sub-limits. Claims have not exceeded coverage amounts in any of the last three years. Premiums paid to WARM by the County totaled \$499,225 and \$467,360 for the years ended June 30, 2020 and 2019, respectively.

The County also participates in two other state sponsored, risk management programs under the Workers' Compensation Act and Unemployment Compensation Act.

Wyoming Statute §27-14-101 created the Wyoming Workers' Compensation Act which is administered as an enterprise fund by the State of Wyoming. All employers within the State of Wyoming are participants of this plan with only a few exceptions. This Act provides for the payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This Act provides general protection from suits filed by employees against the County. The County makes monthly payments to the Department of Employment, State of Wyoming. This amount is based on salaries and is a split rate between hazardous and non-hazardous positions. Amounts paid by the County to the State for Workers' Compensation during fiscal year 2020 and 2019 were \$224,275 and \$491,584, respectively.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 14. Risk Management Programs (Continued)

The County also provides health care benefits for primary government and component unit employees. Under this program, the County is insured under a stop-loss policy for individual claims exceeding \$100,000 per year. Premiums paid for stop-loss insurance were \$835,387 and \$810,531 respectively, for the years ended June 30, 2020 and 2019. Estimated medical claims are calculated by the plan administrator based on past historical experience and current economic events. Claims are usually paid within one year of submission. Changes in the County's health care risk management liability during the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Health care risk management liability, beginning of year	\$ 632,500	\$ 247,500
Claims incurred	(5,839,387)	(5,195,384)
Claims paid	6,019,387	5,580,384
Health care risk management liability, end of year	\$ 812,500	\$ 632,500

Insurance settlements during the last three fiscal years have not exceeded the County's insurance coverage. There has been no significant change in insurance coverage or the County's risk management programs during the year ended June 30, 2020.

Note 15. Investment Pool

The Natrona County Investment Pool makes investments on behalf of many governmental entities. Investments made on behalf of the County or the component units are reported in the appropriate individual fund. Only investments held for external participants are reported in the Investment Pool Trust Fund.

Following is the condensed financial information for the Natrona County Investment Pool:

	Primary Government	Component Units	External Participants	Total
Statement of Net Position				
Investments	\$ 3,053,350	\$ 673,707	\$ 842,791	\$ 4,569,848
Net position, restricted for external pool participants	-	-	842,791	842,791
Net position, unrestricted	3,053,350	673,707	-	3,727,057
Total net position	\$ 3,053,350	\$ 673,707	\$ 842,791	\$ 4,569,848

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 15. Investment Pool (Continued)

	Primary Government	Component Units	External Participants	Total
Statement of Changes in Net Position				
Investment income	\$ 142,493	\$ 25,897	\$ 131,471	\$ 299,861
Distributions to participants	-	-	-	-
Change in net position	142,493	25,897	131,471	299,861
Net position, beginning	2,910,857	647,810	711,320	4,269,987
Net position, ending	<u>\$ 3,053,350</u>	<u>\$ 673,707</u>	<u>\$ 842,791</u>	<u>\$ 4,569,848</u>

All investments of the Natrona County Investment Pool are reported at fair value which is determined at least annually through market quotes. Each participant's position in the investment pool is calculated by the proportion of the cost of their contribution to the total funds invested in the pool multiplied by the pool's total fair value as of any specific date. During the year ended June 30, 2020, the County did not provide or obtain any legally binding guarantees to support the value of the participant's shares. The following schedule summarizes the holdings of the investment pool as of June 30, 2020:

	Carrying Value	Fair Value
Cash deposits	\$ 750,157	\$ 750,157
Certificates of Deposit, interest rates from 0.70% to 2.05%, maturing 2022 to 2031	3,723,895	3,805,228
GNMA pass thru pool, interest at 4.5%, maturing 2023	13,834	14,463
Total investments	<u>\$ 4,487,886</u>	<u>\$ 4,569,848</u>

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 16. Related Organizations

The County provided revenues to various component units during the fiscal year ended June 30, 2020. Following are the amounts provided and the associated amounts payable to these component units as of June 30, 2020.

	Revenues Provided	Amounts Payable June 30, 2020
Natrona County Weed and Pest Control	\$ -	\$ 40,588
Natrona County Fair	2,761,717	-
Natrona County Public Library	2,896,620	-
City of Casper/Natrona County Health Department	729,258	-
Community Action Partnership of Natrona County	121,262	-

Note 17. Accounting Standards Issued, But Not Implemented

GASB Statement No. 84, Fiduciary Activities, establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. The requirements of this Statement are now effective for reporting periods beginning after December 15, 2019. GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, postpones the effective dates for GASB Statement No. 84 for one year from their original effective date to provide relief to governments and other stakeholders in light of the COVID-19 pandemic.

GASB Statement No. 87, Leases, is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. Under this standard, government lessors must recognize (a) a lease receivable and (b) a deferred inflow of resources and continue to report the leased asset in its financial statements; and report in its financial statements (a) lease revenue recognized over the term of the lease, corresponding with the reduction of the deferred inflow, (b) interest income on the receivable, and (c) note disclosures about the lease. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, postpones the effective date for GASB Statement No. 87 for one year from their original effective date to provide relief to governments and other stakeholders in light of the COVID-19 pandemic.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, provides accounting and financial reporting guidance for subscription-based information technology arrangements. The requirements of the Statement are effective for reporting periods after June 15, 2021.

NATRONA COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

June 30, 2020

Note 18. Prior Period Adjustments

During the current year fiscal year, it was discovered that revenue received by the Library Foundation in fiscal year 2019 was not recorded until fiscal year 2020. To record this revenue in the correct year a prior period adjustment of \$42,480 was recorded to increase the Library Foundation's beginning net position.

Additionally, the Health Department missed adding two fixed assets purchased in past fiscal years. These assets were recorded to reflect their actual purchase dates. The resulting prior period adjustment of \$31,150 increased depreciable capital assets and net investment in capital assets for the Health Department by \$31,150.

Note 19. Subsequent Events

In October 2020, the County awarded a contract to a construction company for \$755,007 for the Alcova Reservoir Road Surfacing and Drainage Improvements project.

In October 2020, the County awarded a contract to an equipment company for \$91,360 to purchase a compact truck loader with attachments.

On August 19, 2020 the County Commissioners entered into an agreement to sell the County Hospital Assets to Banner Health. The sale finalized on September 30, 2020, and the County received approximately \$117 million in net proceeds.

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REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

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NATRONA COUNTY, WYOMING

REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2020
(Unaudited)

Infrastructure Assets Reported Using the Modified Approach

The County accounts for its infrastructure assets using the modified approach. The infrastructure consists of the road subsystem and the bridge subsystem.

The County manages its road network with an assessment system under a contract with an outside party. The network is assessed every three years, with the most recent assessment of paved roads completed in fiscal year 2018 and gravel roads completed in fiscal year 2019. The roads may be rated as being in standard or substandard condition. Standard paved roads will not need major repairs for 8 to 20 years. Substandard paved roads will need major repairs within 0 to 7 years. Standard gravel roads will not need major repairs for 4 years. Substandard gravel roads will need major repairs within 0 to 4 years due to not having the proper structural base. The following table outlines condition levels, relative remaining life, and maintenance/rehabilitation required for paved and gravel roads as determined by the outside party which prepared the detailed condition survey for the County.

Paved Roads

Pavement Condition No.	Relative Remaining Life Prior to Rehabilitation	Maintenance/Rehabilitation Required
85 - 100	12 to 15 years	Minimal - minor patching and crack sealing
80 - 84	10 to 12 years	Some - slurry seal or thin resurfacing
70 - 79	8 to 10 years	Routine - slurry seal, thin to thick resurfacing
60 - 69	6 to 8 years	Increasing - thicker resurfacing, surface replacement and possibly some subgrade stabilization
40 - 59	3 to 6 years	High - surface replacement, base reconstruction and possibly some subgrade stabilization
0 - 39	Less than 3 years	Very high - total reconstruction with subgrade preparation

Gravel Roads

Surface Condition No.	Relative Remaining Life Prior to Rehabilitation	Maintenance/Rehabilitation Required
85 - 100	12 to 15 years	Minimal - some grading
80 - 84	10 to 12 years	Some - moderate grading
70 - 79	8 to 10 years	Thick to thin layer of gravel and potential for some sub base reconstruction and recompaction
60 - 69	6 to 8 years	Potential reshaping, gravel and recompaction
40 - 59	3 to 6 years	Some sub base reconstruction, gravel and recompaction
0 - 39	Less than 3 years	Total sub base reconstruction, reshaping, gravel and reconstruction

Effective July 1, 2006, it is the County's policy to maintain its paved roads with at least 25% rated as standard and to maintain its gravel roads with at least 21% rated as standard. Standard includes pavement/gravel condition numbers 70 and above. The County added an additional category of dirt/unimproved roads which are not assessed or maintained. The assessment of paved roads in 2018 was performed by the Wyoming Technology Transfer Center. This resulted in condition categories which differed from the prior year. The number of miles of paved and gravel rated standard and substandard are as follows:

See accompanying notes to required supplementary information

NATRONA COUNTY, WYOMING

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

June 30, 2020

(Unaudited)

Infrastructure Assets Reported Using the Modified Approach (Continued)

2020 Condition Rating	Paved		Gravel		Dirt/Unimproved	
	Miles	Percent	Miles	Percent	Miles	Percent
Standard						
85 - 100	5	3.7%	n/a	n/a	n/a	n/a
70 - 85	60	44.4%	n/a	n/a	n/a	n/a
60 - 80	n/a	n/a	79	22.3%	n/a	n/a
Sub-standard						
Less than 70	70	51.9%	n/a	n/a	n/a	n/a
50 - 60	n/a	n/a	164	46.3%	n/a	n/a
40 - 50	n/a	n/a	87	24.6%	n/a	n/a
30 - 40	n/a	n/a	20	5.6%	n/a	n/a
20 - 30	n/a	n/a	4	1.1%	n/a	n/a
Unimproved	n/a	n/a	n/a	n/a	260	100%
	135	100%	354	100%	260	100%
2019 Condition Rating	Paved		Gravel		Dirt/Unimproved	
	Miles	Percent	Miles	Percent	Miles	Percent
Standard						
85 - 100	5	3.7%	n/a	n/a	n/a	n/a
70 - 85	60	44.4%	n/a	n/a	n/a	n/a
60 - 80	n/a	n/a	79	22.3%	n/a	n/a
Sub-standard						
Less than 70	70	51.9%	n/a	n/a	n/a	n/a
50 - 60	n/a	n/a	164	46.3%	n/a	n/a
40 - 50	n/a	n/a	87	24.6%	n/a	n/a
30 - 40	n/a	n/a	20	5.6%	n/a	n/a
20 - 30	n/a	n/a	4	1.1%	n/a	n/a
Unimproved	n/a	n/a	n/a	n/a	260	100%
Unimproved	n/a	n/a	n/a	n/a	352	100%
	135	100%	354	100%	612	200%
2018 Condition Rating	Paved		Gravel		Dirt/Unimproved	
	Miles	Percent	Miles	Percent	Miles	Percent
Standard						
85 - 100	3	2.2%	1	0.3%	n/a	n/a
80 - 84	n/a	n/a	8	2.3%	n/a	n/a
70 - 85	48	35.8%	n/a	n/a	n/a	n/a
70 - 79	n/a	n/a	43	12.3%	n/a	n/a
Sub-standard						
Less than 70	83	61.9%	n/a	n/a	n/a	n/a
60 - 69	n/a	n/a	64	18.0%	n/a	n/a
40 - 59	n/a	n/a	110	31.0%	n/a	n/a
0 - 39	n/a	n/a	56	15.8%	n/a	n/a
Not evaluated	n/a	n/a	n/a	n/a	n/a	n/a
Unimproved	n/a	n/a	n/a	n/a	352	100%
	134	100%	282	80%	352	100%

See accompanying notes to required supplementary information

NATRONA COUNTY, WYOMING

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

June 30, 2020

(Unaudited)

Infrastructure Assets Reported Using the Modified Approach (Continued)

The County's bridges are monitored by the State of Wyoming. The State uses a comprehensive bridge management system (PONTIS) to assist in managing all bridges within the State. Each bridge is inspected at least once every two years. This inspection measures and rates the required National Bridge Inventory (NBI) items, including dimensions, clearances, alignment, waterway data and structural condition. The structural condition is evaluated by using structural elements. Each component of the bridge (girders, deck, railing, columns, piling, etc.) is assigned an element and the condition of each element is evaluated based on several condition assessments. The element data is converted to NBI ratings using a conversion program. The structure's NBI data is then used to determine its sufficiency rating. The sufficiency rating is calculated by the Federal Highway Administration, and bridges with a sufficiency rating of 80 or less and classified as structurally deficient and/or functionally obsolete are put on the Federal Highway Administration Selection List. Functional obsolescence is a measure of the suitability of the bridge to provide for requirements of traffic both on and under the structure. Structural deficiency is a measure of the condition of the structural elements and the ability of the bridge to carry the anticipated loads. Bridges appearing on the Selection List are considered deficient, whereas those not on the list, are considered acceptable. The bridge subsystem condition assessment is done every year. The County's policy is to maintain 55% of bridges at borderline or better condition.

Using the BMS/NBI conversion program, the NBI data supplied by the State of Wyoming to the Federal Highway Administration results in the Selection List Condition Rating is as follows:

Condition Rating	2020		2019		2018	
	Bridges	Percent	Bridges	Percent	Bridges	Percent
Acceptable (80 to 100 points)	13	54%	13	54%	12	50%
Borderline (50 to 80 points)	6	25%	6	25%	6	25%
Deficient (less than 50 points)	5	21%	5	21%	6	25%
	<u>24</u>	<u>100%</u>	<u>24</u>	<u>100%</u>	<u>24</u>	<u>100%</u>

The County's estimated maintenance and preservation expenditures on infrastructure assets as compared to actual expenditures on the budgeted expenditures follows.

	2020	2019	2018	2017	2016
Estimated maintenance and preservation expenditures	\$ 4,500,318	\$ 6,212,930	\$ 6,228,252	\$ 11,372,123	\$ 13,868,932
Actual maintenance and preservation expenditures	3,194,905	4,094,909	3,684,096	4,352,278	8,292,729
	<u>\$ (1,305,413)</u>	<u>\$ (2,118,021)</u>	<u>\$ (2,544,156)</u>	<u>\$ (7,019,845)</u>	<u>\$ (5,576,203)</u>

See accompanying notes to required supplementary information

NATRONA COUNTY, WYOMING

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years **

(Unaudited)

<i>Primary Government</i>	2020	2019	2018	2017
Public Employees Pension Plan				
Proportion of the net pension liability	0.460789824%	0.452382321%	0.445883975%	0.453968700%
Proportionate share of the net pension liability	\$ 10,828,222	\$ 13,776,358	\$ 10,163,214	\$ 10,974,694
Covered payroll	\$ 8,009,507	\$ 7,877,580	\$ 7,920,583	\$ 8,093,832
Proportionate share of the net pension liability as a percentage of its covered payroll	135.19%	174.88%	128.31%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%
Law Enforcement Pension Plan				
Proportion of the net pension liability	4.643956307%	4.654381224%	4.668355203%	4.723196200%
Proportionate share of the net pension liability	\$ 4,003,031	\$ 11,266,966	\$ 4,016,860	\$ 3,565,632
Covered payroll	\$ 7,237,674	\$ 7,069,944	\$ 7,168,123	\$ 7,310,525
Proportionate share of the net pension liability as a percentage of its covered payroll	55.31%	159.36%	56.04%	48.77%
Plan fiduciary net position as a percentage of the total pension liability	89.05%	71.22%	87.99%	88.11%
Component Units				
Public Employees Pension Plan				
Natrona County Weed and Pest				
Proportion of the net pension liability	0.021065292%	0.022774661%	0.022733463%	0.020864600%
Proportionate share of the net pension liability	\$ 495,019	\$ 693,555	\$ 518,173	\$ 504,402
Covered payroll	\$ 366,160	\$ 396,588	\$ 403,832	\$ 371,996
Proportionate share of the net pension liability as a percentage of its covered payroll	135.19%	174.88%	128.31%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%
Natrona County Public Library				
Proportion of the net pension liability	0.077578518%	0.076676060%	0.078602886%	0.078820500%
Proportionate share of the net pension liability	\$ 1,823,038	\$ 2,335,010	\$ 1,791,627	\$ 1,905,486
Covered payroll	\$ 1,348,480	\$ 1,335,202	\$ 1,396,284	\$ 1,405,295
Proportionate share of the net pension liability as a percentage of its covered payroll	135.19%	174.88%	128.31%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%
Natrona County Fair				
Proportion of the net pension liability	0.020562119%	0.021737924%	0.021005648%	0.023136300%
Proportionate share of the net pension liability	\$ 483,195	\$ 661,983	\$ 478,790	\$ 559,320
Covered payroll	\$ 357,413	\$ 378,534	\$ 373,140	\$ 412,498
Proportionate share of the net pension liability as a percentage of its covered payroll	135.19%	174.88%	128.31%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%

2016	2015	2014	2013	2012	2011
0.468401280%	0.471110030%	*	*	*	*
\$ 10,910,696	\$ 8,313,642	*	*	*	*
\$ 8,169,264	\$ 8,053,213	*	*	*	*
133.56%	103.23%	*	*	*	*
73.40%	79.08%	*	*	*	*
4.722061512%	4.866427377%	*	*	*	*
\$ 3,547,210	\$ 1,433,828	*	*	*	*
\$ 7,101,968	\$ 7,192,134	*	*	*	*
49.95%	19.94%	*	*	*	*
87.49%	94.76%	*	*	*	*
0.017447965%	0.019017767%	*	*	*	*
\$ 406,424	\$ 335,605	*	*	*	*
\$ 304,305	\$ 325,092	*	*	*	*
133.56%	103.23%	*	*	*	*
73.40%	79.08%	*	*	*	*
0.079399399%	0.079183759%	*	*	*	*
\$ 1,849,488	\$ 1,397,350	*	*	*	*
\$ 1,384,784	\$ 1,353,577	*	*	*	*
133.56%	103.23%	*	*	*	*
73.40%	79.08%	*	*	*	*
0.022044287%	0.022385761%	*	*	*	*
\$ 513,488	\$ 395,040	*	*	*	*
\$ 384,469	\$ 382,665	*	*	*	*
133.56%	103.23%	*	*	*	*
73.40%	79.08%	*	*	*	*

(Continued)

NATRONA COUNTY, WYOMING

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

Last 10 Fiscal Years **
(Unaudited)

<i>Component Units (Continued)</i>	2020	2019	2018	2017
Public Employees Pension Plan				
City of Casper/Natrona County Health Department				
Proportion of the net pension liability	0.106412081%	0.100217749%	0.091178334%	0.094638500%
Proportionate share of the net pension liability	\$ 2,500,605	\$ 3,051,922	\$ 2,078,265	\$ 2,287,886
Covered payroll	\$ -	\$ 1,745,146	\$ 1,619,671	\$ 1,687,315
Proportionate share of the net pension liability as a percentage of its covered payroll	#DIV/0!	174.88%	128.31%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	135.19%	174.88%	128.31%	135.59%
Natrona County Community Action Partnership				
Proportion of the net pension liability	0.046462397%	0.045780354%	0.049022197%	0.043420300%
Proportionate share of the net pension liability	\$ 1,091,832	\$ 1,394,145	\$ 1,117,383	\$ 1,049,686
Covered payroll	\$ 807,615	\$ 797,198	\$ 870,819	\$ 774,143
Proportionate share of the net pension liability as a percentage of its covered payroll	135.19%	174.88%	128.31%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%
Natrona County International Airport				
Proportion of the net pension liability	0.074876500%	0.065600000%	0.064100000%	0.061255600%
Proportionate share of the net pension liability	\$ 1,759,545	\$ 1,996,371	\$ 1,462,088	\$ 1,480,854
Covered payroll	\$ 1,313,269	\$ 1,152,425	\$ 1,121,516	\$ 1,108,472
Proportionate share of the net pension liability as a percentage of its covered payroll	133.98%	173.23%	130.37%	135.59%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%
Fire Pension Plan A				
Natrona County International Airport				
Proportion of the net pension liability	0.247928900%	0.245362600%	0.242000000%	0.242200000%
Proportionate share of the net pension liability	\$ 646,038	\$ 556,974	\$ 546,007	\$ 444,373
Covered payroll	\$ -	\$ -	\$ -	\$ -
Proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	27.32%	29.99%	34.28%	38.91%
Fire Pension Plan B				
Natrona County International Airport				
Proportion of the net pension liability	1.367145400%	1.361619300%	1.514300000%	1.555900000%
Proportionate share of the net pension liability	\$ 97,169	\$ 285,711	\$ 624,418	\$ 491,090
Covered payroll	\$ 374,051	\$ 380,805	\$ 390,530	\$ 401,944
Proportionate share of the net pension liability as a percentage of its covered payroll	25.98%	75.03%	159.89%	122.18%
Plan fiduciary net position as a percentage of the total pension liability	95.93%	87.07%	77.98%	80.16%

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

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See accompanying notes to required supplementary information

2016	2015	2014	2013	2012	2011
0.094635664%	0.101745508%	*	*	*	*
\$ 2,204,394	\$ 1,795,494	*	*	*	*
\$ 1,650,516	\$ 1,739,250	*	*	*	*
133.56%	103.23%	*	*	*	*
133.56%	103.23%	*	*	*	*
0.039561313%	0.034926668%	*	*	*	*
\$ 921,521	\$ 616,348	*	*	*	*
\$ 689,979	\$ 597,041	*	*	*	*
133.56%	103.23%	*	*	*	*
73.40%	79.08%	*	*	*	*
0.060307348%	0.061524350%	*	*	*	*
\$ 1,404,769	\$ 1,085,715	*	*	*	*
\$ 1,051,805	\$ 1,051,705	*	*	*	*
133.56%	103.23%	*	*	*	*
73.40%	79.08%	*	*	*	*
0.239134445%	0.236033104%	*	*	*	*
\$ 443,485	\$ 388,481	*	*	*	*
\$ -	\$ -	*	*	*	*
0.00%	0.00%	*	*	*	*
40.05%	45.95%	*	*	*	*
1.714325603%	1.676523750%	*	*	*	*
\$ 524,148	\$ (18,854)	*	*	*	*
\$ 475,401	\$ 411,629	*	*	*	*
110.25%	-4.58%	*	*	*	*
79.33%	100.98%	*	*	*	*

NATRONA COUNTY, WYOMING

SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 Fiscal Years

(Unaudited)

<i>Primary Government</i>	2020	2019	2018	2017
Public Employees Pension Plan				
Contractually required contribution	\$ 1,510,797	\$ 1,346,487	\$ 1,305,903	\$ 1,323,390
Contributions in relation to the contractually required contribution	<u>(1,510,797)</u>	<u>(1,346,487)</u>	<u>(1,305,903)</u>	<u>(1,323,390)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 8,574,330</u>	<u>\$ 7,864,994</u>	<u>\$ 7,857,419</u>	<u>\$ 7,962,635</u>
Contributions as a percentage of covered payroll	17.62%	17.12%	16.62%	16.62%
Law Enforcement Pension Plan				
Contractually required contribution	\$ 1,300,420	\$ 1,307,756	\$ 1,264,549	\$ 1,276,291
Contributions in relation to the contractually required contribution	<u>(1,300,420)</u>	<u>(1,307,756)</u>	<u>(1,264,549)</u>	<u>(1,276,291)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 7,560,581</u>	<u>\$ 7,603,233</u>	<u>\$ 7,352,029</u>	<u>\$ 7,420,295</u>
Contributions as a percentage of covered payroll	17.20%	17.20%	17.20%	17.20%
Component Units				
Public Employees Pension Plan				
Natrona County Weed and Pest				
Contractually required contribution	\$ 65,945	\$ 66,540	\$ 65,581	\$ 65,638
Contributions in relation to the contractually required contribution	<u>(65,945)</u>	<u>(66,540)</u>	<u>(65,581)</u>	<u>(65,638)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 374,262</u>	<u>\$ 388,668</u>	<u>\$ 394,591</u>	<u>\$ 394,934</u>
Contributions as a percentage of covered payroll	17.62%	17.12%	16.62%	16.62%
Natrona County Public Library				
Contractually required contribution	\$ 250,680	\$ 229,865	\$ 223,159	\$ 233,318
Contributions in relation to the contractually required contribution	<u>(250,680)</u>	<u>(229,865)</u>	<u>(223,159)</u>	<u>(233,318)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 1,422,701</u>	<u>\$ 1,342,669</u>	<u>\$ 1,342,714</u>	<u>\$ 1,403,839</u>
Contributions as a percentage of covered payroll	17.62%	17.12%	16.62%	16.62%
Natrona County Fair				
Contractually required contribution	\$ 70,530	\$ 65,277	\$ 61,042	\$ 68,074
Contributions in relation to the contractually required contribution	<u>(70,530)</u>	<u>(65,277)</u>	<u>(61,042)</u>	<u>(68,074)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 400,284</u>	<u>\$ 381,291</u>	<u>\$ 367,280</u>	<u>\$ 409,591</u>
Contributions as a percentage of covered payroll	17.62%	17.12%	16.62%	16.62%

See accompanying notes to required supplementary information

2016	2015	2014	2013	2012	2011
\$ 1,387,809	\$ 1,313,200	*	*	*	*
<u>(1,387,809)</u>	<u>(1,313,200)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 8,350,235</u>	<u>\$ 8,274,732</u>	*	*	*	*
16.62%	15.87%	*	*	*	*
\$ 1,277,699	\$ 1,283,134	*	*	*	*
<u>(1,277,699)</u>	<u>(1,283,134)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 7,428,483</u>	<u>\$ 7,460,081</u>	*	*	*	*
17.20%	17.20%	*	*	*	*
\$ 56,627	\$ 59,314	*	*	*	*
<u>(56,627)</u>	<u>(59,314)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 340,716</u>	<u>\$ 373,749</u>	*	*	*	*
16.62%	15.87%	*	*	*	*
\$ 234,762	\$ 224,981	*	*	*	*
<u>(234,762)</u>	<u>(224,981)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 1,412,527</u>	<u>\$ 1,417,650</u>	*	*	*	*
16.62%	15.87%	*	*	*	*
\$ 68,074	\$ 60,137	*	*	*	*
<u>(68,074)</u>	<u>(60,137)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 409,591</u>	<u>\$ 378,935</u>	*	*	*	*
16.62%	15.87%	*	*	*	*

(Continued)

NATRONA COUNTY, WYOMING

SCHEDULE OF PENSION CONTRIBUTIONS (CONTINUED)

Last 10 Fiscal Years

(Unaudited)

<i>Component Units (Continued)</i>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Public Employees Pension Plan				
City of Casper/Natrona County Health Department				
Contractually required contribution	\$ 340,289	\$ 321,168	\$ 273,827	\$ 273,510
Contributions in relation to the contractually required contribution	(340,289)	(321,168)	(273,827)	(273,510)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 1,931,266</u>	<u>\$ 1,875,981</u>	<u>\$ 1,647,575</u>	<u>\$ 1,645,668</u>
Contributions as a percentage of covered payroll	17.62%	17.12%	16.62%	16.62%
Natrona County Community Action Partnership				
Contractually required contribution	\$ 146,279	\$ 138,619	\$ 136,240	\$ 135,801
Contributions in relation to the contractually required contribution	(146,279)	(138,619)	(136,240)	(135,801)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 830,187</u>	<u>\$ 809,690</u>	<u>\$ 819,735</u>	<u>\$ 817,094</u>
Contributions as a percentage of covered payroll	17.62%	17.12%	16.62%	16.62%
Natrona County International Airport				
Contractually required contribution	\$ 231,398	\$ 191,533	\$ 186,396	\$ 184,228
Contributions in relation to the contractually required contribution	(231,398)	(191,533)	(186,396)	(184,228)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 1,313,269</u>	<u>\$ 1,152,425</u>	<u>\$ 1,121,516</u>	<u>\$ 1,108,472</u>
Contributions as a percentage of covered payroll	17.62%	16.62%	16.62%	16.62%
Fire Pension Plan A				
Natrona County International Airport				
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%
Fire Pension Plan B				
Natrona County International Airport				
Contractually required contribution	\$ 85,078	\$ 80,902	\$ 82,968	\$ 85,393
Contributions in relation to the contractually required contribution	(85,078)	(80,902)	(82,968)	(85,393)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 374,051</u>	<u>\$ 380,805</u>	<u>\$ 390,438</u>	<u>\$ 401,849</u>
Contributions as a percentage of covered payroll	22.75%	21.25%	21.25%	21.25%

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

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 290,070	\$ 276,671	*	*	*	*
<u>(290,070)</u>	<u>(276,671)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 1,745,307</u>	<u>\$ 1,743,359</u>	*	*	*	*
16.62%	15.87%	*	*	*	*
\$ 126,746	\$ 105,648	*	*	*	*
<u>(126,746)</u>	<u>(105,648)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 762,611</u>	<u>\$ 665,709</u>	*	*	*	*
16.62%	15.87%	*	*	*	*
\$ 174,032	\$ 170,491	*	*	*	*
<u>(174,032)</u>	<u>(170,491)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 1,047,124</u>	<u>\$ 1,074,297</u>	*	*	*	*
16.62%	15.87%	*	*	*	*
\$ -	\$ -	*	*	*	*
<u>-</u>	<u>-</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
0.00%	0.00%	*	*	*	*
\$ 100,999	\$ 96,864	*	*	*	*
<u>(100,999)</u>	<u>(96,864)</u>	*	*	*	*
<u>\$ -</u>	<u>\$ -</u>	*	*	*	*
<u>\$ 475,289</u>	<u>\$ 455,831</u>	*	*	*	*
21.25%	21.25%	*	*	*	*

NATRONA COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
Year Ended June 30, 2020
(Unaudited)

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 17,565,732	\$ 17,565,732	\$ 18,229,433	\$ 663,701
Licenses and permits	1,692,549	1,692,549	1,885,702	193,153
Intergovernmental	20,543,760	20,543,760	21,292,539	748,779
Charges for services	3,727,914	3,727,914	3,892,722	164,808
Investment income	181,857	181,857	510,478	328,621
Miscellaneous	595,790	595,790	1,029,235	433,445
Total revenues	<u>44,307,602</u>	<u>44,307,602</u>	<u>46,840,109</u>	<u>2,532,507</u>
Expenditures				
Current				
Agriculture	297,261	297,261	237,741	59,520
Assessor	1,034,651	1,034,651	967,009	67,642
Clerk	1,698,823	1,700,390	1,538,755	161,635
Coroner	481,700	512,200	511,699	501
Clerk of Court	1,813,170	1,859,760	1,619,513	240,247
Commissioners	15,127,095	15,932,105	14,884,573	1,047,532
Information technology	1,675,377	1,675,377	1,520,025	155,352
One percent	3,294,529	6,483,973	4,951,417	1,532,556
Road and bridge	6,187,611	6,187,611	3,428,297	2,759,314
Sheriff	15,911,348	16,005,098	15,309,851	695,247
Treasurer	1,020,423	1,020,423	940,647	79,776
Total expenditures	<u>48,541,988</u>	<u>52,708,849</u>	<u>45,909,527</u>	<u>6,799,322</u>
Net change in fund balance	<u>\$ (4,234,386)</u>	<u>\$ (8,401,247)</u>	930,582	<u>\$ 9,331,829</u>
Fund balance - beginning of year			<u>42,179,296</u>	
Fund balance - end of year			<u>\$ 43,109,878</u>	

See accompanying note to required supplementary information

NATRONA COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020
(UNAUDITED)

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

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

	<u>General Fund</u>
Revenues	
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	\$ 46,840,109
Difference - Budget Basis to GAAP Basis	
Accrual of accounts receivable	(353,502)
Accrual of property taxes receivable	(4,632)
Accrual of grants receivable	<u>6,399</u>
Total revenue as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 46,488,374</u>
Expenditures	
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	\$ 45,909,527
Difference - Budget Basis to GAAP Basis	
Accrual of accounts payable	324,792
Accrual of interest expense	(11,361)
Accrual of compensated absences	<u>5,360</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 46,228,318</u>

NATRONA COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020
(UNAUDITED)

Note 2. Explanation of Changes to Pension Plans

Changes of assumptions – There have been no changes of assumptions in the Public Employees’ Pension Plan, Law Enforcement Pension Plan, Paid Firemen’s Pension Plan A, and Paid Firemen’s Pension Plan B from January 1, 2018 to January 1, 2019.

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

OTHER SUPPLEMENTARY INFORMATION

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NATRONA COUNTY, WYOMING

COMBINING BALANCE SHEET
NONMAJOR FUNDS
June 30, 2020

	Special Revenue Funds			Totals
	Drug Court Fund	Hall of Justice Joint Powers Board	Natrona County Jail Joint Powers Board	
ASSETS				
Cash and cash equivalents	\$ -	\$ 86,156	\$ 48,121	\$ 134,277
Due from other funds	165,733	-	-	165,733
Total assets	<u>\$ 165,733</u>	<u>\$ 86,156</u>	<u>\$ 48,121</u>	<u>\$ 300,010</u>
FUND BALANCES				
Restricted	165,733	-	-	165,733
Unrestricted				
Committed	-	86,156	48,121	134,277
Total fund balances	<u>\$ 165,733</u>	<u>\$ 86,156</u>	<u>\$ 48,121</u>	<u>\$ 300,010</u>

NATRONA COUNTY, WYOMING

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

June 30, 2020

	Special Revenue Funds			Totals
	Drug Court Fund	Hall of Justice Joint Powers Board	Natrona County Jail Joint Powers Board	
Revenues				
Intergovernmental revenues	\$ 486,930	\$ -	\$ -	\$ 486,930
Charges for services	25,230	-	-	25,230
Miscellaneous revenues	-	-	36,721	36,721
Total revenues	<u>512,160</u>	<u>-</u>	<u>36,721</u>	<u>548,881</u>
Expenditures				
Current				
Health and welfare	495,766	-	-	495,766
Capital outlay	-	-	36,721	36,721
Total expenditures	<u>495,766</u>	<u>-</u>	<u>36,721</u>	<u>532,487</u>
Net change in fund balances	<u>16,394</u>	<u>-</u>	<u>-</u>	<u>16,394</u>
Fund balances - beginning of year	<u>149,339</u>	<u>86,156</u>	<u>48,121</u>	<u>283,616</u>
Fund balances - end of year	<u>\$ 165,733</u>	<u>\$ 86,156</u>	<u>\$ 48,121</u>	<u>\$ 300,010</u>

NATRONA COUNTY, WYOMING

**NATRONA COUNTY COURT SUPERVISED TREATMENT PROGRAM
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS**

Year Ended June 30, 2020

	State	Program Income	Total
CASH RECEIPTS			
State funds	\$ 546,580	\$ -	\$ 546,580
Program income	-	25,230	25,230
Total cash receipts	<u>546,580</u>	<u>25,230</u>	<u>571,810</u>
CASH DISBURSEMENTS			
<i>Administrative</i>			
Salaries and wages	103,380	1,646	105,026
Employee benefits	42,221	(963)	41,258
Telephone/cell phone	6,863		6,863
Office supplies	9,500	1,410	10,910
Photocopier	4,990		4,990
Office space	34,384		34,384
Program evaluation	2,764		2,764
<i>Miscellaneous</i>			
Miscellaneous	19,577		19,577
<i>Travel and training</i>			
	8,457	546	9,003
<i>Treatment and supervision</i>			
Salaries and wages	144,406	2,318	146,724
Employee benefits	67,346	(1,357)	65,989
Educational materials	917		917
Drug testing supplies	48,401		48,401
Drug testing	-		-
Electronic monitoring	-		-
Other program materials	3,996		3,996
Total cash disbursements	<u>497,202</u>	<u>3,600</u>	<u>500,802</u>
Decrease in cash	49,378	21,630	71,008
Cash balance (deficit) held by general fund, beginning of year	<u>(34,670)</u>	<u>107,411</u>	<u>72,741</u>
Cash balance (deficit) held by general fund, end of year	<u>\$ 14,708</u>	<u>\$ 129,041</u>	<u>\$ 143,749</u>

NATRONA COUNTY, WYOMING

**SCHEDULE OF PROPERTY TAXES LEVIED AND COLLECTED -
LAST FIVE FISCAL YEARS**

Year Ended June 30, 2020

<u>Year</u>	<u>Property Taxes Levied</u>	<u>Property Taxes Collected</u>	<u>Percentage of Taxes Collected</u>
2019	\$ 89,780,681	\$ 87,931,072	97.94%
2018	85,929,166	85,617,322	99.64%
2017	84,262,405	83,792,677	99.44%
2016	84,503,958	84,378,742	99.85%
2015	100,721,071	100,584,075	99.86%

NATRONA COUNTY, WYOMING

**COMBINING STATEMENT OF NET POSITION
NATRONA COUNTY PUBLIC LIBRARY**

June 30, 2020

	Natrona County Public Library	Natrona County Public Library Foundation	Total
ASSETS			
Cash and cash equivalents	\$ 1,042,432	\$ 214,000	\$ 1,256,432
Investments	109,924	-	109,924
Beneficial interest in assets held by others	-	252,855	252,855
Accounts receivable	162,500	4,084	166,584
Capital assets not being depreciated	807,680	1,500,000	2,307,680
Capital assets being depreciated, net	676,463	-	676,463
Restricted cash and cash equivalents	-	28,068	28,068
Restricted investments	-	3,009,563	3,009,563
Total assets	<u>2,798,999</u>	<u>5,008,570</u>	<u>7,807,569</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan items	563,584	-	563,584
Total deferred outflows of resources	<u>563,584</u>	<u>-</u>	<u>563,584</u>
LIABILITIES			
Accounts payable and accrued liabilities	28,412	849	29,261
Noncurrent liabilities			
Due within one year	3,606	-	3,606
Due in more than one year	1,937,196	-	1,937,196
Total liabilities	<u>1,969,214</u>	<u>849</u>	<u>1,970,063</u>
DEFERRED INFLOWS OF RESOURCES			
Pension plan items	691,192	-	691,192
Total deferred inflows of resources	<u>691,192</u>	<u>-</u>	<u>691,192</u>
NET POSITION			
Net investment in capital assets	1,484,143	1,528,068	2,984,143
Restricted by donors	-	3,037,631	3,037,631
Unrestricted (deficit)	(781,966)	442,022	(311,876)
Total net position	<u>\$ 702,177</u>	<u>\$ 5,007,721</u>	<u>\$ 5,709,898</u>

NATRONA COUNTY, WYOMING

COMBINING STATEMENT OF ACTIVITIES
 NATRONA COUNTY PUBLIC LIBRARY
 Year Ended June 30, 2020

		Program Revenues		
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component Units				
Natrona County Public Library	\$ 2,965,231	\$ 19,444	\$ 3,232,970	\$ -
Natrona County Public Library Foundation	374,719	-	-	-
	\$ 3,339,950	\$ 19,444	\$ 3,232,970	\$ -
		General revenues		
		Unrestricted investment earnings		
		Miscellaneous revenues		
		Contributions to permanent endowment		
		Total general revenues		
		Change in net position		
		Net position - beginning of year		
		Prior period adjustment		
		Net position - beginning of year as restated		
		Net position - end of year		

Net (Expense) Revenue and Changes in Net Position

<u>Natrona County Public Library</u>	<u>Natrona County Public Library Foundation</u>	<u>Totals</u>
\$ 287,183	\$ -	\$ 287,183
-	(374,719)	(374,719)
<u>287,183</u>	<u>(374,719)</u>	<u>(87,536)</u>
1,969	127,316	129,285
21,122	211,557	232,679
-	1,054	1,054
<u>23,091</u>	<u>339,927</u>	<u>363,018</u>
310,274	(34,792)	275,482
391,903	5,000,033	5,391,936
-	42,480	42,480
<u>391,903</u>	<u>5,042,513</u>	<u>5,434,416</u>
<u>\$ 702,177</u>	<u>\$ 5,007,721</u>	<u>\$ 5,709,898</u>

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NATRONA COUNTY, WYOMING

COMBINING STATEMENT OF NET POSITION

NATRONA COUNTY FAIR

June 30, 2020

	Natrona County Fair	Central Wyoming Sports Foundation Executrust	Total
ASSETS			
Cash and cash equivalents	\$ 409,462	\$ 132,617	\$ 542,079
Accrued interest receivable	-	815	815
Accounts receivable	12,850	-	12,850
Capital assets not being depreciated	3,483,312	-	3,483,312
Capital assets being depreciated, net	3,179,100	-	3,179,100
Restricted investments	118,565	378,035	496,600
Total assets	7,203,289	511,467	7,714,756
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan items	160,732	-	160,732
Total deferred outflows of resources	160,732	-	160,732
LIABILITIES			
Accounts payable and accrued liabilities	704,892	-	704,892
Noncurrent liabilities			
Due in more than one year	533,581	-	533,581
Total liabilities	1,238,473	-	1,238,473
DEFERRED INFLOWS OF RESOURCES			
Pension plan items	212,243	-	212,243
Total deferred inflows of resources	212,243	-	212,243
NET POSITION			
Net investment in capital assets	6,662,412	-	6,662,412
Restricted by donors	118,565	378,035	496,600
Unrestricted (deficit)	(867,672)	133,432	(734,240)
Total net position	\$ 5,913,305	\$ 511,467	\$ 6,424,772
	5,913,305	511,467	6,424,772

NATRONA COUNTY, WYOMING

COMBINING STATEMENT OF ACTIVITIES
 NATRONA COUNTY FAIR
 Year Ended June 30, 2020

	Program Revenues		
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Component Units			
Natrona County Fair	\$ 1,860,972	\$ 588,138	\$ 733,325
Central Wyoming Sports Foundation Executrust	13,209	-	-
	\$ 1,874,181	\$ 588,138	\$ 733,325
		General revenues	
		Unrestricted investment earnings	
		Total general revenues	
		Change in net position	
		Net position - beginning of year	
		Net position - end of year	

Net (Expense) Revenue and Changes in Net Position

Natrona County Fair	Central Wyoming Sports Foundation Executrust	Totals
\$ 1,578,511	\$ -	\$ 1,578,511
-	(13,209)	(13,209)
<u>1,578,511</u>	<u>(13,209)</u>	<u>1,565,302</u>
2,953	16,948	19,901
<u>2,953</u>	<u>16,948</u>	<u>19,901</u>
1,581,464	3,739	1,585,203
<u>4,331,841</u>	<u>507,728</u>	<u>4,839,569</u>
<u>\$ 5,913,305</u>	<u>\$ 511,467</u>	<u>\$ 6,424,772</u>

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NATRONA COUNTY, WYOMING

COMBINING STATEMENT OF NET POSITION
COMMUNITY ACTION PARTNERSHIP OF NATRONA COUNTY

June 30, 2020

	Community Action Partnership of Natrona County	Friends of Community Action Partnership	Total
ASSETS			
Cash and cash equivalents	\$ 238,109	\$ 11,490	\$ 249,599
Due from other governments	63,503	-	63,503
Due from primary government	25,797	-	25,797
Capital assets being depreciated, net	67,774	-	67,774
Total assets	<u>395,183</u>	<u>11,490</u>	<u>406,673</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan items	371,022	-	371,022
Total deferred outflows of resources	<u>371,022</u>	<u>-</u>	<u>371,022</u>
LIABILITIES			
Accounts payable and accrued liabilities	55,131	-	55,131
Noncurrent liabilities			
Due within one year	190	-	190
Due in more than one year	1,124,816	-	1,124,816
Total liabilities	<u>1,180,137</u>	<u>-</u>	<u>1,180,137</u>
DEFERRED INFLOWS OF RESOURCES			
Pension plan items	440,591	-	440,591
Total deferred inflows of resources	<u>440,591</u>	<u>-</u>	<u>440,591</u>
NET POSITION			
Net investment in capital assets	67,774	-	67,774
Unrestricted (deficit)	(922,297)	11,490	(910,807)
Total net position (deficit)	<u>\$ (854,523)</u>	<u>\$ 11,490</u>	<u>\$ (843,033)</u>

NATRONA COUNTY, WYOMING

COMBINING STATEMENT OF ACTIVITIES
 COMMUNITY ACTION PARTNERSHIP OF NATRONA COUNTY
 Year Ended June 30, 2020

	Program Revenues			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Component Units				
Community Action Partnership of Natrona County	\$ 2,348,556	\$ 42,531	\$ 2,210,082	\$ -
Friends of Community Action Partnership	4,263	-	-	-
	\$ 2,352,819	\$ 42,531	\$ 2,210,082	\$ -
		General revenues		
		Miscellaneous revenues		
		Total general revenues		
		Change in net position		
		Net position (deficit) - beginning of year		
		Net position (deficit) - end of year		

Net (Expense) Revenue and Changes in Net Position

<u>Community Action Partnership of Natrona County</u>	<u>Friends of Community Action Partnership</u>	<u>Totals</u>
\$ (95,943)	\$ -	\$ (95,943)
-	(4,263)	(4,263)
<u>(95,943)</u>	<u>(4,263)</u>	<u>(100,206)</u>
27,498	4,664	32,162
<u>27,498</u>	<u>4,664</u>	<u>32,162</u>
(68,445)	401	(68,044)
<u>(786,078)</u>	<u>11,089</u>	<u>(774,989)</u>
<u>\$ (854,523)</u>	<u>\$ 11,490</u>	<u>\$ (843,033)</u>

NATRONA COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NATRONA COUNTY WEED AND PEST CONTROL
 BUDGET AND ACTUAL (BUDGETARY BASIS - NON-GAAP)
 Year Ended June 30, 2020

	Budget Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Taxes	\$ 1,563,160	\$ 1,563,160	\$ 1,332,493	\$ (230,667)
Intergovernmental	145,000	145,000	145,625	625
Charges for services	284,165	284,165	77,607	(206,558)
Investment income	1,647	1,647	3,501	1,854
Miscellaneous	750	750	1,508	758
Total revenues	<u>1,994,722</u>	<u>1,994,722</u>	<u>1,560,734</u>	<u>(433,988)</u>
Expenditures				
Conservation of natural resources	2,323,122	2,323,122	1,523,580	799,542
Capital outlay	50,000	50,000	681	49,319
Total expenditures	<u>2,373,122</u>	<u>2,373,122</u>	<u>1,524,261</u>	<u>848,861</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (378,400)</u>	<u>\$ (378,400)</u>	36,473	<u>\$ 414,873</u>
Fund balance - beginning of year			<u>529,943</u>	
Fund balance - end of year			<u>\$ 566,416</u>	

NATRONA COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NATRONA COUNTY FAIR
 BUDGET AND ACTUAL (BUDGETARY BASIS - NON-GAAP)
 Year Ended June 30, 2020

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,581,829	\$ 2,581,829	\$ 2,919,504	\$ 337,675
Charges for services	816,000	816,000	594,261	(221,739)
Investment income	375	375	2,953	2,578
Total revenues	<u>3,398,204</u>	<u>3,398,204</u>	<u>3,516,718</u>	<u>118,514</u>
Expenditures				
Culture and recreation	1,552,700	1,552,700	1,485,199	67,501
Capital outlay	2,410,600	2,410,600	2,185,921	224,679
Total expenditures	<u>3,963,300</u>	<u>3,963,300</u>	<u>3,671,120</u>	<u>292,180</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (565,096)</u>	<u>\$ (565,096)</u>	(154,402)	<u>\$ 410,694</u>
Fund balance - beginning of year			<u>352,135</u>	
Fund balance - end of year			<u>\$ 197,733</u>	

NATRONA COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NATRONA COUNTY PUBLIC LIBRARY
 BUDGET AND ACTUAL (BUDGETARY BASIS - NON-GAAP)
 Year Ended June 30, 2020

	Budget Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 3,218,549	\$ 3,232,970	\$ 3,070,470	\$ (162,500)
Charges for services	39,000	39,000	19,444	(19,556)
Investment income	1,500	1,500	1,969	469
Miscellaneous	21,500	21,500	21,124	(376)
Total revenues	<u>3,280,549</u>	<u>3,294,970</u>	<u>3,113,007</u>	<u>(181,963)</u>
Expenditures				
Culture and recreation	3,420,934	3,440,355	2,738,282	702,073
Capital outlay	172,854	172,854	33,275	139,579
Total expenditures	<u>3,593,788</u>	<u>3,613,209</u>	<u>2,771,557</u>	<u>841,652</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (313,239)</u>	<u>\$ (318,239)</u>	341,450	<u>\$ 659,689</u>
Fund balance - beginning of year			<u>767,839</u>	
Fund balance - end of year			<u>\$ 1,109,289</u>	

NATRONA COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 CITY OF CASPER/NATRONA COUNTY HEALTH DEPARTMENT
 BUDGET AND ACTUAL (BUDGETARY BASIS - NON-GAAP)
 Year Ended June 30, 2020

	Budget Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$ 2,759,327	\$ 2,883,450	\$ 2,795,371	\$ (88,079)
Charges for services	1,490,104	1,754,639	1,530,498	(224,141)
Investment income	3,000	3,000	8,504	5,504
Miscellaneous	68,200	63,911	82,744	18,833
Total revenues	<u>4,320,631</u>	<u>4,705,000</u>	<u>4,417,117</u>	<u>(287,883)</u>
Expenditures				
Health and welfare	4,286,160	4,544,650	4,133,638	411,012
Capital outlay	24,644	137,046	151,551	(14,505)
Total expenditures	<u>4,310,804</u>	<u>4,681,696</u>	<u>4,285,189</u>	<u>396,507</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 9,827</u>	<u>\$ 23,304</u>	131,928	<u>\$ 108,624</u>
Fund balance - beginning of year			<u>1,791,513</u>	
Fund balance - end of year			<u>\$ 1,923,441</u>	

NATRONA COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 COMMUNITY ACTION PARTNERSHIP OF NATRONA COUNTY
 BUDGET AND ACTUAL (BUDGETARY BASIS - NON-GAAP)
 Year Ended June 30, 2020

	Budget Amounts		Actual	Variance With
	Original	Final		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$ 1,742,942	\$ 1,742,942	\$ 2,219,333	\$ 476,391
Charges for services	-	-	50,422	50,422
Total revenues	<u>1,742,942</u>	<u>1,742,942</u>	<u>2,269,755</u>	<u>526,813</u>
Expenditures				
Health and welfare	1,719,431	1,719,431	2,207,785	(488,354)
Capital outlay	23,011	23,011	42,050	(19,039)
Total expenditures	<u>1,742,442</u>	<u>1,742,442</u>	<u>2,249,835</u>	<u>(507,393)</u>
Excess of revenues over expenditures	<u>\$ 500</u>	<u>\$ 500</u>	19,920	<u>\$ 19,420</u>
Fund balance - beginning of year			<u>253,089</u>	
Fund balance - end of year			<u>\$ 273,009</u>	

SINGLE AUDIT SECTION

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NATRONA COUNTY, WYOMING

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>				
Passed through Wyoming Department of Family Services				
Emergency Solutions Grant Program	14.231	19-01-ESG-CAPNC	\$ -	\$ 15,785
Emergency Solutions Grant Program	14.231	18-01-ESG-CAPNC	-	69,300
			-	85,085
Direct				
Continuum of Care Program	14.267	-	-	58,587
			-	58,587
Total U.S. Department of Housing and Urban Development			-	143,672
<u>U.S. Department of Justice</u>				
Direct				
Bulletproof Vest Partnership Program	16.607	-	-	746
Bulletproof Vest Partnership Program	16.607	-	-	2,032
Total U.S. Department of Justice			-	2,778
<u>U.S. Department of Transportation</u>				
Passed through Wyoming Association of Sheriffs and Chiefs of Police				
<i>Highway Safety Cluster</i>				
National Priority Safety Programs	20.616	405d Funds:DUI	-	1,975
National Priority Safety Programs	20.616	405b Funds: OP HVE	-	2,980
<i>Total Highway Safety Cluster</i>			-	4,955
Passed through Wyoming Association of Sheriffs and Chiefs of Police				
Alcohol Open Container Requirements	20.607	154 FUNDS: DUI	-	1,956
Total U.S. Department of Transportation			-	6,911
<u>U.S. Department of Health and Human Services</u>				
Passed through National Association of County and City Health Officials				
Medical Reserve Corps Small Grant Program	93.008	HITEP150032-01-00	-	128
			-	128
Passed through Wyoming Department of Health				
Public Health Emergency Preparedness (PHEP)	93.069	Unknown	-	207,854
Passed through the University of Washington				
HIV-Related Training and Technical Assistance	93.145	UWSC11536 (BPO44312)	\$ -	\$ 81,689
			-	81,689
Passed through Wyoming Department of Health				
Projects for Assistance in Transition from Homelessness (PATH)	93.150	SM01605118	-	22,051
Projects for Assistance in Transition from Homelessness (PATH)	93.150	SM01605119	-	72,775
			-	94,826
				(Continued)

See accompanying notes to the schedule of expenditures of federal awards

NATRONA COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
 Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<u>U.S. Department of Health and Human Services (Continued)</u>				
Direct				
<i>Health Center Program Cluster</i>				
Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	-	\$ -	\$ 1,022,493
COVID - Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	-	-	35,364
<i>Total Health Center Program Cluster</i>			-	1,057,857
Passed through Wyoming Department of Health Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Unknown	-	112,216
			-	112,216
Passed through Wyoming Department of Health Temporary Assistance for Needy Families	93.558	Unknown	-	108,505
Passed through Wyoming Department of Family Services Temporary Assistance for Needy Families	93.558	Unknown	42,541	105,275
Total TANF			42,541	213,780
Passed through Wyoming Department of Health Community Services Block Grant	93.569	Unknown	-	384,389
Community Services Block Grant	93.569	Unknown	-	132,570
Total Community Services Block Grant			-	516,959
Passed through Wyoming Department of Health HIV Prevention Activities Health Department Based	93.940	Unknown	-	45,537
			-	45,537
Passed through Wyoming Department of Health Block Grants for Community Mental Health Services	93.958	19B1WYCMHS	-	5,992
Block Grants for Community Mental Health Services	93.958	20B1WYCMHS	-	19,776
			-	25,768
Passed through Wyoming Department of Health Block Grants for Prevention and Treatment of Substance Abuse	93.959	Unknown	-	82,328
			-	82,328
Total U.S. Department of Health and Human Services			42,541	2,438,942

(Continued)

See accompanying notes to the schedule of expenditures of federal awards

NATRONA COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
<u>Corporation for National and Community Service</u>				
Passed through Wyoming Division of Criminal Investigation				
Retired and Senior Volunteer Program	94.002	18SRPWY002	\$ -	\$ 85,677
Retired and Senior Volunteer Program	94.002	18SRPWY002	-	1,308
Total Corporation for National and Community Service			-	86,985
<u>Executive Office of the President</u>				
Passed through Wyoming Division of Criminal Investigation				
High Intensity Drug Trafficking Areas Program	95.001	G20RM0012A	-	37,719
High Intensity Drug Trafficking Areas Program	95.001	G19RM0012A	-	45,112
Total Executive Office of the President			-	82,831
<u>U.S. Department of Homeland Security</u>				
Passed through Wyoming Office of Homeland Security				
Homeland Security Grant Program	97.067	19-SHSP-NAT-SC-HEM19	-	26,467
Homeland Security Grant Program	97.067	19-SHSP-NAT-LP-HIT19	-	13,145
Total U.S. Department of Homeland Security			-	39,612
<i>Total Expenditures of Federal Awards</i>			\$ 42,541	\$ 2,801,731

See accompanying notes to the schedule of expenditures of federal awards

NATRONA COUNTY, WYOMING

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2020

Note 1. Basis of Accounting

The accompanying schedule of expenditures of Federal awards (the "Schedule") includes the federal grant activity of Natrona County, Wyoming under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of Natrona County, Wyoming, it is not intended to and does not present the financial position, changes in net assets, or cash flows Natrona County, Wyoming. The Schedule does not include expenditures of federal awards by the Natrona County Airport, a component unit for which separate financial statements and schedule of expenditures of federal awards were issued.

Note 2. Summary of Significant Accounting Policies in the Schedule

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

Natrona County, Wyoming has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. CFDA No. 15.226 Payments in Lieu of Taxes (PILT)

To compensate local taxing units for the loss of taxes from Federally-owned and acquired lands, the Office of the Secretary, Department of the Interior makes direct payments to local governments that lost real property taxes because the jurisdiction contains eligible acres of PILT entitlement land under public law 97-258, as amended, 31 U.S.C. 6901-6907. Payments are unrestricted as to use by local governments and the program is excluded from coverage under the Uniform Guidance. Consequently, the program has been excluded from the Schedule of Expenditures of Federal Awards and the determination of major programs as there are no expenditure or other requirements for the entitlement program. During the fiscal year ended June 30, 2020, the County recognized \$3,805,569 of PILT payments received as income.

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

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Natrona County, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Natrona County, Wyoming as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Natrona County, Wyoming's basic financial statements and have issued our report thereon dated December 22, 2020. The Natrona County International Airport, a discretely presented component unit of Natrona County, Wyoming, issues separate audited financial statements with a separate report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*. This report does not include those separate results testing of internal controls over financial reporting or compliance and other matters that are reported on separately.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Natrona County, Wyoming's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Natrona County, Wyoming's internal control. Accordingly, we do not express an opinion on the effectiveness of Natrona County, Wyoming's internal control.

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



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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Natrona County, Wyoming's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters we have reported to management of Natrona County, Wyoming in a separate letter dated December 22, 2020.

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

Porter, Muirhead, Cornia & Howard

Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming
December 22, 2020

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Natrona County, Wyoming

Report on Compliance for Each Major Federal Program

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

Natrona County, Wyoming's basic financial statements include the operations of the Natrona County International Airport, a discretely presented component unit, which expended \$5,144,415 in federal awards which is not included in Natrona County, Wyoming's Schedule of Expenditures of Federal Awards during the year ended June 30, 2020. Our audit, described below, did not include the operations of the Natrona County International Airport because the component unit releases its own audited compliance reports.

Management's Responsibility

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

Auditor's Responsibility

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

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



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Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of Natrona County, Wyoming is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Natrona County, Wyoming'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 Natrona County, Wyoming's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing on 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.

Porter, Muirhead, Cornia & Howard

Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming
December 22, 2020

NATRONA COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

June 30, 2020

I. Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	No
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major federal programs:	

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
	<i>Health Centers Program Cluster</i>
93.224	Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)
93.069	Public Health Emergency Preparedness (PHEP)

Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee	No

NATRONA COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

June 30, 2020

II. Financial Statement Findings

None

III. Federal Award Findings and Questioned Costs

None



NATRONA COUNTY CLERK
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Natrona County, Wyoming
Summary Schedule of Prior Audit Findings
June 30, 2019

Significant Deficiencies in Internal Control Over Compliance Findings

2019-001 Procurement

Program: Health Centers Cluster, Consolidated Health Centers - Health Care for the Homeless

Condition

The County has established procurement policies that meet the criteria described above. These policies are followed for all new procurement decisions and require documentation of the considerations in the procurement decision. Procurement decisions that were made in the past and vendor relationships established in the past are not fully documented as complying or being allowed exceptions to the procurement policies.

Status

This condition has been corrected.

Significant Deficiencies in Internal Control Over Compliance Findings

2019-002 Special Tests and Provisions - Sliding Fee Discounts

Program: Health Centers Cluster, Consolidated Health Centers - Health Care for the Homeless

Condition

Internal controls over the sliding fee discount and input into the billing system were not properly designed or operating effectively. The information for all new patients was effectively reviewed as was the information for all patients recertifying in an annual recertification process. The information for all other patients receiving services was not reviewed, though correct fees were applied based on the sliding fee scale.

Status

This condition has been corrected.