



**Goshen County, Wyoming**

Financial Statements  
and Supplementary Information

For the Year Ended June 30, 2019



## CONTENTS

|   | <u>Page</u> |
|---|-------------|
| INDEPENDENT AUDITOR'S REPORT  | 1-3         |
| MANAGEMENT DISCUSSION AND ANALYSIS  | 4-10        |
| FINANCIAL STATEMENTS  |             |
| Statement of Net Position   | 11-12       |
| Statement of Activities   | 13-14       |
| Balance Sheet – Governmental Funds  | 15          |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position   | 16          |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  | 17          |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities   | 18          |
| Statement of Fiduciary Net Position - Fiduciary Funds   | 19          |
| Notes to Financial Statements   | 20-45       |
| REQUIRED SUPPLEMENTARY INFORMATION  |             |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund   | 46-47       |
| Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual   | 48          |
| Schedules of County's and Component Unit's Share of the Net Pension Liability   | 49-51       |
| Schedule of Contributions - County and Component Units  | 52-54       |
| OTHER SUPPLEMENTARY INFORMATION   |             |
| Combining Statement of Net Position - Discretely Presented Component Units  | 55          |
| Combining Statement of Activities - Discretely Presented Component Units  | 56-57       |
| 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> | 58-59       |
| Schedule of Findings and Reponses   | 60          |



## INDEPENDENT AUDITOR'S REPORT

To the County Commissioners  
Goshen County, Wyoming  
Torrington, Wyoming

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, and each major fund of Goshen County, Wyoming, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



## **Opinions**

In our opinion, 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, and each major fund of Goshen County, Wyoming, as of June 30, 2019, and the respective changes in financial position 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 on pages 4-10 and the information presented on pages 46-54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Combining Statements of Discretely Presented Component Units are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2020, on our consideration of Goshen County, Wyoming's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Goshen County, Wyoming's internal control over financial reporting and compliance.

ACM LLP

Laramie, Wyoming  
January 10, 2020

## GOSHEN COUNTY, WYOMING

### MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2019

As management of Goshen County, Wyoming (referred to as “Goshen County” or 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, 2019.

#### ***Financial Highlights***

- The assets and deferred outflow of resources of Goshen County exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$10,049,802 - (net position).
- As of the close of the year, the County’s governmental funds reported combined ending fund balances of \$4,486,204, an increase of \$433,349 from the prior year. Of this amount, \$1,329,517 is *available for spending* at the County’s discretion (unassigned *fund balance*).
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$1,329,517, or 16.8% 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, and 3) notes to the financial statements. This report also contains required supplementary information as well as supplementary information to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the County’s assets/deferred outflow of resources and liabilities/deferred inflow of resources, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, public works, health and welfare, conservation of natural resources. The only business-type activity of the County is the Goshen Care Center and

GOSHEN COUNTY, WYOMING

MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2019

(Continued)

Alzheimer's Unit and is reported as a major discretely presented component unit in this report.

The government-wide financial statements can be found on pages 11-14 of this report. The statements for the component units can be found on pages 55-57 of this report.

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

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

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

The County maintains two major governmental funds. The general fund and the County Road fund. Information for major funds is presented separately and in aggregate for the nonmajor funds in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances.

The County adopts an annual appropriated budget for its general fund. Budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

The basis governmental fund financial statements can be found on pages 15-18 of this report.

***Fiduciary funds.*** Fiduciary funds are use to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basis fiduciary fund financial statements can be found on page 19 of the report.

***Notes to the financial statements.*** The notes provide additional information that is essential to a

GOSHEN COUNTY, WYOMING

MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2019

(Continued)

full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20-45 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's compliance with required budgetary reporting for certain major funds as well as information regarding the County's and its component units' proportionate share of the net pension liability and contributions. This required supplementary information can be found on pages 46-54 of this report.

The combining statements referred to earlier in connection with discretely presented component units are presented immediately following the required supplementary information. These combining statements can be found on pages 55-57 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Goshen County, assets and deferred outflow of resources exceed liabilities and deferred inflow of resources by \$10,049,802 as of June 30, 2019.

The largest portion of the County's net position (91.3%) is invested in capital assets (e.g., land, buildings, equipment, construction in process, and infrastructure). The County uses capital assets to provide service to its citizens; consequently, these assets are not available to fund current operations; in addition, restricted assets are not available to fund current operations.

|                                  | <u>2019</u>          | <u>2018</u>          |
|----------------------------------|----------------------|----------------------|
| Current and other assets         | \$ 5,152,886         | \$ 4,847,176         |
| Capital assets                   | <u>10,002,585</u>    | <u>10,575,179</u>    |
| Total assets                     | <u>15,155,471</u>    | <u>15,422,355</u>    |
| <br>                             |                      |                      |
| Deferred outflows of resources   | <u>2,006,595</u>     | <u>1,573,205</u>     |
| <br>                             |                      |                      |
| Current liabilities              | 813,888              | 1,018,756            |
| Noncurrent liabilities           | <u>5,988,466</u>     | <u>4,342,118</u>     |
| Total liabilities                | <u>6,802,354</u>     | <u>5,360,874</u>     |
| <br>                             |                      |                      |
| Deferred inflows of resources    | <u>188,412</u>       | <u>963,625</u>       |
| <br>                             |                      |                      |
| Net position                     |                      |                      |
| Net investment in capital assets | 9,178,750            | 10,575,179           |
| Restricted                       | 1,602,187            | 1,313,617            |
| Unrestricted                     | <u>(609,637)</u>     | <u>(1,217,735)</u>   |
| Total net position               | <u>\$ 10,171,300</u> | <u>\$ 10,671,061</u> |

GOSHEN COUNTY, WYOMING

**MANAGEMENT DISCUSSION AND ANALYSIS**

June 30, 2019

(Continued)

***Governmental Activities.***

The \$621,259 decrease in the County's net position is related to governmental activities.

Total revenues for governmental activities increased from the previous year by \$312,793. The increase in revenues was mostly from the increases in sales taxes, grants and interest.

The following table provides a summary of the County's operations for the year ended June 30, 2019, with comparative totals for the year ended June 30, 2018.

GOSHEN COUNTY, WYOMING

**MANAGEMENT DISCUSSION AND ANALYSIS**

June 30, 2019

(Continued)

|                                     | <u>2019</u>          | <u>2018</u>          |
|-------------------------------------|----------------------|----------------------|
| Revenues:                           |                      |                      |
| Program revenues:                   |                      |                      |
| Charges for services                | \$ 236,960           | \$ 393,362           |
| Operating grants and contributions  | 610,345              | 458,494              |
| Capital grants and contributions    | 22,625               | -                    |
| Governmental revenues:              |                      |                      |
| Property taxes                      | 2,773,496            | 2,842,420            |
| Sales taxes                         | 1,922,599            | 1,610,710            |
| Other taxes                         | 982,213              | 985,205              |
| Licenses and permits                | 16,000               | 14,515               |
| Interest and investment revenue     | 335,211              | 64,965               |
| Other taxes                         | 154,747              | 265,115              |
| Rent                                | 246,235              | 523,317              |
| Intergovernmental                   | <u>1,790,076</u>     | <u>1,650,674</u>     |
| Total Revenues                      | <u>9,090,507</u>     | <u>8,808,777</u>     |
|                                     |                      |                      |
| Expenses:                           |                      |                      |
| General government                  | 3,857,973            | 3,639,727            |
| Public safety                       | 3,096,291            | 2,824,102            |
| Public works                        | 1,353,346            | 796,675              |
| Health and welfare                  | 521,275              | 365,138              |
| Conservation of natural resources   | 67,248               | 105,038              |
| Interest                            | 25,444               | 31,203               |
| Depreciation - unallocated          | <u>821,252</u>       | <u>809,945</u>       |
| Total expenses                      | <u>9,742,829</u>     | <u>8,571,828</u>     |
|                                     |                      |                      |
| Increase (decrease) in net position | (652,322)            | 236,949              |
| Net position-July 1                 | <u>10,823,622</u>    | <u>10,434,112</u>    |
| Net position-June 30                | <u>\$ 10,171,300</u> | <u>\$ 10,671,061</u> |

To aid in the understanding of the statement of activities presented on pages 13-14 of this report, some additional explanation is given. Of interest is the format, which is significantly different than the typical statement of revenues, expenses, and changes in fund balance (similar to the above table). You will notice that expenses are listed in the first column with revenues supporting that program reported to the right. The result is a net (expense)/revenue presentation. The reason for this format is to highlight the relative financial burden of each of the functions on county taxpayers. It identifies how much each function draws from general revenues or from self-financing fees and grants. It is important to note that all taxes are classified as general

GOSHEN COUNTY, WYOMING

MANAGEMENT DISCUSSION AND ANALYSIS

June 30, 2019

(Continued)

revenue even if restricted for a specific purpose.

**County Funds**

The focus of Goshen County's governmental funds is to provide information on the inflows, outflows, and balances of spendable resources. This information is useful in assessing the County's financing requirements. In particular, unassigned fund balance is a useful measure of a government's net resources available for appropriation at the end of the fiscal year.

At the end of the most recent fiscal year, Goshen County's combined governmental funds ending fund balances totaled \$4,486,204. Approximately 45.1% of this total amount, \$2,021,598 constitutes unassigned, assigned and committed fund balance and 35.7% is restricted in the amount of \$1,602,188 and may only be spent for specific purposes. The remainder of the fund balance is not available for current spending.

In the general fund, the County shows an increase in fund balance of \$144,778. This is the result of lower than expected spending.

**General Fund Budget Highlights**

Budgetary statements begin on page 46 for the general fund.

**Capital Assets and Long-term Debt**

At June 30, 2019, the County had \$10,002,585 invested in capital assets including sheriff's equipment, buildings, park facilities, public-works equipment, and infrastructure. This represents a decrease of approximately \$573,000 or (5.4%) over the prior year.

| Government activities:        | 2019                 | 2018                 |
|-------------------------------|----------------------|----------------------|
| Land                          | \$ 760,333           | \$ 760,333           |
| Building and improvements     | 10,305,043           | 10,209,627           |
| Equipment                     | 8,278,097            | 8,308,572            |
| Less accumulated depreciation | <u>(9,340,888)</u>   | <u>(8,703,353)</u>   |
| Totals                        | <u>\$ 10,002,585</u> | <u>\$ 10,575,179</u> |

Additional information on the County's and its component unit's capital assets can be found in Note 4 on pages 30-31 of this report.

At year-end, the County had \$1,016,265 in long term debt, which includes \$192,430 of accrued compensated absences, and \$823,835 of capital lease obligations. Additional information on the County's and its component unit's long term debt can be found in Note 5 on pages 32-34 of this report.

GOSHEN COUNTY, WYOMING

**MANAGEMENT DISCUSSION AND ANALYSIS**

June 30, 2019

(Continued)

***Economic Factors and Next Year's Budget***

Goshen County is recovering from the State-wide economic downturn caused by the weak fossil fuels market. Closures in Goshen County include Western Sugar and Shopko. The Cobblestone Inn has been added to the community and construction may begin soon on the assisted living project.

***Contacting the County's Financial Management***

The financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Goshen County Clerk's office at 2125 East A Street, Suite 120, Torrington, Wyoming 82240.

GOSHEN COUNTY, WYOMING

**STATEMENT OF NET POSITION**

June 30, 2019

|   | <u>Primary Government</u> |                      |                      |
|---|---------------------------|----------------------|----------------------|
|   | <u>Governmental</u>       | <u>Component</u>     |                      |
|   | <u>Activities</u>         | <u>Units</u>         | <u>Total</u>         |
| <b>ASSETS</b>                                   |                           |                      |                      |
| Cash and cash equivalents                       | \$ 2,310,028              | \$ 2,253,738         | \$ 4,563,766         |
| Investments                                     | 1,715,641                 | 499,692              | 2,215,333            |
| Receivables:                                    |                           |                      |                      |
| Taxes   | 22,782                    | 23,418               | 46,200               |
| Accounts  | -                         | 122,037              | 122,037              |
| Interest  | 12,499                    | -                    | 12,499               |
| Due from other governments                      | 253,793                   | -                    | 253,793              |
| Inventories                                     | 838,143                   | 43,018               | 881,161              |
| Capital assets being depreciated, net           | <u>10,002,585</u>         | <u>11,545,919</u>    | <u>21,548,504</u>    |
| Total assets                                    | <u>15,155,471</u>         | <u>14,487,822</u>    | <u>29,643,293</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                           |                      |                      |
| Aggregate deferred outflows of resources        |                           |                      |                      |
| related to pensions                             | <u>2,006,595</u>          | <u>162,968</u>       | <u>2,169,563</u>     |
| Total deferred outflows of resources            | <u>2,006,595</u>          | <u>162,968</u>       | <u>2,169,563</u>     |
| Total assets and deferred outflows of resources | <u>\$ 17,162,066</u>      | <u>\$ 14,650,790</u> | <u>\$ 31,812,856</u> |

(Continued)

See Notes to Financial Statements.

GOSHEN COUNTY, WYOMING

**STATEMENT OF NET POSITION**

June 30, 2019

(Continued)

|   | <u>Primary Government</u> |                      |                      |
|---|---------------------------|----------------------|----------------------|
|   | <u>Governmental</u>       | <u>Component</u>     |                      |
|   | <u>Activities</u>         | <u>Units</u>         | <u>Total</u>         |
| <b>LIABILITIES</b>  |                           |                      |                      |
| Accounts payable  | \$ 446,014                | \$ 192,695           | \$ 638,709           |
| Compensated absences  | 192,430                   | 43,186               | 235,616              |
| Accrued interest payable                                    | 11,593                    | -                    | 11,593               |
| Due within one year   | 163,851                   | 179,137              | 342,988              |
| Due in more than one year                                   | 659,984                   | 369,961              | 1,029,945            |
| Aggregate net pension liability                             | <u>5,328,482</u>          | <u>741,927</u>       | <u>6,070,409</u>     |
| Total liabilities   | <u>6,802,354</u>          | <u>1,526,906</u>     | <u>8,329,260</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                        |                           |                      |                      |
| Aggregate deferred inflows of resources related to pensions | 166,423                   | 18,632               | 185,055              |
| Aggregate deferred inflows of resources related to grants   | <u>21,989</u>             | <u>40,626</u>        | <u>62,615</u>        |
| Total deferred inflows of resources                         | <u>188,412</u>            | <u>59,258</u>        | <u>247,670</u>       |
| Total liabilities and deferred inflows of resources         | <u>6,990,766</u>          | <u>1,586,164</u>     | <u>8,576,930</u>     |
| <b>NET POSITION</b>   |                           |                      |                      |
| Invested in capital assets, net of related debt             | 9,178,750                 | 11,545,919           | 20,724,669           |
| Restricted  | 1,602,187                 | -                    | 1,602,187            |
| Unrestricted  | <u>(609,637)</u>          | <u>1,518,707</u>     | <u>909,070</u>       |
| Total net position  | <u>\$ 10,171,300</u>      | <u>\$ 13,064,626</u> | <u>\$ 23,235,926</u> |

See Notes to Financial Statements.

GOSHEN COUNTY, WYOMING

**STATEMENT OF ACTIVITIES**

For the Year Ended June 30, 2019

|                                      | Expenses            | Program Revenues           |  |
|--------------------------------------|---------------------|----------------------------|--|
|                                      |                     | Charges<br>for<br>Services | Operating<br>Grants and<br>Contributions |
| <b>Functions/Programs Activities</b> |                     |                            |  |
| <b>Primary Government</b>            |                     |                            |  |
| Governmental activities              |                     |                            |  |
| General government                   | \$ 3,857,973        | \$ 145,659                 | \$ 268,689                               |
| Public safety                        | 3,096,291           | 50,880                     | 159,355                                  |
| Public works                         | 1,353,346           | -                          | -  |
| Health and welfare                   | 521,275             | 40,421                     | 182,301                                  |
| Conservation of natural resources    | 67,248              | -                          | -  |
| Interest                             | 25,444              | -                          | -  |
| Depreciation - unallocated           | 821,252             | -                          | -  |
| Total primary government             | <u>\$ 9,742,829</u> | <u>\$ 236,960</u>          | <u>\$ 610,345</u>                        |
| Component units                      | <u>\$ 2,209,428</u> | <u>\$ 521,301</u>          | <u>\$ 209,336</u>                        |

**General Revenues:**

Property taxes  
Sales taxes  
Other taxes  
Licenses and permits  
Interest and investment revenue  
Other  
Rent  
Intergovernmental  
Total general revenues

Change in net position

Net position - beginning of year, as restated

Net position - end of year

See Notes to Financial Statements.

| Program Revenues | Net (Expense) Revenue and<br>Changes in Net Position |  |
|------------------|--|--|
|                  | Capital<br>Grants and<br>Contributions               | Primary Government<br>Governmental<br>Activities |
| \$ 22,625        | \$ (3,421,000)                                       | \$ -   |
| -                | (2,886,056)  | -  |
| -                | (1,353,346)  | -  |
| -                | (298,553)  | -  |
| -                | (67,248)   | -  |
| -                | (25,444)   | -  |
| -                | (821,252)  | -  |
| <u>\$ 22,625</u> | <u>\$ (8,872,899)</u>                                | <u>\$ -</u>                                      |
| <u>\$ -</u>      | <u>\$ -</u>  | <u>\$ (1,478,791)</u>                            |
|                  | \$ 2,773,496   | \$ 489,706                                       |
|                  | 1,922,599  | -  |
|                  | 982,213  | -  |
|                  | 16,000   | -  |
|                  | 335,211  | 22,729   |
|                  | 154,747  | 1,208,160  |
|                  | 246,235  | -  |
|                  | <u>1,790,076</u>                                     | <u>-</u>   |
|                  | <u>8,220,577</u>                                     | <u>1,720,595</u>                                 |
|                  | (652,322)  | 241,804  |
|                  | <u>10,823,622</u>                                    | <u>12,822,822</u>                                |
|                  | <u>\$ 10,171,300</u>                                 | <u>\$ 13,064,626</u>                             |

GOSHEN COUNTY, WYOMING

**BALANCE SHEET – GOVERNMENTAL FUNDS**

June 30, 2019

|                                     | General<br>Fund     | County Road<br>Funds | Total<br>Governmental<br>Funds |
|-------------------------------------|---------------------|----------------------|--------------------------------|
| <b>ASSETS</b>                       |                     |                      |                                |
| Cash and temporary investments      | \$ 1,426,650        | \$ 883,378           | \$ 2,310,028                   |
| Investments                         | 990,021             | 725,620              | 1,715,641                      |
| Receivables:                        |                     |                      |                                |
| Taxes                               | 11,776              | -                    | 11,776                         |
| Interest                            | 12,499              | -                    | 12,499                         |
| Due from other governments          | 253,793             | -                    | 253,793                        |
| Inventory                           | 838,143             | -                    | 838,143                        |
| Total Assets                        | <u>\$ 3,532,882</u> | <u>\$ 1,608,998</u>  | <u>\$ 5,141,880</u>            |
| <b>LIABILITIES</b>                  |                     |                      |                                |
| Accounts payable                    | \$ 439,203          | \$ 6,810             | \$ 446,013                     |
| Accrued compensated absences        | 66,176              | -                    | 66,176                         |
| Unearned revenue                    | 21,989              | -                    | 21,989                         |
| Total Liabilities                   | <u>527,368</u>      | <u>6,810</u>         | <u>534,178</u>                 |
| <b>FUND BALANCES</b>                |                     |                      |                                |
| Fund balances                       |                     |                      |                                |
| Nonspendable                        | 862,418             | -                    | 862,418                        |
| Restricted                          | -                   | 1,602,188            | 1,602,188                      |
| Committed                           | 21,378              | -                    | 21,378                         |
| Assigned                            | 670,703             | -                    | 670,703                        |
| Unassigned                          | 1,451,015           | -                    | 1,451,015                      |
| Total Fund Balances                 | <u>3,005,514</u>    | <u>1,602,188</u>     | <u>4,607,702</u>               |
| Total Liabilities and Fund Balances | <u>\$ 3,532,882</u> | <u>\$ 1,608,998</u>  | <u>\$ 5,141,880</u>            |

See Notes to Financial Statements.

GOSHEN COUNTY, WYOMING

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

June 30, 2019

**Total fund balances - governmental funds** \$ 4,607,702

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

|                               |                    |            |
|-------------------------------|--------------------|------------|
| Cost of capital assets        | 19,343,473         |            |
| Less accumulated depreciation | <u>(9,340,888)</u> | 10,002,585 |

Deferred outflows of resources used in governmental activities are not financial resources and therefore are not reported in the governmental fund financial statements.

|  |                |           |
|--|----------------|-----------|
| Contributions subsequent to measurement date | 270,944        |           |
| Change in proportionate share                | 31,130         |           |
| Change in assumptions                        | 879,037        |           |
| Change in experience, expected and actual    | 267,292        |           |
| Change in investment earnings                | <u>558,192</u> | 2,006,595 |

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

|                                    |                    |             |
|------------------------------------|--------------------|-------------|
| Accrued compensated absences       | (126,255)          |             |
| Long-term debt payable             | (823,835)          |             |
| Accrued interest on long-term debt | (11,593)           |             |
| Aggregate net pension liability    | <u>(5,328,482)</u> | (6,290,165) |

Deferred inflows of resources used in governmental activities are not financial resources and therefore are not reported in the governmental fund financial statements.

|   |  |           |
|---|--|-----------|
| Change in experience, expected and actual |  | (166,423) |
|---|--|-----------|

Long-term receivables applicable to governmental activities are not due and collectible in the current period and therefore are not reported in fund balance in the governmental funds.

|                     |  |               |
|---------------------|--|---------------|
| Accounts receivable |  | <u>11,006</u> |
|---------------------|--|---------------|

**Total net position - statement of net position (governmental activities)** \$ 10,171,300

See Notes to Financial Statements.

GOSHEN COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**– GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2019

|  | General<br>Fund     | County<br>Road Funds | Total<br>Governmental<br>Funds |
|--|---------------------|----------------------|--------------------------------|
| <b>REVENUES</b>                                      |                     |                      |                                |
| Taxes  | \$ 2,249,929        | \$ 550,119           | \$ 2,800,048                   |
| Other taxes  | 2,925,326           | -                    | 2,925,326                      |
| Intergovernmental                                    | 1,872,811           | -                    | 1,872,811                      |
| Charges for services                                 | 236,961             | -                    | 236,961                        |
| Licenses and permits                                 | 12,650              | -                    | 12,650                         |
| Grant revenue  | 550,234             | -                    | 550,234                        |
| Interest   | 324,020             | 11,191               | 335,211                        |
| Rent income  | 246,235             | -                    | 246,235                        |
| Miscellaneous  | 152,436             | -                    | 152,436                        |
| Total revenue  | <u>8,570,602</u>    | <u>561,310</u>       | <u>9,131,912</u>               |
| <b>EXPENDITURES</b>                                  |                     |                      |                                |
| Current:   |                     |                      |                                |
| General government                                   | 3,108,035           | -                    | 3,108,035                      |
| Public safety  | 2,656,586           | -                    | 2,656,586                      |
| Public works   | 1,279,624           | 272,739              | 1,552,363                      |
| Health and welfare                                   | 529,058             | -                    | 529,058                        |
| Conservation of natural resources                    | 89,931              | -                    | 89,931                         |
| Debt service:  |                     |                      |                                |
| Principal retirement                                 | 211,299             | -                    | 211,299                        |
| Interest   | 28,935              | -                    | 28,935                         |
| Total expenditures                                   | <u>7,903,468</u>    | <u>272,739</u>       | <u>8,176,207</u>               |
| Excess (deficiency) of revenues<br>over expenditures | <u>667,134</u>      | <u>288,571</u>       | <u>955,705</u>                 |
| <b>OTHER FINANCING SOURCES</b>                       |                     |                      |                                |
| Transfers in (out)                                   | <u>(522,356)</u>    | <u>-</u>             | <u>(522,356)</u>               |
| Total other financing sources                        | <u>(522,356)</u>    | <u>-</u>             | <u>(522,356)</u>               |
| Net change in fund balance                           | 144,778             | 288,571              | 433,349                        |
| Fund balance, beginning                              | <u>2,860,736</u>    | <u>1,313,617</u>     | <u>4,174,353</u>               |
| Fund balance, ending                                 | <u>\$ 3,005,514</u> | <u>\$ 1,602,188</u>  | <u>\$ 4,607,702</u>            |

See Notes to Financial Statements.

GOSHEN COUNTY, WYOMING

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

For the Year Ended June 30, 2019

**Total net change in fund balances - governmental funds** \$ 433,349

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

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

|                                 |                  |           |
|---------------------------------|------------------|-----------|
| Expenditures for capital assets | 248,658          |           |
| Less current year depreciation  | <u>(821,252)</u> | (572,594) |

Capital lease proceeds provide current resources to governmental funds, but issuing debt increases long-term debt liabilities in the statement of net assets. Repayment of loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds exceed repayments.

|                                      |  |         |
|--------------------------------------|--|---------|
| Principal payments on long-term debt |  | 211,299 |
|--------------------------------------|--|---------|

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

|  |                  |           |
|--|------------------|-----------|
| Change in accrued compensated absences                         | 103,593          |           |
| Change in accrued interest payable                             | 3,492            |           |
| Change in pension contributions subsequent to measurement date | 8,769            |           |
| Pension expense  | <u>(793,165)</u> | (677,311) |

Some revenue reported in the statement of activities does not provide current financial resources and therefore is not reported as revenue in governmental funds.

|                                     |  |                 |
|-------------------------------------|--|-----------------|
| Change in property taxes receivable |  | <u>(16,002)</u> |
|-------------------------------------|--|-----------------|

**Change in net position on statement of activities (governmental activities)** **\$ (621,259)**

See Notes to Financial Statements.

GOSHEN COUNTY, WYOMING

**STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS**

June 30, 2019

ASSETS

Cash and investments \$ 1,707,730

Total Assets \$ 1,707,730

LIABILITIES

Due to other tax units \$ 1,707,730

Total Liabilities \$ 1,707,730

See Notes to Financial Statements.

## GOSHEN COUNTY, WYOMING

### NOTES TO THE FINANCIAL STATEMENTS

#### Note 1. Summary of Significant Accounting Policies

##### Reporting Entity

Goshen County, Wyoming (referred to as “Goshen County” or the “County”) (primary government) is a municipal corporation governed by three elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge maintenance and operation, culture-recreation, public improvements, planning and zoning, and general administrative services. The basic financial statements include all funds of the primary government, which is the County, as well as the component units determined to be included in the County’s financial reporting entity. The decision to include a potential component unit in the County’s reporting in the County’s reporting entity is based on several criteria, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the County’s reporting entity.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, entities over which the County has significant operational or financial relationships such as boards, commissions and authorities are considered component units. Component units are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in columns separate from the financial data of the primary government (the County). Blending requires the component unit’s balances and transactions be reported with the balances and transactions of the County. Each blended and discretely presented component unit has a June 30 year end.

##### Discretely Presented Component Units

The columns in the combining statements for component units include the financial data of the County’s other component units. They are reported in separate columns to emphasize that they are legally separate from the County. The governing boards of these component units are appointed entirely by the Board of County Commissioners.

The *Goshen County Weed and Pest Control District* (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 *Goshen County Fair Board* (Fair Board) maintains and manages the operations of the County Fair and conducts agricultural, industrial and other fairs and exhibitions within the County. The Fair Board is fiscally dependent upon the County because the Board of Commissioners approves the Fair Board’s budget, levies taxes (if necessary) on behalf of the Board. The Fair Board does not issue separate external financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

The *Goshen County Library Board* (Library Board) maintains and manages the operations of the County Library. The Library Board is fiscally dependent upon the County because the Board of Commissioners approves the Library Board's budget, levies taxes (if necessary) on behalf of the Board. The Library Board does not issue separate external financial statements.

### Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

### Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus and the modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the

## NOTES TO THE FINANCIAL STATEMENTS

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 judgements, are recorded only when payment is due.

Property and other ad valorem taxes, franchise taxes, licenses, various grants, charges for services, 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. Fines and permits are not susceptible to accrual because they are not measurable until cash is received by the government.

The government reports the following major governmental funds:

The *General Fund* is the general operating fund of the County. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds are paid from the general fund.

The *County Road Fund* is a special revenue fund and is used to account for gas and special fuels tax, which is used for county road maintenance.

Additionally, the government reports the following fund types:

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

### Certificates of Deposit

Certificates of deposit are reported at cost. Accrued interest is separately stated.

### Inventories

The Road and Bridge inventory is accounted for at the lower of cost (first-in, first-out method) or market and the Weed and Pest inventory is valued at the average cost method. Inventories are equally offset by the fund balance reserve which indicates they do not constitute “available spendable resources” even though they are a component of net current assets.

Property taxes and interest receivable, deferred tax revenue, and allowance for uncollectible taxes and interest

Property taxes are levied in the first week of August each year and are collectible in two installments. Installments are due on September 1 and March 1 and are collectible on November 10 and May 10. If the first installment payment is made after November 10, the entire amount is due by December 31. Property taxes attach as an

## NOTES TO THE FINANCIAL STATEMENTS

enforceable lien on the property if payment is not made by November 10 and May 10.

The County bills and collects its own property taxes and also collects taxes for the County School District, City of Torrington and other County districts. Collection of the City of Torrington and other Districts' taxes and remittance of these are accounted for in the Fiduciary Funds. Property tax revenue represents the 2017 tax levy, which was collectible during the year ended June 30, 2019.

### Compensated Absences

All regular, full-time employees of the General Fund, Fair Board Fund, Library Board Fund, and the Weed and Pest Control District Fund are entitled to vacation leave. The employees receive two weeks' vacation on a calendar year basis after one year of service. After nine years of service, the employees receive three weeks' vacation. The entire vested compensated absences liability is reported in the government-wide financial statements and on the governmental funds financial statements.

### Use of Estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with statutory accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

### Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements but are not reported in the governmental funds financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 for property and equipment and \$50,000 for county road projects with an estimated useful life in excess of one year. Management has elected to include certain homogeneous asset categories with individual assets less than \$5,000 as composite groups for financial reporting purposes. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at estimated fair market value at the date of donation.

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

## NOTES TO THE FINANCIAL STATEMENTS

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All reported capital assets are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u>         | <u>Years</u> |
|-----------------------|--------------|
| Infrastructure        | 25           |
| Buildings             | 50-75        |
| Building Improvements | 10-15        |
| Equipment             | 5-10         |
| Vehicles              | 5            |

### Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

### Deferred Outflows/Inflows of Resources

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

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

## NOTES TO THE FINANCIAL STATEMENTS

### Net Position

#### *Government-wide Statements*

Equity is classified as net position and displayed in three components:

1. Invested in capital assets—Consists of capital assets including restricted capital assets, net of accumulated depreciation.
2. Restricted net position—Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or (2) laws or regulations of other governments; or (3) law through constitutional provisions or enabling legislation.
3. Unrestricted net position—All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

#### *Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as restricted and committed, with committed further split between assigned and unassigned. Proprietary fund equity is classified the same as in the government-wide statements.

The Government Accounting Standards Board (GASB) has issued Statement No. 54 “Fund Balance Reporting and Governmental Type Definitions,” effective for financial statements for periods beginning after June 15, 2010. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The initial distinction that is made in reporting fund balance information is identifying amounts that are considered nonspendable, such as fund balances associated with loans. This statement also provides for additional classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent. The definitions used by the County to distinguish fund allocations are as follows:

**Nonspendable** – The nonspendable fund balance classification includes amounts that cannot be spent because they are either (1) not in spendable form; or (2) legally or contractually required to be maintained intact.

**Restricted** – The restrictive fund balance classification includes amounts that are (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.

## NOTES TO THE FINANCIAL STATEMENTS

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, i.e. State of Wyoming or Granting Federal Agency.

Assigned – The assigned fund balance classification includes amounts constrained by the government’s intent (County Commissioners) to be used for specific purposes, but are neither restricted nor committed.

Unassigned – The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

When restricted and other fund balance resources are available for use, it is the County’s policy to use restricted resources first, followed by committed, assigned, and unassigned amounts, respectively.

### Subsequent Events

Management has evaluated subsequent events through January 10, 2020, the date which the financial statements were available for issue.

### Note 2. Budgets, Budgetary Basis of Accounting

The County annually adopts a budget and approves the related appropriations for all governmental fund types. The budgets and related appropriations are prepared on the cash basis of accounting.

The adjustments necessary to convert from the modified accrual basis to the budgetary basis of accounting for the general fund and special revenue funds are presented in the following schedule:

## NOTES TO THE FINANCIAL STATEMENTS

| General Fund          | Actual              | Adjustment to<br>Budget Basis | Budget Basis        |
|-----------------------|---------------------|-------------------------------|---------------------|
| <b>Revenues</b>       |                     |                               |                     |
| Taxes                 | \$ 2,249,929        | \$ 269,170                    | \$ 2,519,099        |
| Other taxes           | 2,925,326           | (105,460)                     | 2,819,866           |
| Intergovernmental     | 1,872,811           | (546,867)                     | 1,325,944           |
| Charges for services  | 236,961             | 86,218                        | 323,179             |
| Licenses and permits  | 12,650              | (25)                          | 12,625              |
| Grant revenue         | 550,234             | (84,661)                      | 465,573             |
| Interest              | 324,020             | (289,397)                     | 34,623              |
| Rent income           | 246,235             | (238,703)                     | 7,532               |
| Miscellaneous         | 152,436             | 1,147,619                     | 1,300,055           |
| <b>Total revenues</b> | <b>\$ 8,570,602</b> | <b>\$ 237,894</b>             | <b>\$ 8,808,496</b> |

| General Fund                      | Actual              | Adjustment to<br>Budget Basis | Budget Basis        |
|-----------------------------------|---------------------|-------------------------------|---------------------|
| <b>Expenditures</b>               |                     |                               |                     |
| General government                | \$ 3,108,035        | \$ 174,040                    | \$ 3,282,075        |
| Public safety                     | 2,656,586           | (170,346)                     | 2,486,240           |
| Public works                      | 1,279,624           | 326,812                       | 1,606,436           |
| Health and welfare                | 529,058             | (21,055)                      | 508,003             |
| Conservation of natural resources | 89,931              | (89,931)                      | -                   |
| Debt service:                     |                     |                               |                     |
| Principal retirement              | 211,299             | (211,299)                     | -                   |
| Interest                          | 28,935              | (28,935)                      | -                   |
| <b>Total expenditures</b>         | <b>\$ 7,903,468</b> | <b>\$ (20,714)</b>            | <b>\$ 7,882,754</b> |

Legal spending control is at the fund level; however, management control is exercised at the department level. All budget appropriations lapse at the end of the budget year to the extent they are not expended. Budgets may be amended by the County Commissioners through a public hearing process as required by state statute.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 3. Cash and Investments

Wyoming Statute 9-4-817 authorizes agencies of the State to deposit public funds in financial institutions authorized to do business in the State of Wyoming. These deposits must be fully insured by the Federal Deposit Insurance Corporation (FDIC) or secured by a pledge of assets including bonds, debentures and other securities in which the State Treasurer may by law invest in. Alternatively, a depository may pledge to deposits with conventional real estate mortgages and loans connected with mortgages at a ratio of one and one half (1 ½:1) of the value of public funds secured by the securities.

The County investment policy specifies that internally invested funds may be invested in a combination of fixed-income, minimal risk instruments and money market funds. Investment goals for internally invested funds are designed to achieve a return to provide income, protect assets from risk and maintain liquidity to meet spending requirements. Investments are limited to collateralized bank certificates of deposits, money market funds or federally guaranteed or insured securities. Custodial services are utilized to safeguard the assets and provide monthly reports.

#### Deposits

At June 30, 2019, the County's deposits in financial institutions were fully insured with a combination of FDIC insurance and pledged collateral held in the name of the County. All deposits qualified were held by a qualified depository as outlined in the State statutes.

At June 30, 2019, the County had \$115,806 on deposit with the Wyoming Government Investment Fund (WGIF). Detailed information on WGIF pooled cash and investments is available from that office.

#### Investments

As of June 30, 2019, the County had investments with weighted average maturities as shown in the following table:

| Investment Type         | Carrying<br>Amount | Fair Value   | Weighted<br>Average<br>Maturity<br>in Years |
|-------------------------|--------------------|--------------|---|
| Certificates of Deposit | \$ 2,097,008       | \$ 2,097,008 | 0.46  |
| WGIF                    | 118,325            | 118,325      |   |
| Total                   | \$ 2,215,333       | \$ 2,215,333 |   |

## NOTES TO THE FINANCIAL STATEMENTS

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal policy for interest rate risk. However, the County does manage its exposure to fair value loss arising from interest rate changes on internally invested funds by reviewing the portfolio on an ongoing basis for changes in effective yields amounts.

### Credit Risk

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. The table below shows quality ratings and insured status of investments that are not rated:

| Investment Type         | Fair Value              | AAA             | Insured                 | Unrated               |
|-------------------------|-------------------------|-----------------|-------------------------|-----------------------|
| Certificates of Deposit | \$ 2,097,008            | \$ -            | \$ 2,097,008            | \$ -                  |
| WGIF                    | 118,325                 | -               | -                       | 118,325               |
| <br>Total               | <br><u>\$ 2,215,333</u> | <br><u>\$ -</u> | <br><u>\$ 2,097,008</u> | <br><u>\$ 118,325</u> |

### Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the County will not be able to recover the value of the investments or collateral securities that are in possession of an outside party. The County does not have a formal policy for custodial credit risk. Investments are held in safekeeping by external custodians in the County's name.

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. Concentration of risk is not addressed in the internal investment policy. At June 30, 2019, the County held securities from the following issuers in excess of 5% of the total portfolio:

|                                    |              |
|------------------------------------|--------------|
| Points West Bank                   | \$ 1,007,837 |
| Platte Valley Bank                 | \$ 418,128   |
| Wyoming Government Investment Fund | \$ 616,325   |

## NOTES TO THE FINANCIAL STATEMENTS

### Note 4. Changes in Capital Assets

During the year ended June 30, 2019, changes in capital assets were as follows:

#### Governmental Activities

|                              | Balance<br>June 30, 2018 | Additions        | Deletions     | Balance<br>June 30, 2019 |
|------------------------------|--------------------------|------------------|---------------|--------------------------|
| Land                         | \$ 760,333               | \$ -             | \$ -          | \$ 760,333               |
| Buildings and improvements   | 10,209,627               | 95,416           | -             | 10,305,043               |
| Equipment                    | 8,308,572                | 153,242          | (183,717)     | 8,278,097                |
| <br>Total governmental       | <br>19,278,532           | <br>248,658      | <br>(183,717) | <br>19,343,473           |
| <br>Accumulated depreciation | <br>8,703,353            | <br>821,252      | <br>(183,717) | <br>9,340,888            |
| <br>Net capital assets       | <br>\$ 10,575,179        | <br>\$ (572,594) | <br>\$ -      | <br>\$ 10,002,585        |

#### Business-Type Activities - Goshen Care Center and Alzheimer's Unit

|                              | Balance<br>June 30, 2018 | Additions    | Deletions | Balance<br>June 30, 2019 |
|------------------------------|--------------------------|--------------|-----------|--------------------------|
| Land                         | \$ 325,826               | \$ -         | \$ -      | \$ 325,826               |
| Buildings and improvements   | 10,924,750               | 221,841      | -         | 11,146,591               |
| Equipment                    | 442,544                  | 93,187       | -         | 535,731                  |
| <br>Total business-type      | <br>11,693,120           | <br>315,028  | <br>-     | <br>12,008,148           |
| <br>Accumulated depreciation | <br>2,904,974            | <br>305,569  | <br>-     | <br>3,210,543            |
| <br>Net capital assets       | <br>\$ 8,788,146         | <br>\$ 9,459 | <br>\$ -  | <br>\$ 8,797,605         |

## NOTES TO THE FINANCIAL STATEMENTS

### Component Unit - County Fair Board

|                            | Balance<br>June 30, 2018 | Additions           | Deletions   | Balance<br>June 30, 2019 |
|----------------------------|--------------------------|---------------------|-------------|--------------------------|
| Land                       | \$ 476,400               | \$ -                | \$ -        | \$ 476,400               |
| Buildings and improvements | 3,449,083                | -                   | -           | 3,449,083                |
| Equipment                  | 195,896                  | -                   | -           | 195,896                  |
| <br>                       |                          |                     |             |                          |
| Total governmental         | 4,121,379                | -                   | -           | 4,121,379                |
| <br>                       |                          |                     |             |                          |
| Accumulated depreciation   | 1,503,298                | 104,061             | -           | 1,607,359                |
| <br>                       |                          |                     |             |                          |
| Net capital assets         | <u>\$ 2,618,081</u>      | <u>\$ (104,061)</u> | <u>\$ -</u> | <u>\$ 2,514,020</u>      |

### Component Unit - County Weed & Pest Board

|                            | Balance<br>June 30, 2018 | Additions        | Deletions         | Balance<br>June 30, 2019 |
|----------------------------|--------------------------|------------------|-------------------|--------------------------|
| Buildings and improvements | \$ 117,376               | \$ -             | \$ -              | \$ 117,376               |
| Equipment                  | 293,804                  | 44,200           | (44,081)          | 293,923                  |
| <br>                       |                          |                  |                   |                          |
| Total governmental         | 411,180                  | 44,200           | (44,081)          | 411,299                  |
| <br>                       |                          |                  |                   |                          |
| Accumulated depreciation   | 230,573                  | 23,371           | (40,800)          | 213,144                  |
| <br>                       |                          |                  |                   |                          |
| Net capital assets         | <u>\$ 180,607</u>        | <u>\$ 20,829</u> | <u>\$ (3,281)</u> | <u>\$ 198,155</u>        |

### Component Unit - County Library Board

|                            | Balance<br>June 30, 2018 | Additions         | Deletions   | Balance<br>June 30, 2019 |
|----------------------------|--------------------------|-------------------|-------------|--------------------------|
| Land                       | \$ 20,400                | \$ -              | \$ -        | \$ 20,400                |
| Buildings and improvements | 311,023                  | -                 | -           | 311,023                  |
| <br>                       |                          |                   |             |                          |
| Total governmental         | 331,423                  | -                 | -           | 331,423                  |
| <br>                       |                          |                   |             |                          |
| Accumulated depreciation   | 294,044                  | 1,240             | -           | 295,284                  |
| <br>                       |                          |                   |             |                          |
| Net capital assets         | <u>\$ 37,379</u>         | <u>\$ (1,240)</u> | <u>\$ -</u> | <u>\$ 36,139</u>         |

## NOTES TO THE FINANCIAL STATEMENTS

### Note 5. Long-Term Debt

The following is a summary of long-term debt transactions for the year ended June 30, 2019:

|                           | Governmental Activities                   |                 |                     |                     |
|---------------------------|---|-----------------|---------------------|---------------------|
|                           | Balance                                   | Additions       | Deletions           | Balance             |
|                           | June 30, 2018                             |                 |                     | June 30, 2019       |
| Compensated absences      | \$ 229,848                                | \$ -            | \$ (37,418)         | \$ 192,430          |
| Capital lease obligations | 1,035,134                                 | -               | (211,299)           | 823,835             |
| <b>Total</b>              | <b>\$ 1,264,982</b>                       | <b>\$ -</b>     | <b>\$ (248,717)</b> | <b>\$ 1,016,265</b> |
|                           | Component Unit - Business-Type Activity   |                 |                     |                     |
|                           | Balance                                   | Additions       | Deletions           | Balance             |
|                           | June 30, 2018                             |                 |                     | June 30, 2019       |
| Note Payable              | \$ 723,949                                | \$ -            | \$ (174,851)        | \$ 549,098          |
| <b>Total</b>              | <b>\$ 723,949</b>                         | <b>\$ -</b>     | <b>\$ (174,851)</b> | <b>\$ 549,098</b>   |
|                           | Component Units - Governmental Activities |                 |                     |                     |
|                           | Balance                                   | Additions       | Deletions           | Balance             |
|                           | June 30, 2018                             |                 |                     | June 30, 2019       |
| Compensated absences      | \$ 39,928                                 | \$ 3,258        | \$ -                | \$ 43,186           |
| <b>Total</b>              | <b>\$ 39,928</b>                          | <b>\$ 3,258</b> | <b>\$ -</b>         | <b>\$ 43,186</b>    |

As of June 30, 2019, long-term debt consisted of the following:

#### Governmental Activities

|   |            |
|---|------------|
| Capital lease payable to Platte Valley Bank due in annual payments of \$121,498 including interest at 2.00% through September 15, 2023, secured by Road and Bridge equipment.   | \$ 569,470 |
| Capital lease payable to Points West Bank due in annual payments of \$56,127 including interest at 4.97% through June 1, 2024, secured by energy efficient equipment.   | 234,365    |
| Capital lease payable to Wyoming Association of Municipalities due in quarterly payments of \$2,500 with no interest as specified by grant agreement providing funds for lease through March 31, 2021, secured by energy efficient equipment. | 20,000     |



## NOTES TO THE FINANCIAL STATEMENTS

Note 6. Pension Plan

**Description**

All County full-time or regular part-time employees participate in the Wyoming Retirement System (WRS), a multiple-employer public employee retirement system.

**Benefits**

All County full-time or regular part-time employees are eligible to participate in the System. Employees who retire at or after age 60 with four years of credited service are entitled to a retirement benefit according to predetermined formulas and allowed to select one of five optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained age 50, but will result in a reduction of benefits based on the length of time remaining to normal retirement age. The System also provides death and disability benefits. Benefits are established by state statutes.

**Contribution Rates**

The System statutorily requires 17.12% of the covered public employee's salary to be contributed to the plan. For law enforcement employees, the required contribution rate is 17.20%. The total contribution requirement for the years ended June 30, 2019 and 2018 was \$600,434 and \$604,639, respectively.

Note 7. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources Related to Pensions

**Pension Liabilities**

As of June 30, 2019, the pension liability recorded for the County and the respective component units represents its proportionate share of the excess of the total pension liability over the pension plan fiduciary net position for the Wyoming Retirement System plans of which the County is a participant. The County and its component units reported a pension liability as follows for the fiscal years ended June 30, 2019 and June 30, 2018:

|                                 | Proportionate Share of<br>Net Pension Liability<br>as of June 30, 2019 | Proportionate Share of<br>Net Pension Liability<br>as of June 30, 2018 |
|---------------------------------|--|--|
| Goshen County                   | \$ 5,328,482   | \$ 3,257,643   |
| County Fair Board               | 195,964  | 156,712  |
| County Weed and Pest Board      | 248,998  | 198,920  |
| County Library Board            | 296,965  | 232,128  |
| Aggregate Net Pension Liability | \$ 6,070,409   | \$ 3,845,403   |

The measurement date of the Wyoming Retirement System pension plan fiduciary net position was December 31, 2018 and the actuarial determination of the total pension

## NOTES TO THE FINANCIAL STATEMENTS

liability was January 1, 2018. The County's and component unit's proportionate share of the net pension liability was determined per plan by calculating the percentage of the total contributions (employer and employee) to the total contributions received by Wyoming Retirement System during the plan measurement period (January 1, 2018 to December 31, 2018). The County's and component unit's proportionate share of the net pension liability for each plan as of December 31, 2018 and December 31, 2017 is as follows:

|  | Proportionate Share<br>as of<br>December 31, 2018 | Proportionate Share<br>as of<br>December 31, 2017 |
|--|---|---|
| Public Employee Pension - Goshen County              | 0.121569%   | 0.116411%   |
| Law Enforcement Pension - Goshen County              | 0.671844%   | 0.702232%   |
| Public Employee Pension - County Fair Board          | 0.006435%   | 0.006875%   |
| Public Employee Pension - County Weed and Pest Board | 0.008177%   | 0.008727%   |
| Public Employee Pension - County Library Board       | 0.009752%   | 0.006875%   |

### ***Pension Expense***

The measurement of pension expense fundamentally changed with the implementation of GASB Statement 68. Pension expense is calculated for the pension plan measurement period and includes changes in the net pension liability and the amortization of specific deferred inflows and outflows of resources. For the fiscal year ended June 30, 2019, the County and its component units recognized total pension expense as follows.

|                            | as of<br>June 30, 2019 |
|----------------------------|------------------------|
| Goshen County              | \$ 793,165             |
| County Fair Board          | 41,573                 |
| County Weed and Pest Board | 70,215                 |
| County Library Board       | 45,603                 |
|                            | \$ 950,556             |

### ***Deferred Outflows of Resources Related to Pensions – Goshen County***

At June 30, 2019, the County reported the following deferred outflows of resources related to pensions:

## NOTES TO THE FINANCIAL STATEMENTS

|  | Public Employee<br>Pension | Law Enforcement<br>Pension | Total        |
|--|----------------------------|----------------------------|--------------|
| <i>Deferred Outflows of Resources</i>  |                            |                            |              |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ 555,956                 | \$ 2,237                   | \$ 558,193   |
| Changes in proportion  | 88,556                     | (57,427)                   | 31,129       |
| Changes in assumptions   | 184,968                    | 694,069                    | 879,037      |
| Proportionate share of differences<br>between expected and actual experience                                   | -                          | 267,293                    | 267,293      |
| Contributions subsequent to the measurement date   | 182,506                    | 88,437                     | 270,943      |
| Total Deferred Outflows Related to Pensions  | \$ 1,011,986               | \$ 994,609                 | \$ 2,006,595 |

The \$270,943 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

### ***Deferred Inflows of Resources Related to Pensions – Goshen County***

At June 30, 2019, the County reported the following deferred inflows of resources related to pensions:

|  | Public Employee<br>Pension | Law Enforcement<br>Pension | Total        |
|--|----------------------------|----------------------------|--------------|
| <i>Deferred Inflows of Resources</i>   |                            |                            |              |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ (92,974)                | \$ (73,449)                | \$ (166,423) |
| Total Deferred Inflows Related to Pensions   | \$ (92,974)                | \$ (73,449)                | \$ (166,423) |

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows for the years ended June 30:

|      |    |           |
|------|----|-----------|
| 2020 | \$ | 432,241   |
| 2021 |    | 432,241   |
| 2022 |    | 565,211   |
| 2023 |    | 139,536   |
|      | \$ | 1,569,229 |

**NOTES TO THE FINANCIAL STATEMENTS**

***Deferred Outflows of Resources Related to Pensions – County Fair Board***

At June 30, 2019, the County reported the following deferred outflows of resources related to pensions:

|  | <u>Public Employee<br/>Pension</u> |
|--|------------------------------------|
| <i>Deferred Outflows of Resources</i>  |                                    |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ 29,428                          |
| Changes in proportion  | (7,560)                            |
| Changes in assumptions   | 9,791                              |
| Contributions subsequent to the measurement date   | <u>10,535</u>                      |
| Total Deferred Outflows Related to Pensions  | <u><u>\$ 42,194</u></u>            |

The \$10,535 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

***Deferred Inflows of Resources Related to Pensions – County Fair Board***

At June 30, 2019, the County reported the following deferred inflows of resources related to pensions:

|  | <u>Public Employee<br/>Pension</u> |
|--|------------------------------------|
| <i>Deferred Inflows of Resources</i>   |                                    |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | <u>\$ (4,921)</u>                  |
| Total Deferred Inflows Related to Pensions   | <u><u>\$ (4,921)</u></u>           |

## NOTES TO THE FINANCIAL STATEMENTS

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows for the years ended June 30:

|      |    |                  |
|------|----|------------------|
| 2020 | \$ | 6,476            |
| 2021 |    | 6,476            |
| 2022 |    | 6,429            |
| 2023 |    | 7,357            |
|      |    | <u>26,738</u>    |
|      |    | <u>\$ 26,738</u> |

***Deferred Outflows of Resources Related to Pensions – County Weed and Pest Board***

At June 30, 2019, the County reported the following deferred outflows of resources related to pensions:

|  | <u>Public Employee<br/>Pension</u> |
|--|------------------------------------|
| <i>Deferred Outflows of Resources</i>  |                                    |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ 37,392                          |
| Changes in proportion  | (9,453)                            |
| Changes in assumptions   | 12,441                             |
| Contributions subsequent to the measurement date   | <u>13,842</u>                      |
| Total Deferred Outflows Related to Pensions  | <u>\$ 54,222</u>                   |

The \$13,842 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

***Deferred Inflows of Resources Related to Pensions – County Weed and Pest Board***

At June 30, 2019, the County reported the following deferred inflows of resources related to pensions:

## NOTES TO THE FINANCIAL STATEMENTS

|  | Public Employee<br>Pension |
|--|----------------------------|
| <i>Deferred Inflows of Resources</i>   |                            |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ (6,253)                 |
| Total Deferred Inflows Related to Pensions   | \$ (6,253)                 |

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows for the years ended June 30:

|      |           |
|------|-----------|
| 2020 | \$ 8,278  |
| 2021 | 8,278     |
| 2022 | 8,223     |
| 2023 | 9,348     |
|      | \$ 34,127 |

### ***Deferred Outflows of Resources Related to Pensions – County Library Board***

At June 30, 2019, the County reported the following deferred outflows of resources related to pensions:

|  | Public Employee<br>Pension |
|--|----------------------------|
| <i>Deferred Outflows of Resources</i>  |                            |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ 44,596                  |
| Changes in proportion  | (7,424)                    |
| Changes in assumptions   | 14,837                     |
| Contributions subsequent to the measurement date   | 14,543                     |
| Total Deferred Outflows Related to Pensions  | \$ 66,552                  |

The \$14,543 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

### ***Deferred Inflows of Resources Related to Pensions – County Library Board***

## NOTES TO THE FINANCIAL STATEMENTS

At June 30, 2019, the County reported the following deferred inflows of resources related to pensions:

|  | Public Employee<br>Pension |
|--|----------------------------|
| <i>Deferred Inflows of Resources</i>   |                            |
| Proportionate share of differences<br>between the projected and actual earnings on<br>pension plan investments | \$ (7,458)                 |
| Total Deferred Inflows Related to Pensions   | \$ (7,458)                 |

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows for the years ended June 30:

|      |           |
|------|-----------|
| 2020 | \$ 11,134 |
| 2021 | 11,134    |
| 2022 | 11,134    |
| 2023 | 11,149    |
|      | \$ 44,551 |

### ***Actuarial Assumptions***

The most recent valuation date for pension plans is January 1, 2019. Roll forward procedures were used by the plan actuary – Gabriel, Roeder, Smith and Company Retirement Consulting- to update the actuarial liability and costs from the valuation date to the measurement date. Actuarial assumptions and methods are set by the WRS Board of Trustees, based upon recommendations from actuary. The current actuarial assumptions and methods were adopted on August 23, 2017 based on experience study performed as of December 31, 2016. According to the WRS CAFR, changes in mortality assumptions and the investment rate of return were made for the current measurement date. There were no changes in benefit terms that affected measurement of the total pension liability compared to the prior measurement date. More detail about the actuarial methods and assumptions or the experience study can be found on the Wyoming Retirement System website.

Actuarial methods and assumptions at January 1, 2019 are disclosed below for the Wyoming Retirement System (WRS) pension plans in which the County participates. The actuarial valuation was rolled forward using generally accepted actuarial procedures.

## NOTES TO THE FINANCIAL STATEMENTS

|   | Public Employee<br>Pension     | Law Enforcement<br>Pension     |
|---|--------------------------------|--------------------------------|
| Valuation Date                                | 01/01/2018                     | 01/01/2018                     |
| Actuarial Cost Method                         | Individual Entry<br>Age Normal | Individual Entry<br>Age Normal |
| Amortization Method                           | Level Percent Closed           | Level Percent Closed           |
| Remaining Amortization Period                 | 30                             | 30                             |
| Asset Valuation Method                        | 5 year                         | 5 year                         |
| Actual Assumptions:                           |                                |                                |
| Investment Rate of Return                     | 7.00%                          | 7.00%                          |
| Projected Salary Increases Includes Inflation | 4.75% to 8.75%                 | 4.75% to 8.75%                 |
| Assumed Inflation Rate                        | 2.25%                          | 2.25%                          |
| Mortality                                     | *                              | *                              |

\* Mortality Assumptions: Pre-Retirement Mortality  
 RP-2014 Employee Mortality table, fully generational, projected with Scale MP-2017

Males: No set back with multiplier of 100%  
 Females: No set with a multiplier of 100%

Post-Retirement Mortality

RP-2014 Healthy Annuitant Mortality table, fully generational, projected with Scale MP-2017

Males: No set back with multiplier of 100%  
 Females: No set back with a multiplier of 88%

Disabled Mortality

RP-2014 Disabled Mortality table, fully generational, projected with Scale MP-2017

Males: No set back with multiplier of 100%  
 Females: No set back with a multiplier of 100%

Wyoming Retirement System assumes a 7.00% long term investment rate of return for its pension plans. The long-term rate of return is determined through a 4.75% net real rate of return and an inflation rate of 2.25%. For the fiscal year ended December 31, 2018, WRS pension plans saw an annual money-weighted real rate of return, net of expenses, of -3.52% compared to the 7.00% expected rate of return.

## NOTES TO THE FINANCIAL STATEMENTS

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

|                                | Arithmetic           |                           | Geometric         |                          |                   |
|--------------------------------|----------------------|---------------------------|-------------------|--------------------------|-------------------|
|                                | Target<br>Allocation | Arithmetic<br>Real Return | Nominal<br>Return | Geometric<br>Real Return | Nominal<br>Return |
| <b>Tactical Cash</b>           | <b>0.00%</b>         | <b>0.30%</b>              | <b>2.90%</b>      | <b>30.00%</b>            | <b>2.90%</b>      |
| <b>Fixed Income</b>            | <b>20.00%</b>        | <b>2.00%</b>              | <b>4.60%</b>      | <b>1.50%</b>             | <b>4.10%</b>      |
| Core Plus                      | 7.50%                | 1.40%                     | 4.00%             | 1.30%                    | 3.9%              |
| US Government                  | 10.00%               | 1.80%                     | 4.40%             | 1.10%                    | 3.7%              |
| Opportunistic Credit           | 2.50%                | 4.20%                     | 6.80%             | 3.70%                    | 6.3%              |
| <b>Equity</b>                  | <b>49.00%</b>        | <b>7.40%</b>              | <b>10.00%</b>     | <b>6.00%</b>             | <b>8.60%</b>      |
| US Equity                      | 23.60%               | 6.90%                     | 9.50%             | 5.50%                    | 8.10%             |
| Developed International        | 15.80%               | 7.70%                     | 10.30%            | 5.90%                    | 8.90%             |
| Emerging Markets               | 9.60%                | 10.70%                    | 13.30%            | 7.80%                    | 10.40%            |
| <b>Marketable Alternatives</b> | <b>19.00%</b>        | <b>3.50%</b>              | <b>6.10%</b>      | <b>3.10%</b>             | <b>5.70%</b>      |
| Opportunistic/Directional      | 0.0-10.0%            | 4.00%                     | 6.60%             | 3.70%                    | 6.30%             |
| Absolute Return                | 5.0-15.0%            | 3.10%                     | 5.70%             | 2.80%                    | 5.40%             |
| Enhanced Fixed Income          | 0.0-10.0%            | 2.70%                     | 5.30%             | 2.30%                    | 4.90%             |
| Global Asset Allocation        | 2.5-12.0%            | 3.00%                     | 5.60%             | 2.50%                    | 5.10%             |
| <b>Private Markets</b>         | <b>12.00%</b>        | <b>7.00%</b>              | <b>9.60%</b>      | <b>5.20%</b>             | <b>7.80%</b>      |
| Private Real Assets            | 3.0-10.5%            | 7.00%                     | 9.60%             | 5.40%                    | 8.00%             |
| Real Estate                    | 2.5-7.5%             | 3.80%                     | 6.40%             | 3.20%                    | 5.80%             |
| Private Debt                   | 2.5-7.5%             | 6.20%                     | 8.80%             | 4.70%                    | 7.30%             |
| Private Equity                 | 2.5-12.5%            | 10.90%                    | 13.50%            | 7.50%                    | 10.10%            |
| <b>Total</b>                   | <b>100.00%</b>       | <b>5.50%</b>              | <b>8.10%</b>      | <b>4.40%</b>             | <b>7.00%</b>      |

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 returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plans target asset allocation as of the January 1, 2018, these best estimates are summarized in the table above.

### ***Discount Rate***

The discount rate used to measure the total pension liability for all plans was 7.00%. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Wyoming State statutes. Based on those assumptions, the System's fiduciary net position was projected to be available to make all the projected future benefit payments

**NOTES TO THE FINANCIAL STATEMENTS**

of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

| Pension Plan            | Single Discount Rate | Long-Term Expected Rate of Return | Long-Term Municipal Bond Rate | Last year ending December 31 in the 2017 to 2060 projection period for which projected benefit payments are fully funded |
|-------------------------|----------------------|-----------------------------------|-------------------------------|--|
| Public Employee Pension | 7.00%                | 7.00%                             | 3.71%                         | 2117   |
| Law Enforcement Pension | 5.92%                | 7.00%                             | 3.71%                         | 2054   |

***Sensitivity of the 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 7.00%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage point higher (8.00%) than the current rate.

| Pension Plan            | 1.0% Decrease<br>6.00% | Current Discount Rate<br>7.00% | 1.0% Decrease<br>8.00% |
|-------------------------|------------------------|--------------------------------|------------------------|
| Public Employee Pension | \$4,223,408,002        | \$ 3,045,290,883               | \$2,062,163,186        |
| Law Enforcement Pension | \$ 364,461,782         | \$ 242,072,258                 | \$ 142,850,545         |

## NOTES TO THE FINANCIAL STATEMENTS

Note 8. Fund Balance Classification

Classification of fund balances and descriptions as of June 30, 2019 are as follows:

|  |                     |
|--|---------------------|
| General Fund                                 |                     |
| Restricted for road funds                    | \$ 1,602,188        |
| Total general fund restricted fund balances  | <u>\$ 1,602,188</u> |
|  |                     |
| Committed for abandoned vehicles             | \$ 1,223            |
| Committed for Capital Facility III detention | 9,161               |
| Committed for fire fund                      | <u>10,994</u>       |
| Total general fund committed fund balances   | <u>\$ 21,378</u>    |
|  |                     |
| Assigned for contingency reserve             | \$ 600,000          |
| Assigned for insurance deductible            | <u>70,703</u>       |
| Total general fund assigned fund balances    | <u>\$ 670,703</u>   |

Note 9. Joint Powers Board

Goshen County is participating in projects that are controlled by joint powers boards. The County does not have control over these entities. Board members are appointed by the County and the County has representation on the board. The property involved in these projects is titled in the name of the joint powers boards. Upon completion of the projects, the entities will be dissolved and the title to the property will be transferred to the County which will operate the property. The transactions and balances for these entities are included in the County financial statements.

Separate legal entities were established for the financing of these projects through the authority to levy special taxes. The entities can issue bonds or certificates of participation in order to finance the projects and the debt is repaid through assessment of taxes. The entities are the Goshen Care Center Joint Powers Board and the Goshen Alzheimer’s Care Center Joint Powers Board. The projects are funded by grant funds and a residual capital facilities sales tax from the assisted living facility building. The funds are being used to build a new nursing home facility and a new Alzheimer’s care facility that are leased to a non-profit healthcare organization. The transactions and balances of the assisted living facility and Alzheimer’s care facility are reflected on the accompanying financial statements under the headings “Goshen Care Center” and “Alzheimer’s Unit” as enterprise funds. When the joint powers boards are dissolved, the title of the assets will revert to the County.

Note 10. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disaster for which the government

## NOTES TO THE FINANCIAL STATEMENTS

carries commercial insurance. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

### Note 11. Prior Period Adjustment

During the fiscal year ended June 30, 2019, the County, pursuant to *Governmental Accounting Standards Board (GASB) Statement No. 68 – Accounting and Financial Reporting for Pensions*, recorded a prior period adjustment for the net pension liability and corresponding deferred inflows and outflows for the discretely presented component units. The resulting prior period adjustment for GASB No. 68 increased Goshen County's net position by \$481,423 and decreased the County Fair Board, the County Library Board and the County Weed & Pest Board by \$117,119, \$192,268 and \$172,036, respectively.

**REQUIRED SUPPLEMENTARY INFORMATION**

GOSHEN COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS –  
GENERAL FUND**

For the Year Ended June 30, 2019

|   | General Fund         |                     |                             | Variance               |
|---|----------------------|---------------------|-----------------------------|------------------------|
|   | Budget -<br>Original | Budget -<br>Final   | Actual<br>(Budgetary Basis) | Positive<br>(Negative) |
| Revenue                                 |                      |                     |                             |                        |
| Taxes                                   | \$ 2,671,484         | \$ 2,671,484        | \$ 2,519,099                | \$ (152,385)           |
| Other taxes                             | 2,779,106            | 2,779,106           | 2,819,866                   | 40,760                 |
| Intergovernmental                       | 1,332,059            | 1,332,059           | 1,325,944                   | (6,115)                |
| Charges for services                    | 344,547              | 344,547             | 323,179                     | (21,368)               |
| Licenses and permits                    | 13,100               | 13,100              | 12,625                      | (475)                  |
| Grant revenue                           | 724,157              | 724,157             | 465,573                     | (258,584)              |
| Interest                                | 24,300               | 24,300              | 34,623                      | 10,323                 |
| Rent                                    | 7,532                | 7,532               | 7,532                       | -                      |
| Miscellaneous                           | <u>1,164,727</u>     | <u>1,164,727</u>    | <u>1,300,055</u>            | <u>135,328</u>         |
| Total revenue                           | <u>9,061,012</u>     | <u>9,061,012</u>    | <u>8,808,496</u>            | <u>(252,516)</u>       |
| Expenditures                            |                      |                     |                             |                        |
| General government                      | 4,276,506            | 4,052,587           | 3,282,075                   | 770,512                |
| Public safety                           | 2,871,061            | 2,871,061           | 2,486,240                   | 384,821                |
| Public works                            | 2,428,852            | 2,428,852           | 1,606,436                   | 822,416                |
| Health and welfare                      | <u>597,675</u>       | <u>597,675</u>      | <u>508,003</u>              | <u>89,672</u>          |
| Total expenditures                      | <u>10,174,094</u>    | <u>9,950,175</u>    | <u>7,882,754</u>            | <u>2,067,421</u>       |
| Excess of revenues<br>over expenditures | (1,113,082)          | (889,163)           | 925,742                     | 1,814,905              |
| Fund balance, beginning                 | <u>3,562,026</u>     | <u>3,562,026</u>    | <u>3,562,026</u>            | <u>-</u>               |
| Fund balance, ending                    | <u>\$ 2,448,944</u>  | <u>\$ 2,672,863</u> | <u>\$ 4,487,768</u>         | <u>\$ 1,814,905</u>    |

(Continued)

GOSHEN COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS –  
GENERAL FUND**

For the Year Ended June 30, 2019

(Continued)

Explanation of differences between budgetary revenue and expenditures and GAAP revenue and expenditures:

Revenue:

|  |                  |
|--|------------------|
| Actual total revenue budgetary basis     | \$ 8,808,496     |
| Differences- Budget to GAAP              |                  |
| Taxes receivable and accrual differences | <u>(237,894)</u> |

|  |                     |
|--|---------------------|
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances- governmental funds | <u>\$ 8,570,602</u> |
|--|---------------------|

Expenditures:

|   |               |
|---|---------------|
| Actual total expenditures budgetary basis | \$ 7,882,754  |
| Differences- Budget to GAAP               |               |
| Accounts payable and accrual differences  | <u>20,714</u> |

|  |                     |
|--|---------------------|
| Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances- governmental funds | <u>\$ 7,903,468</u> |
|--|---------------------|

See Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual.

GOSHEN COUNTY, WYOMING

**NOTES TO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL**

For the Year Ended June 30, 2019

**A. Budgetary Basis**

Annual budgets are adopted for all governmental fund types on a basis of accounting that demonstrates compliance with Wyoming State statutes. Since all accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences has been provided on pages 46-47. All annual appropriations lapse at year end.

**B. Budgetary Information**

The appropriated budget is prepared by fund, function, and department. The government's department heads, with the County Commissioners' approval, may make transfers of appropriations within a department or division. Transfers of appropriations between departments and/or divisions require approval of the County Commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

**C. Excess of Expenditures over Appropriations**

For the year ended June 30, 2019, the County had no expenditures that exceeded appropriations in the General Fund.

GOSHEN COUNTY, WYOMING

**SCHEDULE OF COUNTY'S SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan - Goshen County  
For Years Ended June 30, 2015 - 2019\***

|   | 2019         | 2018         | 2017         | 2016         | 2015         |
|---|--------------|--------------|--------------|--------------|--------------|
| County's portion of the net pension liability*  | 0.1215692%   | 0.1164114%   | 0.113898%    | 0.112022%    | 0.114380%    |
| County's proportionate share of the net pension liability*  | \$ 3,702,135 | \$ 2,653,412 | \$ 2,753,489 | \$ 2,609,392 | \$ 2,018,447 |
| County's covered-employee payroll   | \$ 2,194,350 | \$ 2,040,178 | \$ 2,060,638 | \$ 2,014,395 | \$ 1,994,891 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 168.71%      | 130.06%      | 133.62%      | 129.54%      | 101.18%      |
| Plan fiduciary net position as a percentage of the total pension liability                                | 69.17%       | 76.35%       | 73.42%       | 73.40%       | 79.08%       |

**Law Enforcement Pension Plan - Goshen County  
For Years Ended June 30, 2015 - 2019\***

|   | 2019         | 2018         | 2017         | 2016         | 2015         |
|---|--------------|--------------|--------------|--------------|--------------|
| County's portion of the net pension liability*  | 0.671844%    | 0.702232%    | 0.708688%    | 0.704085%    | 0.745067%    |
| County's proportionate share of the net pension liability*  | \$ 1,626,347 | \$ 604,231   | \$ 535,002   | \$ 528,908   | \$ 219,527   |
| County's covered-employee payroll   | \$ 1,012,509 | \$ 1,092,693 | \$ 1,095,698 | \$ 1,113,117 | \$ 1,087,256 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 160.63%      | 55.30%       | 48.83%       | 47.52%       | 20.19%       |
| Plan fiduciary net position as a percentage of the total pension liability                                | 71.22%       | 87.99%       | 88.11%       | 87.49%       | 94.76%       |

\* The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the County's fiscal year. This schedule is to be build prospectively until it contains ten years of data.

GOSHEN COUNTY, WYOMING

**SCHEDULE OF COUNTY'S SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan - County Fair Board  
For Years Ended June 30, 2015 - 2019\***

|   | 2019       | 2018       | 2017       | 2016      | 2015       |
|---|------------|------------|------------|-----------|------------|
| County's portion of the net pension liability*  | 0.0064350% | 0.0068753% | 0.005733%  | 0.004248% | 0.007951%  |
| County's proportionate share of the net pension liability*  | \$ 195,964 | \$ 156,712 | \$ 138,593 | \$ 98,952 | \$ 140,314 |
| County's covered-employee payroll   | \$ 118,419 | \$ 132,343 | \$ 107,741 | \$ 83,412 | \$ 103,008 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 165.48%    | 118.41%    | 128.64%    | 118.63%   | 136.22%    |
| Plan fiduciary net position as a percentage of the total pension liability                                | 69.17%     | 76.35%     | 73.42%     | 73.40%    | 79.08%     |

**Public Employee Pension Plan - County Weed and Pest Board  
For Years Ended June 30, 2015 - 2019\***

|   | 2019       | 2018       | 2017       | 2016       | 2015       |
|---|------------|------------|------------|------------|------------|
| County's portion of the net pension liability*  | 0.0081765% | 0.0087271% | 0.008089%  | 0.008567%  | 0.007132%  |
| County's proportionate share of the net pension liability*  | \$ 248,998 | \$ 198,920 | \$ 195,552 | \$ 199,550 | \$ 125,857 |
| County's covered-employee payroll   | \$ 162,979 | \$ 136,931 | \$ 162,284 | \$ 140,086 | \$ 144,893 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 152.78%    | 145.27%    | 120.50%    | 142.45%    | 86.86%     |
| Plan fiduciary net position as a percentage of the total pension liability                                | 69.17%     | 76.35%     | 73.42%     | 73.40%     | 79.08%     |

\* The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the County's fiscal year. This schedule is to be build prospectively until it contains ten years of data.

GOSHEN COUNTY, WYOMING

**SCHEDULE OF COUNTY'S SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan - County Library Board  
For Years Ended June 30, 2015 - 2019\***

|   | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|---|-------------|-------------|-------------|-------------|-------------|
| County's portion of the net pension liability*  | 0.0097516%  | 0.0101840%  | 0.009123%   | 0.008822%   | 0.010051%   |
| County's proportionate share of the net pension liability*  | \$ 296,965  | \$ 232,128  | \$ 220,558  | \$ 205,488  | \$ 177,371  |
| County's covered-employee payroll   | \$ 172,722  | \$ 172,445  | \$ 173,419  | \$ 157,309  | \$ 165,381  |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 171.93%     | 134.61%     | 127.18%     | 130.63%     | 107.25%     |
| Plan fiduciary net position as a percentage of the total pension liability                                | 69.17%      | 76.35%      | 73.42%      | 73.40%      | 79.08%      |

\* The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the County's fiscal year. This schedule is to be build prospectively until it contains ten years of data.

GOSHEN COUNTY, WYOMING

**SCHEDULE OF CONTRIBUTIONS**

**Public Employee Pension Plan - Goshen County  
For Years Ended June 30, 2015 - 2019\*\***

|  | <u>2019</u>      | <u>2018</u>      | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      |
|--|------------------|------------------|------------------|------------------|------------------|
| Contractually required contribution                                  | \$ 364,701       | \$ 339,078       | \$ 342,478       | \$ 334,792       | \$ 316,589       |
| Contributions in relation to the contractually required contribution | <u>(364,701)</u> | <u>(339,078)</u> | <u>(342,478)</u> | <u>(334,792)</u> | <u>(316,589)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      |
| County's covered-employee payroll                                    | \$ 2,194,350     | \$ 2,040,178     | \$ 2,060,638     | \$ 2,014,395     | \$ 1,994,891     |
| Contributions as a percentage of covered-employee payroll            | 16.62%           | 16.62%           | 16.62%           | 16.62%           | 15.87%           |

**Law Enforcement Pension Plan - Goshen County  
For Years Ended June 30, 2015 - 2019\*\***

|  | <u>2019</u>      | <u>2018</u>      | <u>2017</u>      | <u>2016</u>      | <u>2015</u>      |
|--|------------------|------------------|------------------|------------------|------------------|
| Contractually required contribution                                  | \$ 174,152       | \$ 187,943       | \$ 188,460       | \$ 191,456       | \$ 187,008       |
| Contributions in relation to the contractually required contribution | <u>(174,152)</u> | <u>(187,943)</u> | <u>(188,460)</u> | <u>(191,456)</u> | <u>(187,008)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>      |
| County's covered-employee payroll                                    | \$ 1,012,509     | \$ 1,092,693     | \$ 1,095,698     | \$ 1,113,117     | \$ 1,087,256     |
| Contributions as a percentage of covered-employee payroll            | 17.20%           | 17.20%           | 17.20%           | 17.20%           | 17.20%           |

\*\*This schedule to be built prospectively until it contains ten years of data

GOSHEN COUNTY, WYOMING

**SCHEDULE OF CONTRIBUTIONS**

**Public Employee Pension Plan - County Fair Board  
For Years Ended June 30, 2015 - 2019\*\***

|  | <u>2019</u>     | <u>2018</u>     | <u>2017</u>     | <u>2016</u>     | <u>2015</u>     |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Contractually required contribution                                  | \$ 19,681       | \$ 21,995       | \$ 17,907       | \$ 13,863       | \$ 16,347       |
| Contributions in relation to the contractually required contribution | <u>(19,681)</u> | <u>(21,995)</u> | <u>(17,907)</u> | <u>(13,863)</u> | <u>(16,347)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>     |
| County's covered-employee payroll                                    | \$ 118,419      | \$ 132,343      | \$ 107,741      | \$ 83,412       | \$ 103,008      |
| Contributions as a percentage of covered-employee payroll            | 16.62%          | 16.62%          | 16.62%          | 16.62%          | 15.87%          |

**Public Employee Pension Plan - County Weed and Pest Board  
For Years Ended June 30, 2015 - 2019\*\***

|  | <u>2019</u>     | <u>2018</u>     | <u>2017</u>     | <u>2016</u>     | <u>2015</u>     |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Contractually required contribution                                  | \$ 27,087       | \$ 22,758       | \$ 26,972       | \$ 23,282       | \$ 22,994       |
| Contributions in relation to the contractually required contribution | <u>(27,087)</u> | <u>(22,758)</u> | <u>(26,972)</u> | <u>(23,282)</u> | <u>(22,994)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>     |
| County's covered-employee payroll                                    | \$ 162,979      | \$ 136,931      | \$ 162,284      | \$ 140,086      | \$ 144,893      |
| Contributions as a percentage of covered-employee payroll            | 16.62%          | 16.62%          | 16.62%          | 16.62%          | 15.87%          |

\*\*This schedule to be built prospectively until it contains ten years of data

GOSHEN COUNTY, WYOMING

**SCHEDULE OF CONTRIBUTIONS**

**Public Employee Pension Plan - County Library Board  
For Years Ended June 30, 2015 - 2019\*\***

|  | <u>2019</u>     | <u>2018</u>     | <u>2017</u>     | <u>2016</u>     | <u>2015</u>     |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Contractually required contribution                                  | \$ 28,706       | \$ 28,660       | \$ 28,822       | \$ 26,145       | \$ 26,246       |
| Contributions in relation to the contractually required contribution | <u>(28,706)</u> | <u>(28,660)</u> | <u>(28,822)</u> | <u>(26,145)</u> | <u>(26,246)</u> |
| Contribution deficiency (excess)                                     | <u>\$ -</u>     |
| County's covered-employee payroll                                    | \$ 172,722      | \$ 172,445      | \$ 173,419      | \$ 157,309      | \$ 165,381      |
| Contributions as a percentage of covered-employee payroll            | 16.62%          | 16.62%          | 16.62%          | 16.62%          | 15.87%          |

\*\*This schedule to be built prospectively until it contains ten years of data.

**OTHER SUPPLEMENTARY INFORMATION**

GOSHEN COUNTY, WYOMING

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

June 30, 2019

|  | Governmental Activities |                                  |                            | Business-Type   | Total                |
|--|-------------------------|----------------------------------|----------------------------|---|----------------------|
|  | County<br>Fair<br>Board | County<br>Weed and Pest<br>Board | County<br>Library<br>Board | Activity<br>Goshen Care<br>Center and<br>Alzheimer's Unit |                      |
| <b>ASSETS</b>  |                         |                                  |                            |   |                      |
| Cash and cash equivalents                                    | \$ 112,871              | \$ 768,139                       | \$ 135,573                 | \$ 1,237,155  | \$ 2,253,738         |
| Investments  | -                       | 266,632                          | 118,325                    | 114,735   | 499,692              |
| Receivables:   |                         |                                  |                            |   |                      |
| Taxes  | 587                     | 21,582                           | 1,249                      | -   | 23,418               |
| Accounts receivable  | 10,569                  | 35,966                           | -                          | 75,502  | 122,037              |
| Inventory  | -                       | 43,018                           | -                          | -   | 43,018               |
| Capital assets being depreciated, net                        | 2,514,020               | 198,155                          | 36,139                     | 8,797,605   | 11,545,919           |
| Total assets   | <u>2,638,047</u>        | <u>1,333,492</u>                 | <u>291,286</u>             | <u>10,224,997</u>   | <u>14,487,822</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                        |                         |                                  |                            |   |                      |
| Aggregate deferred outflows of resources related to pensions | 42,194                  | 54,222                           | 66,552                     | -   | 162,968              |
| Total deferred outflows of resources                         | <u>42,194</u>           | <u>54,222</u>                    | <u>66,552</u>              | <u>-</u>  | <u>162,968</u>       |
| Total assets and deferred outflows of resources              | <u>\$ 2,680,241</u>     | <u>\$ 1,387,714</u>              | <u>\$ 357,838</u>          | <u>\$ 10,224,997</u>                                      | <u>\$ 14,650,790</u> |
| <b>LIABILITIES</b>   |                         |                                  |                            |   |                      |
| Accounts payable   | \$ 45,775               | \$ 84,227                        | \$ 16,205                  | \$ 46,488   | \$ 192,695           |
| Compensated absences   | 921                     | 38,165                           | 4,100                      | -   | 43,186               |
| Aggregate pension liability                                  | 195,964                 | 248,998                          | 296,965                    | -   | 741,927              |
| Note payable   | -                       | -                                | -                          | 549,098   | 549,098              |
| Total liabilities  | <u>242,660</u>          | <u>371,390</u>                   | <u>317,270</u>             | <u>595,586</u>  | <u>1,526,906</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                         |                         |                                  |                            |   |                      |
| Aggregate deferred inflows of resources related to pensions  | 4,921                   | 6,253                            | 7,458                      | -   | 18,632               |
| Aggregate deferred inflows of resources related to grants    | -                       | 40,626                           | -                          | -   | 40,626               |
| Total deferred inflows of resources                          | <u>4,921</u>            | <u>46,879</u>                    | <u>7,458</u>               | <u>-</u>  | <u>59,258</u>        |
| Total liabilities and deferred inflows of resources          | <u>247,581</u>          | <u>418,269</u>                   | <u>324,728</u>             | <u>595,586</u>  | <u>1,586,164</u>     |
| <b>NET POSITION</b>  |                         |                                  |                            |   |                      |
| Fund balances  |                         |                                  |                            |   |                      |
| Invested in capital assets                                   | 2,514,020               | 198,155                          | 36,139                     | 8,797,605   | 11,545,919           |
| Unrestricted   | (81,360)                | 771,290                          | (3,029)                    | 831,806   | 1,518,707            |
| Total net position   | <u>\$ 2,432,660</u>     | <u>\$ 969,445</u>                | <u>\$ 33,110</u>           | <u>\$ 9,629,411</u>                                       | <u>\$ 13,064,626</u> |

GOSHEN COUNTY, WYOMING

**COMBINING STATEMENT ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS**

For the Year Ended June 30, 2019

|   | <u>Expenses</u>     | <u>Program Revenues</u>             |   |
|---|---------------------|-------------------------------------|---|
|   |                     | <u>Charges<br/>for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> |
| <b>Functions/Programs Activities</b>    |                     |                                     |   |
| <b>Primary Government</b>               |                     |                                     |   |
| Governmental activities                 |                     |                                     |   |
| County Fair Board                       | \$ 711,677          | \$ 348,956                          | \$ -  |
| County Weed & Pest                      | 754,494             | 167,294                             | 125,287   |
| County Library                          | 342,950             | 5,051                               | -   |
| Business-Type Activity                  |                     |                                     |   |
| Goshen Care Center and Alzheimer's Unit | <u>400,307</u>      | <u>-</u>                            | <u>84,049</u>                                     |
| Total component units                   | <u>\$ 2,209,428</u> | <u>\$ 521,301</u>                   | <u>\$ 209,336</u>                                 |

**General Revenues:**

Property taxes

Interest and investment revenue

Other

Total general revenues

Change in net position

Net position - beginning of year, as restated

Net position - end of year

Net (Expense) Revenue and Changes in Net Position

| County<br>Fair Board | County<br>Weed & Pest | County<br>Library | Goshen Care<br>Center and<br>Alzheimer's Unit | Total                |
|----------------------|-----------------------|-------------------|---|----------------------|
| \$ (362,721)         | \$ -                  | \$ -              | \$ -  | \$ (362,721)         |
| -                    | (461,913)             | -                 | -   | (461,913)            |
| -                    | -                     | (337,899)         | -   | (337,899)            |
| <u>-</u>             | <u>-</u>              | <u>-</u>          | <u>(316,258)</u>                              | <u>(316,258)</u>     |
| <u>(362,721)</u>     | <u>(461,913)</u>      | <u>(337,899)</u>  | <u>(316,258)</u>                              | <u>(1,478,791)</u>   |
| \$ -                 | \$ 489,706            | \$ -              | \$ -  | \$ 489,706           |
| 40                   | 8,495                 | 3,621             | 10,573  | 22,729               |
| <u>219,922</u>       | <u>22,405</u>         | <u>269,118</u>    | <u>696,715</u>                                | <u>1,208,160</u>     |
| <u>219,962</u>       | <u>520,606</u>        | <u>272,739</u>    | <u>707,288</u>                                | <u>1,720,595</u>     |
| (142,759)            | 58,693                | (65,160)          | 391,030                                       | 241,804              |
| <u>2,575,419</u>     | <u>910,752</u>        | <u>98,270</u>     | <u>9,238,381</u>                              | <u>12,822,822</u>    |
| <u>\$ 2,432,660</u>  | <u>\$ 969,445</u>     | <u>\$ 33,110</u>  | <u>\$ 9,629,411</u>                           | <u>\$ 13,064,626</u> |



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

To the County Commissioners  
Goshen County, Wyoming  
Torrington, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, and each major fund of Goshen County, Wyoming, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Goshen County, Wyoming's basic financial statements, and have issued our report thereon dated January 10, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Goshen 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 Goshen County, Wyoming's internal control. Accordingly, we do not express an opinion on the effectiveness of Goshen 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. During our audit we did identify a deficiency in internal control that we consider to be a material weakness, reference 2019-001.



## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

ACM LLP

January 10, 2020  
Laramie, Wyoming

GOSHEN COUNTY, WYOMING

**SCHEDULE OF FINDINGS AND RESPONSES**

For the Year Ended June 30, 2019

**Material Weakness in Internal Control**

**2019-001: Segregation of Duties – Clerk of District Court**

**Criteria**

Due to a lack of segregation of duties, the Clerk of District Court was able to receive, record, and reconcile cash transactions.

**Condition**

The Clerk of District Court was able to receive, record, and reconcile cash transactions. Proper segregation of duties dictate that incompatible duties should be performed by different employees. Due to this lack of segregation duties fraudulent activity occurred during fiscal year ending June 30, 2019 which was perpetrated by the former Clerk of District Court through misappropriation of assets. The County and the State of Wyoming performed a forensic audit and charges have been filed by the County.

**Recommendation**

The internal control structure of the District Court should be monitored on a continual basis to ensure that the controls established have not been circumvented to enable any one employee to receive, record, and reconcile cash transactions.

**Response**

The District Court will develop procedures to monitor the receiving, recording, and reconciling of cash transactions to ensure that proper segregation of duties is maintained.