



**Annual Financial Report
Fiscal Year Ended June 30, 2020
(With Accountants' Report Therein)**

CITY OF GREEN RIVER, WYOMING

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Fiscal Year Ended June 30, 2020

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of City Council
City of Green River
Green River, Wyoming 82935

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Green River, Wyoming, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City'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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 business-type activities, each major fund, and the aggregate remaining fund information of City of Green River, Wyoming, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion, pension schedules and analysis and budgetary comparison information on pages 3 through 11 and 38 through 41, 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2021, on our consideration of the City of Green River, 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 City of Green River, Wyoming's internal control over financial reporting and compliance.



Karren, Hendrix, Stagg, Allen & Company
Salt Lake City, Utah
March 20, 2021

CITY OF GREEN RIVER, WYOMING

Management's Discussion and Analysis Fiscal Year Ended June 30, 2020

As management of the City of Green River, Wyoming, we offer the readers of the City of Green River, Wyoming's financial statements this narrative overview and analysis of the financial statements of the City of Green River, Wyoming for the year ended June 30, 2020. When read in conjunction with the financial statements, this section's financial highlights, overview, and analysis should assist the reader in gaining a more complete knowledge of the City's financial performance.

FINANCIAL HIGHLIGHTS

- The City's combined net position has decreased \$6.4 million to \$80.4 million during fiscal year 2020. This decrease is due to a decrease of \$3.5 million in revenues, the majority of which is sales tax that decreased by \$3 million during fiscal year 2020. Our expenditures have also increased by \$1.39 million due to an increase in capital project expenditures. The decrease in revenue correlates with the impact of the COVID-19 pandemic on our operations and our funding sources.
- The business type activities increased their net position with an ending balance of \$13.8 million. The business type activities had a cumulative profit of approximately \$172,800 from operations. The cumulative unrestricted net position increased by approximately \$290,679.
- The solid waste fund posted approximately \$179,000 loss for fiscal year 2020. The City is still on the process of closing the fund. The fund will be closed when the landfill is closed.
- The wastewater fund recorded \$65,784 in operating income for fiscal year 2020 which reflects a decrease of about \$50,000 mostly due to an increase in repairs and maintenance expenses. The fund is financially strong with approximately \$2.1 million in unrestricted net position, of which \$350,000 is designated for system expansion. The past rate structure was designed to reduce the Wastewater fund balance to a more reasonable balance between maintaining its infrastructure and reasonable rates for the citizens. The fund has now reached a reasonable fund balance to maintain its infrastructure but to sustain that equilibrium in the future the fund will need to continue small annual rate increases.
- The water fund recorded \$447,614 in operating income for fiscal year 2020. The fund has maintained solvency very well over the last few years with small annual rate increases. The unrestricted net position amounts to approximately \$2.8 million for fiscal year 2020. A rate increase contributed to a significant increase in the operating income.

OVERVIEW OF THE FINANCIAL STATEMENTS

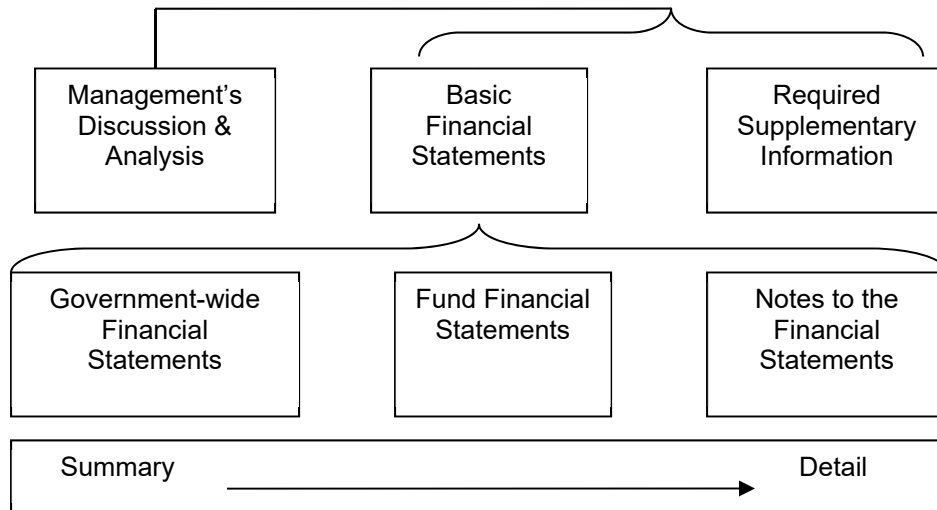
This annual report consists of three parts: 1) Management's Discussion and Analysis (this section) 2) The basic financial statements and 3) Required supplementary information. The basic financial statements include two kinds of statements that present different views of the City.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status similar to a private-sector company.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements do.
 - **Governmental fund** statements tell how general governmental services like public safety were financed in the short term as well as what remains for future spending.

- **Proprietary fund** statements offer short- and long-term financial information about the activities the government operates like businesses, such as the water and sewer systems.
- **Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Green River's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows graphically how the required parts of the annual report are arranged and related to one another.

**Figure A-1
Required Components of the City of
Green River Annual Financial Report**



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Below, figure A-2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2
Major Features of the City of Green River's Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City Government	The activities of the City that are not proprietary such as police, fire, and parks & recreation.	Activities the City operates similar to private businesses such as the water, sewer and solid waste program.
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances.	Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position. Statement of Cash Flows.
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.
Type of Asset/ Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included.	All assets and liabilities both financial and capital, and short-term and long-term.
Type of inflow/ outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due.	All revenues and expenses during the year, regardless of when cash is received or paid.

Government-wide Financial Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position (the difference between the City's assets and liabilities) is one way to measure the City's financial health, or position.

- Over time increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City the reader of the financial statements needs to consider additional non-financial factors such as changes in the City's property tax base and the conditions of the economic base for sales taxes. The sales taxes account for approximately than 66% of the City's total general fund revenue.

The government-wide financial statements for the City are divided into two categories:

- Governmental activities – Most of the City's basic services are included here. Services such as police, public works, parks and recreation and general administration of the City. Property and sales taxes, charges for services, mineral royalties, severance taxes, and state and federal grants fund these activities.
- Business-type activities – The City charges fees to customers to help it cover the costs of certain services it provides. The City's water, wastewater and solid waste services are under this umbrella.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds as opposed to the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law. The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has four kinds of funds:

- Governmental fund – Most of the City's basic services are included in the governmental funds, which focus on: 1) how cash and other financial assets can readily be converted to cash flow in and out and 2) the balances left at year-end that are available for spending in the next year. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether or not there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provided additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- Proprietary fund – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements provide both long and short term financial information. In fact, the City's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information such as a statement of cash flows.
- Internal service fund – The risk management fund accounts for the expenditures associated with the cost of providing property and liability insurance to the City. This account is designed to be self-sustaining. The interest earned on investments are expected to be enough to cover the expenses during the year.
- Fiduciary fund – The fiduciary fund accounts for receipts and expenditures for the City's partially funded self-insurance program and the GREEN program. The GREEN program provides city residents assistance in paying their utility bills. The Food Bank screens applicants and notifies the City of those who qualify. Private donations are collected and held specifically for this purpose.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position

Over time net position serves as a useful indicator of a government's financial position. Table A-3 summarizes the City of Green River's net position. The City's assets exceed liabilities by \$83 million at the end of the fiscal year 2020.

The governmental activities of the City include general government, public safety, street maintenance, and parks and recreation. Additionally, the capital projects fund includes streets, recreation and miscellaneous projects. The business type activities include wastewater, solid waste, water, and risk management.

Table A-3
City of Green River's Net position
(In thousands of dollars)

	Government		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Current assets	\$ 20,840	\$ 23,514	\$ 9,518	\$ 9,940	\$ 30,358	\$ 33,454
Capital assets	57,203	60,095	7,360	7,340	64,563	67,435
Deferred outflow of resources	550	3,449	64	262	614	3,711
Total assets & deferred outflows	\$ 78,593	\$ 87,058	\$ 16,942	\$ 17,542	\$ 95,535	\$ 104,600
Current liabilities	\$ 1,221	\$ 1,122	\$ 448	\$ 777	\$ 1,669	\$ 1,899
Non-current liabilities	8,313	11,365	2,540	3,302	10,853	14,667
Total liabilities	9,534	12,487	2,988	4,079	12,522	16,566
Deferred inflow of resources	2,475	1,251	160	29	2,635	1,280
Net assets:						
Investment in capital assets	57,203	60,095	6,388	5,818	63,591	65,913
Restricted	8	8	136	136	144	144
Assigned	3,930	3,930	1,500	1,500	5,430	5,430
Unrestricted	5,443	9,287	5,770	5,980	11,213	15,267
Total net assets	66,584	73,320	13,794	13,434	80,378	86,754
Total liabilities & net assets	\$ 78,593	\$ 87,058	\$ 16,942	\$ 17,542	\$ 95,535	\$ 104,600

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Changes in Net position

On the following page, table A-4 depicts the change in nets assets for the City of Green River; fiscal year ending 2020. City-wide, net position decreased almost \$6.4 million to an ending balance of \$ 80.4 million.

Table A-4
Changes in the City of Green River's Net position
(In thousands of dollars)

	Government		Business-Type		Total	
	2020	2019	2020	2019	2020	2019
REVENUES						
Charges for services	\$ 788	\$ 987	\$ 5,042	\$ 4,059	\$ 5,830	\$ 5,046
Operating grants & contributions	-	251	-	-	-	251
Capital grants & contributions	17	198	606	2,379	623	2,577
General revenues:						
Taxes	13,637	16,501	-	-	13,637	16,501
Intergovernmental	-	-	-	-	-	-
Interest & investment income	318	355	314	320	632	675
Miscellaneous income	397	487	12	13	409	500
Total revenues	<u>15,157</u>	<u>18,779</u>	<u>5,974</u>	<u>6,771</u>	<u>21,131</u>	<u>25,550</u>
EXPENSES						
General government	\$ 5,213	\$ 4,010	\$ -	\$ -	\$ 5,213	\$ 4,010
Public safety	6,312	6,384	-	-	6,312	6,384
Streets maintenance	5,519	4,565	-	-	5,519	4,565
Parks & recreation	5,373	6,378	-	-	5,373	6,378
Risk management	219	219	-	-	219	219
Solid waste	-	-	341	1,735	341	1,735
Sewer	-	-	1,824	2,374	1,824	2,374
Water	-	-	2,704	1,598	2,704	1,598
Total expenses	<u>22,636</u>	<u>21,556</u>	<u>4,869</u>	<u>5,707</u>	<u>27,505</u>	<u>27,263</u>
TRANSFERS IN (OUT)	<u>744</u>	<u>744</u>	<u>(744)</u>	<u>(744)</u>	<u>-</u>	<u>-</u>
CHANGES IN NET POSITION	\$ (6,735)	\$ (2,033)	\$ 361	\$ 320	\$ (6,374)	\$ (1,713)
NET POSITION, JULY 1	<u>73,319</u>	<u>75,352</u>	<u>13,434</u>	<u>13,114</u>	<u>86,753</u>	<u>88,466</u>
NET POSITION, JUNE 30	<u>\$ 66,584</u>	<u>\$ 73,319</u>	<u>\$ 13,795</u>	<u>\$ 13,434</u>	<u>\$ 80,379</u>	<u>\$ 86,753</u>

Governmental Activities

Governmental activities were affected by the current health crisis, tax revenues decreased by \$3 million during fiscal year 2020. The overall Wyoming economy has been slowing for the last couple of years and seemed to become stagnant in 2018 but we noticed more decreases in tax in fiscal year 2019. The COVID-19 pandemic caused unprecedented issues in fiscal year 2020 that affected our local economy and lead to large decreases in revenue.

Sales and use taxes are the largest revenue source of the City's governmental funds. They make up approximately 65% of the total revenue during the fiscal year. For fiscal year 2020 the sales and use tax has two key components. The first component is the 4% general sales and use tax. Most of this tax is distributed

to the State of Wyoming. The City received approximately \$5.4 million of 4% sales and use tax, which represents 36% of the City's total governmental activities revenue. The second component is the 1% Optional sales and use tax. This tax is assessed by each county and all of it is distributed back to Sweetwater County. The City received approximately \$4.5 million of 1% Optional tax sales and use tax, which represents 30% of the City's total governmental activities revenue.

The second largest contributor to the City's coffers is the intergovernmental miscellaneous revenues. This account is made up of state and federal grants, mineral royalties, severance taxes and one-time funding from the State. In 2020 the City received \$1.9 million which represents 12.6% of the City's total governmental activities revenue.

The City's 2020 expenditures by functional categories are typical as they relate to governmental activities. The General Government category is composed of: governing body, municipal court, city administrator, human resources, finance, legal services, and community revitalization. Public safety is comprised of police protection and fire protection. Streets maintenance is comprised of community development, public works and streets maintenance. Parks and recreation include park maintenance, leisure programs, cemetery, and buildings maintenance and recreation center accounts.

Business-Type Activities

During fiscal year 2018 the City of Green River Governing Body made the decision to cease City solid waste operations and contract with a private company. The City has received funding from the State of Wyoming to close the landfill and build a transfer station to dispose of its solid waste at the Rock Springs regional landfill. The City is still working on finalizing the landfill closure in 2021. The landfill was scheduled to close in 2019 but a fire occurred at the transfer station and delayed the process.

The water fund increased this year by approximately \$232,379. The increase is due in large part to a rate increase. In the long-term the City's future growth is going to be largest foreseeable hurdle for the water fund but given the current economy the expansion is going to turn more into a long-term planning program for the fund.

The wastewater fund recorded approximately \$65,784 of operating income for fiscal year 2020. The fund is financially strong with approximately \$2.14 million in unrestricted net position, of which \$350,000 is designated for system expansion. Over the next five to seven years the wastewater fund will need a new plant. The financing will require the rate to double. With that in mind the City has taken the philosophy to increase the rates over the next five years slowly by adding a usage component instead of doubling the rate at the time the new plant is built.

In the internal service fund, risk management fund received approximately \$296,000 from other funds and investment interest to pay for operating the self-insurance pool.

GENERAL FUND BUDGET HIGHLIGHTS

For fiscal year 2020, the City of Green River made budget amendments including an increase in the capital projects and the general funds for carryover in the amount of \$7,399,347 and a second increase in the capital projects fund in the amount of \$250,000 for a grant from the Wyoming Department of State Parks and Cultural Resources.

CAPITAL ASSETS

At the end of the fiscal year, for governmental activities, the City had invested \$64 million (net of depreciation) in a wide range of capital assets including land and land improvements, buildings, equipment, infrastructure and vehicles. Capital assets decreased by \$3 million from last year. See Table A-5.

Table A-5
City of Green River's Capital Assets
(In thousands of dollars)

	Government		Business-Type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
Non-depreciable capital assets	\$ 8,072	\$ 8,697	\$ 297	\$ 297	\$ 8,369	\$ 8,994
Depreciable capital assets	116,900	114,852	29,292	28,520	146,192	143,372
Less accumulated depreciation	(67,769)	(63,454)	(22,284)	(21,613)	(90,053)	(85,067)
Net depreciable capital assets	49,131	51,398	7,008	6,907	56,139	58,305
Total capital assets	\$ 57,203	\$ 60,095	\$ 7,305	\$ 7,204	\$ 64,508	\$ 67,299

For fiscal year 2020, for business type activities, the City had invested \$7.2 million in a wide range of capital assets including land and land improvements, buildings, equipment, infrastructure and vehicles. Capital assets decreased from last year mostly due to depreciation in excess of additions. See Table A-5.

LONG-TERM DEBT

The City has a small amount of long-term debt. This includes employee compensated absences, post closure liability of the City's landfill and proportionate share of net pension liability. The City's compensated absences liability is approximately \$1.2 million, the post closure liability is approximately \$562,000 and the proportionate share of net pension liability is \$8.3 million.

The City has no outstanding bonds issued. The City does however have conduit debt. These are industrial revenue bonds issued by private-sector entities. The City is not obligated in any manner for repayment of the bonds and accordingly, the bonds are not reported as a liability in the accompanying financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide to citizens, customers, investors, creditors, and others with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the City of Green River, c/o Chris Meats, City of Green River, 50 E 2nd North Green River, WY 82935, telephone number (307) 872-6125.

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BASIC FINANCIAL STATEMENTS

CITY OF GREEN RIVER, WYOMING

Statement of Net Position June 30, 2020

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 4,028,058	\$ 141,737	\$ 4,169,795
Investments	14,029,038	7,857,261	21,886,299
Receivables, net	2,560,832	560,255	3,121,087
Grants receivable	8,273	703,629	711,902
Prepaid expenses	6,796	-	6,796
Inventories	206,138	255,522	461,660
Total current assets	20,839,135	9,518,404	30,357,539
NONCURRENT ASSETS			
Restricted cash held in joint custody	-	136,564	136,564
Capital assets:			
Land, improvements, & construction in progress	8,071,985	296,507	8,368,492
Other capital assets, net of depreciation	49,131,320	6,927,012	56,058,332
Total noncurrent assets	57,203,305	7,360,083	64,563,388
DEFERRED OUTFLOWS OF RESOURCES			
Proportionate share of pension deferred outflows	550,307	64,005	614,312
Total deferred outflows of resources	550,307	64,005	614,312
Total assets	78,592,747	16,942,492	95,535,239
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	1,112,030	417,631	1,529,661
Compensated absenses	109,359	30,000	139,359
Total current liabilities	1,221,389	447,631	1,669,020
NONCURRENT LIABILITIES			
Compensated absenses	984,232	197,932	1,182,164
Post closure liability	-	562,000	562,000
Capital lease obligations	-	835,286	835,286
Proportionate share of net pension liability	7,328,494	944,795	8,273,289
Total noncurrent liabilities	8,312,726	2,540,013	10,852,739
Total liabilities	9,534,115	2,987,644	12,521,759
DEFERRED INFLOWS OF RESOURCES			
Proportionate share of pension deferred inflows	1,560,300	159,604	1,719,904
Deferred revenue	914,392	-	914,392
Total deferred inflows of resources	2,474,692	159,604	2,634,296
NET POSITION			
Invested in capital assets, net of related debt	57,203,305	6,388,233	63,591,538
Restricted for:			
Federal programs	8,273	-	8,273
Cash held in joint custody	-	136,564	136,564
Assigned	3,929,750	1,500,000	5,429,750
Unrestricted	5,442,612	5,770,447	11,213,059
Total net position	66,583,940	13,795,244	80,379,184
Total net position and dererred inflows of ressources	\$ 78,592,747	\$ 16,942,492	\$ 95,535,239

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

CITY OF GREEN RIVER, WYOMING

Statement of Activities For the Year Ended June 30, 2020

	Program Revenues				Net (Expense) Rev & Changes in Net Assets Primary Government		
	Expenses	Charges for Services	Operating Grant and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Function/Programs Primary Government:							
Governmental Activities:							
General government	\$ 5,214,881	\$ 139,227	\$ -	\$ -	\$ (5,075,654)		\$ (5,075,654)
Public safety	6,311,570	57,802	-	17,734	(6,236,034)		(6,236,034)
Streets maintenance	5,519,365	-	-	-	(5,519,365)		(5,519,365)
Parks and recreation	5,372,654	477,846	-	-	(4,894,808)		(4,894,808)
Risk management	219,127	112,649	-	-	(106,478)		(106,478)
Total governmental activities	<u>22,637,597</u>	<u>787,524</u>	<u>-</u>	<u>17,734</u>	<u>(21,832,339)</u>		<u>(21,832,339)</u>
Business-type activities:							
Solid waste	340,500	-	-	54,907		(285,593)	(285,593)
Water	2,704,498	3,152,112	-	-		447,614	447,614
Wastewater	1,824,356	1,890,140	-	551,103		616,887	616,887
Total business-type activities	<u>4,869,354</u>	<u>5,042,252</u>	<u>-</u>	<u>606,010</u>		<u>778,908</u>	<u>778,908</u>
Total primary government	<u>\$ 27,506,951</u>	<u>\$ 5,829,776</u>	<u>\$ -</u>	<u>\$ 623,744</u>	<u>(21,832,339)</u>	<u>778,908</u>	<u>(21,053,431)</u>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					1,113,235	-	1,113,235
Sales taxes and use taxes					9,868,989	-	9,868,989
Impact assistance, special state dist.					726,708	-	726,708
Miscellaneous taxes					1,928,314	-	1,928,314
Unrestricted investment earnings					318,180	314,161	632,341
Miscellaneous revenues					452,841	12,429	465,270
Gain (loss) on sale of capital assets					(55,637)	-	(55,637)
Transfers in (out)					744,211	(744,211)	-
Total general revenues and transfers					<u>15,096,841</u>	<u>(417,621)</u>	<u>14,679,220</u>
Change in net position					(6,735,498)	361,287	(6,374,211)
NET POSITION - JULY 1, 2019					73,319,438	13,433,957	86,753,395
NET POSITION - JUNE 30, 2020					<u>\$ 66,583,940</u>	<u>\$ 13,795,244</u>	<u>\$ 80,379,184</u>

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

CITY OF GREEN RIVER, WYOMING

Balance Sheet Governmental Funds June 30, 2020

	General	Capital Projects	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 3,058,029	\$ 349,218	\$ 3,407,247
Investments	6,846,298	6,066,837	12,913,135
Accounts receivable, net	2,548,623	-	2,548,623
Grants receivable	8,273	-	8,273
Prepaid expenses	6,796	-	6,796
Inventories	206,138	-	206,138
Total assets	<u>12,674,157</u>	<u>6,416,055</u>	<u>19,090,212</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	322,478	365,327	687,805
Retainage payable	-	57,469	57,469
Compensated absences	109,359	-	109,359
Bonds and deposits held	30,771	-	30,771
Accrued payroll and benefits	335,985	-	335,985
Total liabilities	<u>798,593</u>	<u>422,796</u>	<u>1,221,389</u>
Deferred Inflow or Resources:			
Deferred revenue	914,392	-	914,392
Total liabilities and deferred inflow of resources	<u>914,392</u>	<u>-</u>	<u>914,392</u>
Fund Balances:			
Restricted for:			
Federal programs	8,273	-	8,273
1% sales tax projects	-	1,553,600	1,553,600
Assigned	3,929,750	-	3,929,750
Unassigned	7,023,149	4,439,659	11,462,808
Total fund balances	<u>10,961,172</u>	<u>5,993,259</u>	<u>16,954,431</u>
Total liabilities and fund balances	<u>\$ 12,674,157</u>	<u>\$ 6,416,055</u>	<u>\$ 19,090,212</u>

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

CITY OF GREEN RIVER, WYOMING

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position June 30, 2020

Total fund balances - governmental fund types	\$ 16,954,431
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	57,203,305
Proportionate share of pension deferred outflows, deferred inflows, and net pension liability	(8,338,487)
Long-term liabilities not due and payable in the current period and, therefore, are not reported in the funds	(984,232)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individuals funds. The assets and liabilities of certain internal service funds is reported with governmental activities	<u>1,748,923</u>
Net position of governmental activities	<u><u>\$ 66,583,940</u></u>

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

CITY OF GREEN RIVER, WYOMING

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2020

	General	Capital Projects	Total Governmental Funds
REVENUES			
Taxes:			
Sales and use	\$ 9,868,989	\$ -	\$ 9,868,989
Impact assistance	726,708	-	726,708
Property	1,113,235	-	1,113,235
Miscellaneous	1,928,314	-	1,928,314
Charges for services	477,846	-	477,846
Fines and forfeitures	57,802	-	57,802
Intergovernmental	307,995	(290,261)	17,734
Licenses and permits	139,227	-	139,227
Investment earnings	180,168	104,924	285,092
Miscellaneous	452,841	-	452,841
Total revenues	<u>15,253,125</u>	<u>(185,337)</u>	<u>15,067,788</u>
EXPENDITURES			
General government	2,727,891	1,695,881	4,423,772
Public safety	5,101,967	88,939	5,190,906
Streets maintenance	3,102,310	1,533,805	4,636,115
Parks and recreation	4,054,232	222,695	4,276,927
Total expenditures	<u>14,986,400</u>	<u>3,541,320</u>	<u>18,527,720</u>
Revenues over (under) expenditures	<u>266,725</u>	<u>(3,726,657)</u>	<u>(3,459,932)</u>
OTHER FINANCING SOURCES (USES)			
Transfers to other funds	(1,951,135)	-	(1,951,135)
Transfers from other funds	728,211	1,671,135	2,399,346
Total other financing sources and uses	<u>(1,222,924)</u>	<u>1,671,135</u>	<u>448,211</u>
Revenues and other sources over (under) expenditures and other uses	(956,199)	(2,055,522)	(3,011,721)
FUND BALANCES - JUNE 30, 2019	<u>11,917,371</u>	<u>8,048,781</u>	<u>19,966,152</u>
FUND BALANCES - JUNE 30, 2020	<u>\$ 10,961,172</u>	<u>\$ 5,993,259</u>	<u>\$ 16,954,431</u>

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

CITY OF GREEN RIVER, WYOMING

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities For the Year Ended June 30, 2020

Net change in fund balances - total governmental funds	\$ (3,011,721)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases exceeded depreciation expense during the current period.	(2,835,892)
Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in governmental funds.	(1,110,495)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individuals funds. The net revenues (expense of certain internal service funds is reported with governmental activities	<u>222,610</u>
Change in net positions of governmental activities	<u><u>\$ (6,735,498)</u></u>

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

CITY OF GREEN RIVER, WYOMING

Statement of Net Position Proprietary Funds June 30, 2020

	Enterprise Funds			Internal Service Funds	
	Solid Waste	Water	Wastewater		Total
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 155,789	\$ (35,771)	\$ 21,719	\$ 141,737	\$ 620,811
Investments	1,857,969	3,745,152	2,254,140	7,857,261	1,115,903
Accounts receivable, net	1,419	390,588	168,248	560,255	12,209
Grants receivable	-	-	551,103	551,103	-
Unbilled receivables	-	152,526	-	152,526	-
Inventories	-	207,098	48,424	255,522	-
Total current assets	<u>2,015,177</u>	<u>4,459,593</u>	<u>3,043,634</u>	<u>9,518,404</u>	<u>1,748,923</u>
Noncurrent Assets					
Restricted cash held in joint custody	-	136,564	-	136,564	-
Capital assets, net of accumulated depreciation:				-	
Land and land improvements	220,637	75,870	-	296,507	-
Buildings and building improvements	43,920	197,900	6,664,972	6,906,792	-
Equipment	15,039	520,464	688,307	1,223,810	-
Vehicles	209,568	132,959	799,601	1,142,128	-
Infrastructure	-	3,973,775	15,964,184	19,937,959	-
Accumulated depreciation	(489,164)	(3,834,645)	(17,959,868)	(22,283,677)	-
Construction in progress	-	-	-	-	-
Total noncurrent assets	<u>-</u>	<u>1,202,887</u>	<u>6,157,196</u>	<u>7,360,083</u>	<u>-</u>
Deferred Outflows of Resources					
Proportionate share of pension deferred outflows	-	41,146	22,859	64,005	-
Total assets	<u>2,015,177</u>	<u>5,703,626</u>	<u>9,223,689</u>	<u>16,942,492</u>	<u>1,748,923</u>
LIABILITIES					
Current Liabilities					
Accounts payable	79,944	213,581	23,356	316,881	-
Accrued salaries, payroll and benefits	6,912	18,940	7,235	33,087	-
Compensated absences - current	-	15,000	15,000	30,000	-
Utility deposits held	-	67,663	-	67,663	-
Total current liabilities	<u>86,856</u>	<u>315,184</u>	<u>45,591</u>	<u>447,631</u>	<u>-</u>
Noncurrent Liabilities					
Capital lease obligation	-	-	835,286	835,286	-
Compensated absences	-	64,598	133,334	197,932	-
Post closure liability	562,000	-	-	562,000	-
Proportionate share of net pension liability	-	607,368	337,427	944,795	-
Total noncurrent liabilities	<u>562,000</u>	<u>671,966</u>	<u>1,306,047</u>	<u>2,540,013</u>	<u>-</u>
Deferred Inflows of Resources					
Proportionate share of pension deferred inflows	-	102,603	57,001	159,604	-
Total liabilities	<u>648,856</u>	<u>1,089,753</u>	<u>1,408,639</u>	<u>3,147,248</u>	<u>-</u>
NET POSITION					
Invested in capital assets, net of related debt	-	1,066,323	5,321,910	6,388,233	-
Assigned	500,000	650,000	350,000	1,500,000	-
Unrestricted	866,321	2,897,550	2,143,140	5,907,011	1,748,923
Total liabilities and net position	<u>\$ 1,366,321</u>	<u>\$ 4,613,873</u>	<u>\$ 7,815,050</u>	<u>\$ 13,795,244</u>	<u>\$ 1,748,923</u>

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

CITY OF GREEN RIVER, WYOMING

Statement of Revenues, Expenses, and Changes in Fund Net Assets Proprietary Funds For the Year Ended June 30, 2020

	Enterprise Funds				Internal Service Funds
	Solid Waste	Water	Wastewater	Total	
OPERATING REVENUES					
Charges for Services	\$ -	\$ 3,152,112	\$ 1,890,140	\$ 5,042,252	\$ 112,649
Other	-	-	-	-	-
Total operating revenues	-	3,152,112	1,890,140	5,042,252	112,649
OPERATING EXPENSES					
Personal services	-	780,066	352,948	1,133,014	219,127
Supplies	285,941	245,308	579,557	1,110,806	-
Utilities	-	1,430,443	120,373	1,550,816	-
Repairs and maintenance	46,660	139,127	170,341	356,128	-
Depreciation	7,899	109,554	601,137	718,590	-
Total operating expenses	340,500	2,704,498	1,824,356	4,869,354	219,127
Operating Income (Loss)	(340,500)	447,614	65,784	172,898	(106,478)
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	104,138	119,927	90,096	314,161	33,088
Miscellaneous revenues	2,456	7,970	2,003	12,429	-
Grant revenue	54,907	-	551,103	606,010	-
Gain (loss) on disposition of assets	-	-	-	-	-
Total nonoperating revenues (Expenses)	161,501	127,897	643,202	932,600	33,088
Income (loss) before transfers	(178,999)	575,511	708,986	1,105,498	(73,390)
TRANSFERS IN	-	-	-	-	296,000
TRANSFERS OUT	-	(343,132)	(401,079)	(744,211)	-
CHANGE IN NET ASSETS	(178,999)	232,379	307,907	361,287	222,610
NET POSITION - BEGINNING OF YEAR	1,545,320	4,381,494	7,507,143	13,433,957	1,526,313
NET POSITION - END OF YEAR	\$ 1,366,321	\$ 4,613,873	\$ 7,815,050	\$ 13,795,244	\$ 1,748,923

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

CITY OF GREEN RIVER, WYOMING

Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2020

	Enterprise Funds				Internal Service Funds
	Solid Waste	Water	Wastewater	Total	
Cash Flows from Operating Activities					
Receipts from customers	\$ 1,130	\$ 2,794,369	\$ 1,879,820	\$ 4,675,319	\$ 112,649
Payments to suppliers	(361,319)	(1,777,727)	(976,945)	(3,115,991)	(219,127)
Payments to employees	-	(825,433)	(366,862)	(1,192,295)	-
Total cash flows from operating activities	(360,189)	191,209	536,013	367,033	(106,478)
Cash Flows from Noncapital Financing Activities					
Transfers from (to) other funds	-	(343,132)	(401,079)	(744,211)	296,000
Grants received	1,137,855	-	-	1,137,855	-
Total cash flows from noncapital financing activities	1,137,855	(343,132)	(401,079)	393,644	296,000
Cash Flows from Capital and Related Financing Activities					
Capital grant proceeds	-	-	-	-	-
Principal paid on capital lease obligations	(500,000)	-	(51,032)	(551,032)	-
Purchase of capital assets	-	(264,771)	(473,394)	(738,165)	-
Proceeds from sale of capital assets	-	-	-	-	-
Total cash flows from capital and related financing activities	(500,000)	(264,771)	(524,426)	(1,289,197)	-
Cash Flows from Investing Activities					
Investment earnings received	1,183,696	119,927	90,096	1,393,719	33,088
Net sale (purchase) of investments	104,138	933,730	747,798	1,785,666	(22,851)
Total cash flows from investing activities	1,287,834	1,053,657	837,894	3,179,385	10,237
Net increase (decrease) in cash and cash equivalents	1,565,500	636,963	448,402	2,650,865	199,759
Cash and cash equivalents, July 1	(1,409,711)	(536,170)	(426,683)	(2,372,564)	421,052
Cash and cash equivalents, June 30	\$ 155,789	\$ 100,793	\$ 21,719	\$ 278,301	\$ 620,811
Cash and cash equivalents	\$ 155,789	\$ (35,771)	\$ 21,719	\$ 141,737	\$ 421,052
Restricted cash held in joint custody	-	136,564	-	136,564	-
	\$ 155,789	\$ 100,793	\$ 21,719	\$ 278,301	\$ 421,052

Continued on next page

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

CITY OF GREEN RIVER, WYOMING

Statement of Cash Flows Proprietary Funds For the Year Ended June 30, 2020

Reconciliation of operating income to net cash provided (used) by operating activities:

Operating income (loss)	\$ (340,500)	\$ 447,614	\$ 65,784	\$ 172,898	\$ (106,478)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	7,899	109,554	601,137	718,590	-
(Increase) decrease in accounts receivable	1,130	(351,766)	(10,320)	(360,956)	-
(Increase) decrease in inventories	-	44,336	1,506	45,842	-
(Increase) decrease in deferred outflows	-	127,243	70,690	197,933	-
Increase (decrease) in accounts payable	(28,718)	(7,185)	(108,180)	(144,083)	-
Increase (decrease) in accrued payroll	-	(121,231)	(55,696)	(176,927)	-
Increase (decrease) in comp absences	-	(5,923)	(333)	(6,256)	-
Increase (decrease) in net pension liab.	-	(135,383)	(75,213)	(210,596)	-
Increase (decrease) in deferred inflows	-	83,950	46,638	130,588	-
Increase (decrease) in post closure liab.	-	-	-	-	-
Total adjustments	(19,689)	(256,405)	470,229	194,135	-
Total cash flows from operating activities	\$ (360,189)	\$ 191,209	\$ 536,013	\$ 367,033	\$ (106,478)

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

CITY OF GREEN RIVER, WYOMING

Notes to the Financial Statements Fiscal Year Ended June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Reporting Entity

The City of Green River, Wyoming (incorporated in 1868) is a municipal corporation governed by an elected six-member council and mayor. The City operates under a Mayor-Council / Administrator form of government. Council members and the mayor are elected to serve four-year terms. The City Administrator, who is appointed, administers policies and coordinates the activities of the City. The departments of the City, formed to provide various services, are under the direct supervision of the City Administrator.

Basis of Presentation – Government-wide and Fund Financial Statements

Government-wide statements are comprised of the statement of net assets and the statement of activities. They contain information on all of the activities of the primary government except for fiduciary activities. Most effects of inter-fund activities have been eliminated from these statements. The exceptions are (1) payments-in-lieu-of-taxes the General Fund charges enterprise funds; (2) charges for water, sewer, storm-water and refuse that all customers pay to these enterprise funds and (3) charges for centrally provided services of the General Fund that benefit the receiving fund. Examples are payroll, purchasing, human resources and legal services. The government-wide statements for the primary government are separated based on the predominance of the type of revenues that support them. Governmental activities are normally supported by taxes and intergovernmental revenues, while business-type activities receive a significant portion of revenues from fees and charges for services.

The statement of activities is presented to show the extent that program revenues of a given activity support direct expenses. Direct expenses are those that can clearly be associated with a particular activity or program. Program revenues are: (1) charges to customers or others who purchase use or directly benefit from the services or goods provided by a given activity or segment or (2) grants or other contributions that are restricted to operating or capital needs of a specific activity or segment. General revenues are those revenues like taxes and other items that are not properly reported as program revenues.

Separate financial statements are included for governmental funds, proprietary funds and fiduciary funds. Fiduciary funds, however, are not included in the totals for the government-wide financial statements. Major individual governmental funds are reported in separate columns in the governmental funds statements, as are major individual proprietary funds in the proprietary funds statements.

Measurement Focus and Basis of Accounting

Measurement focus refers to the types of assets that appear on the statement of net assets and changes to those same assets that appear on the statement of activities. The flow of financial resources measurement focus shows current assets and liabilities on the statement of net assets and changes to net current assets in the statement of activities. The flow of economic resources measurement focus shows total assets and liabilities on the statement of net assets and changes to net assets on the statement of activities. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

Government-wide, proprietary and fiduciary fund statements use the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of the timing of the related cash flows. Unbilled fees for proprietary funds are recorded as receivables at year end. Property taxes are recorded as revenues in the year for which they are levied. Grants and similar other contributions are recognized as revenue as soon as the eligibility requirements of the provider have been met.

The City's enterprise funds are: (1) Solid Waste Fund, (2) Water Fund, and (3) Wastewater Fund. The Solid Waste Fund accounts for the activities of the City's solid waste landfill. The Water Fund accounts for the activities of the City's water distribution systems. The Wastewater Fund accounts for the activities of the City's wastewater treatment plant and collection systems. The City currently has one internal service fund that provides property and liability insurance for the entire City.

The City's fiduciary fund is the Green Assistance Fund. Green Assistance Fund is used to account for donations from individuals that are to be used for the financial assistance of low income residents to pay their utility bills. To qualify for financial assistance individuals must meet certain poverty guidelines as defined by the City's governing body.

Proprietary funds separate operating and non-operating revenues and expenses. Operating revenues and expenses normally arise from providing goods and services in connection with the fund's normal ongoing operations. The principal source of operating revenues for the proprietary funds and the internal service funds are charges to customers for goods and services. Operating expenses include the cost of sales and services, administrative overhead expenses and depreciation on capital assets. All other revenues or expenses are recorded as non-operating.

Governmental fund statements use the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized when they become measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. As a practical matter, the City uses two months as a cutoff for meeting the available criterion. Property taxes are considered "measurable" when levied and available when collected and held by Sweetwater County (the County). Any amounts not available are recorded as deferred revenue. Other revenues that are determined to be susceptible to accrual include grants-in-aid earned and other intergovernmental revenues, charges for services, interest, assessments, inter-fund service charges, permits, fines, forfeitures, parking ticket and meter fees, and sale of property. Property taxes and assessments are recorded as receivables when levied or assessed; however, they are reported as deferred revenue until the "available" criterion has been met. Sales and use taxes collected by the state and remitted to the City within the "available" time period are recognized as revenue. Revenues collected in advance are deferred and recognized in the period to which they apply.

Revenues that are determined to not be susceptible to accrual because they are either not available soon enough to pay liabilities of the current period (two months) or are not objectively measurable include licenses, contributions, and miscellaneous revenues. These revenues are recognized when cash is received.

Expenditures are recognized in the accounting period in which the fund liability is incurred, except for long-term obligations (debt service payments and long term compensated absences) and related interest which are recognized as expenditures when due. Inventories of supplies are expended when purchased.

The City has two major governmental funds, the General Fund and the Capital Projects Fund. The General Fund is the main operating fund. It accounts for all financial resources of the general government, except for those required to be accounted for in another fund. The Capital Projects Fund accounts for resources dedicated to the construction or improvement of capital assets, which may take more than one budgetary cycle to complete. These constructed or improved capital assets are for the benefit of any or all governmental funds.

Reconciliation of Government-wide and Fund Financial Statements – Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. As a result, there are important differences between the asset, liabilities, revenues, and expense/expenditures reported on the fund financial statements and government-wide financial statements. For example, many long-term assets and liabilities are excluded from the fund balance sheet but are included in the entity-wide financial statements. As a result, there must be a reconciliation

between the two statements to explain the differences. Reconciliations are included as part of the fund financial statements (see pages 16 and 18).

Budgets

The City follows the following procedures in establishing the budgetary data reflected in the financial statements:

Each May, the City Manager submits a proposed budget to the City Council. The City is required to budget all funds. The City's budget is prepared for each fund on the modified accrual basis of accounting for all fund types. Interfund transfers are budgeted as sources and uses. Estimated receipts and expenditures are budgeted for by fund, program and object. Information on the past year's actual receipts and expenditures and current-year estimates are included in the budget document.

The City Council conducts public hearings for the purpose of obtaining citizens' comments and legally adopts the budget by resolution before the second Tuesday in June. The resolution establishes appropriations for each fund and expenditures cannot legally exceed these appropriations. The level of control established by the resolution for each fund is at the fund level. Appropriations lapse as of the year-end.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Wyoming Statutes. Unexpected additional resources or uses of funds may be added to the budget through the use of a supplemental budget amendment. A supplemental budget amendment requires an adoption of a supplementary budget resolution by the City Council. Expenditure appropriations may not be legally over expended. Management may transfer budget amounts between individual line items within the object group, but cannot make changes to departmental budgets themselves.

Cash, Cash Equivalents and Investments

For all Governmental and Proprietary Fund Types, cash and cash equivalents include short-term investments with original maturities of three months or less when purchased, and cash in the city-wide pool.

The City participates in the Wyoming State Investment Pool and in the Wyoming Government Investment Fund. Funds residing in these pools may have a maturity of less than three months but are classified as investments for financial statement purposes. Annual reports may be obtained for each of these entities at: 200 West 24th Street, Cheyenne, WY 82002 and at 1720 Carey Avenue, Suite 530, Cheyenne, WY 82001, respectively.

Investments, including equity in pooled cash and investments, are stated at fair value.

Inventories

Inventories of supplies or the proprietary fund types are stated at the lower of cost (using the first-in-first-out method) or market. In the proprietary funds, inventory items are considered expensed when used (consumption method).

Capital Assets

Capital assets are valued at historical cost or estimated historical cost for assets where actual historical cost was not available. Donated capital assets are valued at their estimated fair market value on the date donated. The City has a capitalization threshold of \$100,000 for infrastructure in the public right of way and \$5,000 for all other assets. The City follows GAAP by capitalizing a portion of its interest costs (net of any interest earned on related interest bearing investments acquired with proceeds of related tax-exempt borrowings) as a cost of constructed property and equipment in enterprise funds. No net interest was capitalized for the year ended June 30, 2020. Depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

- Building and building improvements: 10 to 30 years
- Utility systems and other improvements: 20 to 40 years
- Machinery and equipment: 3 to 30 years

Normal maintenance and repairs are expensed as incurred. Expenditures for major additions, improvements and replacements are capitalized. Gains or losses from sales or retirements of fixed assets are included in operations.

Property Taxes

Ad valorem (based on value) property taxes constitute a major source of General Fund revenue. Property taxes are collected by the county treasurer and remitted to the City. The lien date for property taxes is January 1. Using the tax rate (mil levy) supplied by the City, the county levies the taxes as of the first week of August. Tax notices are mailed by September 1. Tax payments are due in two installments; November 10, and then May 10 of the following year.

GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions, defines a non-exchange transaction as one in which “a government either gives value to another party without directly receiving equal value in exchange or receives value from another party without directly giving equal value in exchange.” Under GASB 33, because the lien date is January 1, the City records the estimated taxes receivable as of its June 30 year end. Because the taxes are not available to meet current expenditures, and because they will not be collected until the following November or May, they are also recorded as deferred revenue.

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered and for short-term interfund loans or transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When an internal service fund provides goods and services to another fund, redundancy is inherent because expenditures/expenses are reported in both the fund providing and the fund receiving the goods or services. Since internal service funds primarily benefit governmental funds, they are included in the governmental activities in the entity-wide statements. The basic assumption for internal service funds is that they operate on a breakeven basis. Accordingly, any net profit or loss has been allocated to the functions that benefited from the goods or services provided based on proportionate benefit. Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as “internal balances.”

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation between the governmental fund statements and the government-wide columnar presentation.

Long-term liabilities

Long-term liabilities that will be financed from governmental funds are accounted for in the governmental activities portion of the government-wide statements, while those of proprietary funds are accounted for in their respective fund.

Net Assets

The City’s net assets are classified as follows: (1) Invested in capital assets, net of related debt, which consists of the total investment in capital assets, net of accumulated depreciation and reduced by the outstanding debt obligations related to those assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of invested in capital assets, net of related debt; (2) Restricted for federal programs are amounts that are restricted by the granting agency; (3) Restricted other consists of that portion of net assets that is restricted by outside parties for a specific purpose; (4) Unrestricted net assets consist of everything else that does not meet the criteria above.

Use of Fund Balance

When both restricted and unrestricted fund balance is available to use for expenditure appropriation, the City’s policy is that restricted funds are applied to expenditures solely at the discretion of the City Council.

Receivables

Receivables of the enterprise funds are recorded as revenue as earned, including services earned but not billed. Estimated unbilled revenues from the Water Fund are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

Accrued Compensated Absences and Sick Pay

Accumulated vested vacation pay is accrued as it is earned by the employees with a maximum of forty hours above an individual employee's annual accrual. Sick pay is vested and accrued at the time that it is earned, up to maximum payout of 960 hours upon termination.

Use of Estimates in Preparing Financial Statements

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

Deferred Inflows and Outflows of Resources

The City has separate financial elements; deferred inflows and outflows of resources. These separate financial elements represent inflows and outflows that will benefit a future period. In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources until that time.

Pensions

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

Total columns

The total columns shown on the accompanying fund financial statements are mathematical totals only and do not eliminate inter-fund transactions or include other entries required to present consolidated financial statements. The government-wide financial statements do, however, eliminate most inter-fund transactions and the double counting of revenues and expenses. They are therefore much closer to the consolidated financial statements presented in private sector accounting.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS**Cash and Cash Equivalents**

The City maintains a cash pool and an investment pool that are available for use by all funds. Each fund type's portion of these pools is included in the combined balance sheet as "Cash and cash equivalents" and "Investments". Also included are investments separately held by several of the City's funds.

It is the policy of the City to invest public funds in a manner which will provide for the safety of principal/capital, liquidity, and rate of return, and in accordance with State and local statutes

The City's deposits are insured up to \$250,000 per account by the Federal Deposit Insurance Corporation. For deposits in excess of federal depository insurance, the City requires the depository institution to maintain on deposit collateralized securities that meet the collateralization requirements

pursuant to Wyoming Statutes, having a value not less than 110 percent of the amount over FDIC insurance. All bank balances in excess of federal depository insurance are collateralized by securities held by an entity other than the financial institution. The bank balances of the Primary Government's deposits were FDIC insured and/or collateralized at year end. The City has no formal policy regarding deposit credit risk.

The City maintains a joint account with the Joint Powers Water Board (JPWB) for the purpose of capital maintenance on the water plant and infrastructure. As of June 30, 2020, the City held jointly with the JPWB \$136,564 which was 100 percent collateralized by the JPWB.

Investments

The City primarily invests its excess cash balances in the Wyoming State Investment Pool (WYO-STAR). The State Treasurer is the investment officer for the pool and is responsible for all funds in the pool. The WYO-STAR Account is permitted to purchase asset-backed securities, repurchase agreements, government Securities, including obligations of the U.S. Treasury and Obligations of U.S. Government Agencies or Instruments, bearing floating or fixed interest rates.

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City requires that all deposits (time or demand) that exceed the FDIC threshold be collateralized at 110% of the fair market value of the deposit.

Investment interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to maturities of less than five years and a weighted average maturity of three years. Because the Wyoming State Investment Pool and the Wyoming Government Investment Fund have an average maturity of less than one year they are presented as an investment with a maturity of less than one year.

Investment credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, bank repurchase agreements, certain commercial paper, and the State Treasurer's Investment Pool. It is the City's policy is to follow the state stature to reduce exposure to investment credit risk. The City's rated debt investments are shown in the table below using Standard and Poor's rating scale.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City limits the amount of any one investment to no more than 50% of the portfolio can be invested in one single security type or institution, with an exception for U.S treasury securities and local government investment pools. The City also requires that all securities are to be held in the name of the City and all securities that are held as collateral are held by an independent third party.

The table on the following page shows the maturities of the City's investments.

	Fair Value	Investment				Rating
		Less than 1	1 - 5	6 - 10	10+	
US Agency Securities	\$ 6,015,372	\$ 6,015,372	\$ -	\$ -	\$ -	AA+
US Sponsored/Asset Backed Securities	1,643,169	1,643,169	-	-	-	AA+
Certificates of Deposit	1,556,076	1,556,076	-	-	-	Unrated
Wyoming State Investment Pool	6,788,562	6,788,562	-	-	-	Unrated
Wyoming Government Investment Fund	5,883,120	5,883,120	-	-	-	Unrated
Total Investments	<u>\$ 21,886,299</u>	<u>\$ 21,886,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

The City measures and records its investments using fair value measurements guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that the City has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail any significant degree of judgment.
- Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurements.

	Fair Value Measurement Classification		
	Level 1	Level 2	Level 3
US Agency Securities	\$ 6,015,372	\$ -	\$ -
US Sponsored/Asset Backed Sec.	1,643,169	-	-
Certificates of Deposit	1,556,076	-	-
Wyoming State Investment Pool	-	6,788,562	-
Wyoming Government Investment Fund	-	5,883,120	-
Total Investments	<u>\$ 9,214,617</u>	<u>\$ 12,671,682</u>	<u>\$ -</u>

The following table is a summary of restricted and unrestricted cash and cash equivalents:

Unrestricted cash and cash equivalents	\$ 4,169,795
Restricted cash and cash equivalents	<u>136,564</u>
	<u>\$ 4,306,359</u>

3. CAPITAL ASSETS

The following tables summarize the changes in capital assets for governmental and business-type activities during the year ended June 30, 2020:

	<u>Beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u>
GOVERNMENTAL ACTIVITIES:				
Non-depreciable capital assets:				
Land	\$ 6,880,436	\$ -	\$ -	\$ 6,880,436
Construction-in-progress	1,816,045	-	(624,496)	1,191,549
Total non-depreciable assets	8,696,481	-	(624,496)	8,071,985
Depreciable capital assets:				
Buildings	33,204,620	34,938	-	33,239,558
Equipment	2,973,821	202,925	-	3,176,746
Infrastructure	71,667,337	1,928,186	-	73,595,523
Vehicles	7,006,579	211,837	(330,516)	6,887,900
Total depreciable assets	114,852,357	2,377,886	(330,516)	116,899,727
Less accumulated depreciation	(63,454,004)	(4,610,806)	296,403	(67,768,407)
Net assets depreciated	51,398,353	(2,232,920)	(34,113)	49,131,320
Total governmental activities	\$ 60,094,834	\$ (2,232,920)	\$ (658,609)	\$ 57,203,305
BUSINESS-TYPE ACTIVITIES:				
Non-depreciable capital assets:				
Land	\$ 296,507	\$ -	\$ -	\$ 296,507
Construction-in-progress	-	-	-	-
Total non-depreciable assets	296,507	-	-	296,507
Depreciable capital assets:				
Buildings	6,906,792	-	-	6,906,792
Equipment	512,273	711,537	-	1,223,810
Infrastructure	19,937,959	-	-	19,937,959
Vehicles	1,163,740	108,311	(48,241)	1,223,810
Total depreciable assets	28,520,764	819,848	(48,241)	29,292,371
Less accumulated depreciation	(21,613,328)	(718,590)	48,241	(22,283,677)
Net assets depreciated	6,907,436	101,258	-	7,008,694
Total governmental activities	\$ 7,203,943	\$ 101,258	\$ -	\$ 7,305,201

Depreciation expense for the year ended June 30, 2020 for governmental and business-type activities is shown in the table below:

	Depreciation Expense
GOVERNMENTAL ACTIVITIES:	
General government	\$ 876,053
Public safety	1,383,242
Streets maintenance	968,269
Parks & recreation	1,383,242
Total depreciation expense - governmental activities	<u>\$ 4,610,806</u>
BUSINESS-TYPE ACTIVITIES:	
Solid waste	\$ 7,899
Water	109,554
Wastewater	601,137
Total depreciation expense - business-type activities	<u>\$ 718,590</u>

4. LONG-TERM OBLIGATIONS

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2020.

	Beginning	Additions	Retirements	Ending	Due Within One Year
GOVERNMENTAL ACTIVITIES:					
Compensated absences	\$ 997,453	\$ 96,138	\$ -	\$ 1,093,591	\$ 109,359
Total - government activities	<u>\$ 997,453</u>	<u>\$ 96,138</u>	<u>\$ -</u>	<u>\$ 1,093,591</u>	<u>\$ 109,359</u>
BUSINESS-TYPE ACTIVITIES:					
Compensated absences	\$ 228,211	\$ 27,279	\$ -	\$ 255,490	\$ 30,000
Post-closure liability	562,000	-	-	562,000	-
Total - business-type activities	<u>\$ 790,211</u>	<u>\$ 27,279</u>	<u>\$ -</u>	<u>\$ 817,490</u>	<u>\$ 30,000</u>

5. CLOSURE AND POST CLOSURE CARE COST FOR THE SOLID WASTE LANDFILL

State and Federal laws and regulations require the City to place a cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$562,000 reported as closure and post-closure care liability at June 30, 2020, represents the cumulative amount reported to date based on the expectation to use approximately \$15,000 per year for the next 30 years to monitor the landfill. These amounts are based on estimated costs to perform post-closure costs in 2020. Actual costs may be higher or lower due to inflation, changes in technology, or changes in regulations.

6. INTERFUND TRANSFERS

Transfers were made to and from several funds during the course of the year ended June 30, 2020. The principal reason for operating transfers is to provide the receiving fund resources to carry out the activities for which the receiving fund was created. The tables on the following page show the detail of transfers.

<u>Transfers out from</u>	<u>Transfers in to:</u>		
	<u>General Fund</u>	<u>Capital Projects</u>	<u>Health Insurance</u>
General fund		\$ 1,679,627	\$ 280,000
Capital projects	-	-	-
Solid waste	-	-	-
Water	338,132	-	5,000
Wastewater	390,079	-	11,000
Health insurance	280,000	-	-
	<u>\$ 1,008,211</u>	<u>\$ 1,679,627</u>	<u>\$ 296,000</u>

7. RETIREMENT PLAN

General Information About the Pension Plan

The City participates in the State of Wyoming Retirement System (System), a statewide cost-sharing multiple-employer public employee retirement system. Substantially all City full-time or regular part-time employees are eligible to participate in the System. Employees qualify for a retirement allowance if they are sixty years old and have at least four years of service, or they may retire at age fifty and have at least four years of service but be subject to a reduction in benefits of five percent for each year below age sixty, or they may retire at any age if they have twenty-five years of service or when a combination of age and years of service equal eighty-five.

Generally, for individuals with creditable service prior to July 1, 1981, the individuals receive benefits based on the larger of a money purchase benefit structure or a formula basis. The formula consists of multiplying the number of years of service by 2.125% for the member's first 15 years of service and 2.25% for all years after 15 by the final average salary. The final average salary consists of the three highest continuous years of service.

Benefits for individuals hired after July 1, 1981, are calculated only by the formula method. The System also provides disability retirement to any employee who becomes permanently incapacitated, mentally or physically, and who cannot continue in the performance of his duties. Benefits are established by State statute.

Contributions to the System consist of an amount equal to 14.62% of the employee's salary. The City is required by State statute to contribute 7.12% of the amount and, as permitted by statute, the City also contributes the employee's 7.50% share. Law enforcement employees are allowed by Wyoming Statue to contribute an extra 2.58% of their annual wages in to the Wyoming Retirement System, of which the City also funds the extra contribution amount.

The Wyoming Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. This information is available from the Wyoming Retirement System; copies can be obtained at First Floor East – Herschler Building, Cheyenne, Wyoming 82002.

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

At June 30, 2020, we reported a net pension liability of \$8,273,289.

	<u>Proportionate Share</u>	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
Public Employee Plan	0.2871805%	\$ -	\$ 6,748,530
Law Enforcement Plan	1.2093072%	-	1,042,407
Volunteer Firefighter Plan	1.7235827%	-	482,352
Total		<u>\$ -</u>	<u>\$ 8,273,289</u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 312,140	\$ -
Assumption changes	-	1,140,028
Net difference between projected and actual earnings on pension plan investments	-	579,876
Pension contributions from Jan-Jun 2020	302,172	
Total	<u>\$ 614,312</u>	<u>\$ 1,719,904</u>

\$302,173 was reported as net deferred outflows/inflows of resources related to pension's results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2019. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year Ended December 31,	<u>Deferred Outflows/ (Inflows) of Resources</u>
2020	\$ (465,076)
2021	(348,742)
2022	(151,769)
2023	(754,317)
Total	<u>\$ (1,719,904)</u>

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

Inflation	2.25
Salary increases	2.5% to 8.75%, including inflation
Investment rate of return	7.00%, net of pension plan investment expense

Active member mortality rates are a function of the member's gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below:

Class of Member:

Public Employees: RP-2014 Health Annuity Mortality Table, fully generational, projected with Scale MP-2017

Males: No set back with a multiplier of 100%

Females: No set back with a multiplier of 88%

Volunteer Firefighter & EMT: RP-2014 Health Annuity Mortality Table, fully generational, projected with Scale MP-2017

Males: No set back with a multiplier of 100%

Females: No set back with a multiplier of 88%

Law Enforcement: RP-2014 Health Annuity Mortality Table, fully generational, projected with Scale MP-2017

Males: No set back with a multiplier of 100%

Females: No set back with a multiplier of 88%

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Arithmetic Real Rate of Return</u>
Cash	2.00%	-0.20%
Fixed Income	21.00%	1.67%
Equity	48.50%	7.42%
Marketable Alternatives	19.00%	4.33%
Private Markets	9.50%	5.58%
Total	100.00%	5.30%

Discount rate: The net pension liability for the Public Employee Plan, the Volunteer Firefighter & EMT Plan, and the Law Enforcement Plan is calculated using a discount rate of 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate noted above, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current discount rate assumption:

Plan	Discount Rate		
	1% Decrease	Assumption	1% Increase
Public Employees Plan	6.00%	7.00%	8.00%
Net Pension Liability	\$ 10,195,890	\$ 6,748,530	\$ 3,871,391
Volunteer Firefighter & EMT Plan	6.00%	7.00%	8.00%
Net Pension Liability	\$ 724,459	\$ 482,352	\$ 282,235
Law Enforcement Plan	6.00%	7.00%	8.00%
Net Pension Liability	\$ 2,323,880	\$ 1,042,407	\$ 5,173

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

8. RISK MANAGEMENT

The City is subject to risk of loss from various events, including torts, theft, damage to assets, business interruption, errors and omissions, and job-related injuries to employees, as well as acts of God. The City has purchased insurance and workers compensation coverage to minimize their risks of loss. There has been no significant reduction in coverage against these losses from year to year.

9. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected may constitute a liability in the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although management expects such amounts, if any, to be immaterial.

10. JOINT VENTURES

Joint Powers Water Board – Under certain provisions of Wyoming State statutes, the City has entered into an agreement with the City of Rock Springs and Sweetwater County to form a Joint Powers Board for the purchase, financing, rehabilitation, and operation of a water supply and distribution system for domestic and other uses serving Green River, Wyoming, Rock Springs, Wyoming, and other areas in Sweetwater County, Wyoming. The Board consists of five members: two members from Green River, two members from Rock Springs, and one member from Sweetwater County. The participating cities are responsible for the maintenance, operation, staffing, rate setting, and billing for each distribution system

as well as construction of storage facilities. The cities lease these facilities from the Board on a year-to-year basis subject to annual appropriations by the cities. Additional financial information may be obtained by sending a request to JPWB at 2 Telephone Canyon Rd, Green River, WY 82935.

Joint Powers Telecom Board – Under certain provisions of Wyoming State statutes, the City has entered into an agreement with the City of Rock Springs to form a Joint Powers Board to fund, build, operate and maintain a system of interconnected fiber-optic networks to be deployed within the two communities. The Board consists of six members: three members from Green River and three members from Rock Springs. The Joint Powers Telecom Board provides an interconnected fiber-optic network for City of Green River, City of Rock Springs and the Sweetwater County offices. The financial transactions of the Board are not included in these financial statements. Additional financial information may be obtained by sending a request to their treasurer, Matt McBurnett at the City of Rock Springs, 212 D St., Rock Springs, WY 82901.

Joint Powers Communications Board – Under certain provisions of Wyoming State statutes, the City has entered into an agreement with the City of Rock Springs and Sweetwater County to form a Joint Powers Board for the purpose of dispatching emergency services in Green River, Wyoming, Rock Springs, Wyoming, and other areas in Sweetwater County, Wyoming. The Board consists of five members: three members from Green River, three members from Rock Springs, and three members from Sweetwater County. Additional financial information may be obtained by sending a request to SCCJPB at PO Box 129, Green River, WY 82935.

11. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 31, 2021, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF GREEN RIVER, WYOMING

Required Supplementary Information Schedule of the Proportionate Share of the Net Pension Liability Last Ten Years

	Public Employees Pension Plan	Volunteer Firefighter & EMT Pension Plan	Law Enforcement Pension Plan
	<u>12/31/2019</u>		
Proportion of the net pension liability (asset)	0.2871805%	1.7235827%	1.2093072%
Proportionate share of the net pension liability (asset)	\$ 6,748,530	\$ 482,352	\$ 1,042,407
Covered employee payroll	\$ 4,714,715	\$ 211,081	\$ 1,762,765
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	143.14%	228.52%	59.13%
Plan fiduciary net position as a percentage of the total pension liability	73.42%	75.64%	89.05%
	<u>12/31/2018</u>		
Proportion of the net pension liability (asset)	0.2710017%	1.8173369%	1.1248753%
Proportionate share of the net pension liability (asset)	\$ 8,252,790	\$ 646,801	\$ 3,369,812
Covered employee payroll	\$ 4,714,715	\$ 211,081	\$ 1,762,765
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	175.04%	306.42%	191.17%
Plan fiduciary net position as a percentage of the total pension liability	69.17%	68.18%	71.22%
	<u>12/31/2017</u>		
Proportion of the net pension liability (asset)	0.2803730%	1.8452392%	1.2093714%
Proportionate share of the net pension liability (asset)	\$ 6,390,655	\$ 527,836	\$ 1,040,597
Covered employee payroll	\$ 4,922,030	\$ 149,463	\$ 1,869,649
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	129.84%	353.15%	55.66%
Plan fiduciary net position as a percentage of the total pension liability	76.35%	74.11%	87.99%
	<u>12/31/2016</u>		
Proportion of the net pension liability (asset)	0.2756389%	1.8780202%	1.2019414%
Proportionate share of the net pension liability (asset)	\$ 6,663,571	\$ 596,192	\$ 907,369
Covered employee payroll	\$ 4,933,889	\$ 122,178	\$ 1,880,453
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	135.06%	487.97%	48.25%
Plan fiduciary net position as a percentage of the total pension liability	73.42%	69.99%	88.11%
	<u>12/31/2015</u>		
Proportion of the net pension liability (asset)	0.2874266%	1.6649918%	1.1923032%
Proportionate share of the net pension liability (asset)	\$ 6,695,165	\$ 527,665	\$ 895,657
Covered employee payroll	\$ 5,131,566	\$ 123,003	\$ 1,874,197
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	130.47%	428.99%	47.79%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.16%	87.49%

Note:

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of GASB 68.

CITY OF GREEN RIVER, WYOMING

Required Supplementary Information Schedule of the Pension Contributions Last Ten Fiscal Years

	As of Fiscal Year Ended June 30,	Actuarial Determined Contributions	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a percentage of Covered Payroll
Public Employee Pension Plan	2015	\$ 833,612	\$ 833,612	\$ -	\$ 5,171,588	16.12%
	2016	819,389	819,389	-	5,030,909	16.29%
	2017	818,816	818,816	-	4,943,568	16.56%
	2018	791,777	791,777	-	4,684,905	16.90%
	2019	887,500	887,500	-	5,013,749	17.70%
Volunteer Firefighter & EMT Pension Plan	2015	\$ 6,228	\$ 6,228	\$ -	\$ 129,765	4.80%
	2016	7,905	7,905	-	125,141	6.32%
	2017	7,710	7,710	-	124,678	6.18%
	2018	7,665	7,665	-	186,930	4.10%
	2019	7,440	7,440	-	236,738	3.14%
Law Enforcement Pension Plan	2015	\$ 322,362	\$ 322,362	\$ -	\$ 1,878,724	17.16%
	2016	323,490	323,490	-	1,875,356	17.25%
	2017	321,752	321,752	-	1,874,686	17.16%
	2018	303,196	303,196	-	1,767,000	17.16%
	2019	335,425	335,425	-	1,897,072	17.68%

Note:

This schedule usually covers the 10 most recent fiscal years; however, this is the information available as of the implementation year of

CITY OF GREEN RIVER, WYOMING

Notes to the Required Supplementary Information For the Year Ended June 30, 2020

Changes in Assumption

The assumptions and methods used to calculate the total pension liability remain unchanged from the prior year.

COMPLIANCE AND INTERNAL CONTROL



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

The Honorable Mayor and Members of City Council
City of Green River
Green River, Wyoming 82935

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 business-type activities, each major fund, and the aggregate remaining fund information of the City of Green River, Wyoming, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Green River, Wyoming's basic financial statements and have issued our report thereon dated March 20, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Green River, 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 the City of Green River, Wyoming's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Green River, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Green River City, Wyoming's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Green River City, Wyoming's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



Karren, Hendrix, Stagg, Allen & Company
Salt Lake City, Utah
March 20, 2021