

Niobrara County, Wyoming

FINANCIAL REPORT

JUNE 30, 2020



NIOBRARA COUNTY, WYOMING

FINANCIAL REPORT

JUNE 30, 2020

This page is intentionally left blank

CONTENTS

Independent Auditor’s Report	1
Management’s Discussion and Analysis (Unaudited)	4
Basic Financial Statements	10
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	13
Fund Financial Statements	
Balance Sheet – Governmental Funds	15
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund	
Balances of Governmental Funds to the Statement of Activities	20
Statement of Fiduciary Net Position – Fiduciary Funds	21
Notes to the Financial Statements	22
Required Supplementary Information (Unaudited)	41
Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual (Budgetary Basis) – General Fund	42
Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual (Budgetary Basis) – Federal and State Grants Fund	44
Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual (Budgetary Basis) – E-911 Fund	45
Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual (Budgetary Basis) – 1% Fund	46
Notes to Required Supplementary Information	47
Other Supplementary Information	48
Schedule of Revenues, Expenditures and Changes in Fund Balance -	
Budget and Actual (Budgetary Basis) – County Road Construction Fund	49
Compliance Section	50
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters	
Based on an Audit of Financial Statements Performed in Accordance with	
<i>Government Auditing Standards</i>	51
Schedule of Findings and Responses	53
Summary Schedule of Prior Year Audit Findings	55

This page is intentionally left blank

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Niobrara County, Wyoming

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design the 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 evaluation 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.



MAIL: PO Box 2750
Casper, WY 82602-2750



PHONE: (307) 265-4311
FAX: (307) 265-5180



LOCATION: 600 East 1st Street
Casper, WY 82601

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Niobrara County, Wyoming, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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 Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Niobrara County, Wyoming's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2020, on our consideration of Niobrara County, Wyoming's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering Niobrara County, Wyoming's internal control over financial reporting and compliance.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming

December 29, 2020

This page is intentionally left blank

NIOBRARA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

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

Financial Highlights

The assets of Niobrara County exceeded its liabilities at the close of the most recent fiscal year by \$18,406,433 (*net position*). Of this amount, \$5,826,859 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.

As of the close of the current fiscal year, Niobrara County's governmental funds reported combined ending fund balances of \$7,289,832. Of this total amount, \$5,659,582 is available for spending at the government's discretion (unassigned).

The County's debt, other than compensated absences, decreased by \$10,736 due to payments made on last year's capital leases.

Overview of the Financial Statements

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

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

The statement of net position presents information on all of Niobrara County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Niobrara County is improving or deteriorating.

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

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

The government-wide financial statements include not only Niobrara County itself, (known as the primary government), but also the following legally separate entities: Niobrara County Weed and Pest Control District, Niobrara County Library Board, Niobrara County Fair Board, and Niobrara County Predator Management District. The County is financially accountable for these entities and appoints directors to their boards. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

NIORRARA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

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

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

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

Niobrara County maintained seven individual governmental funds during the year. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for all seven funds. The general fund, the county road construction fund, the capital facilities fair, library, courthouse fund, the federal and state grants fund, the E-911 fund, jail O&M fund and the 1% fund are considered to be major funds.

Niobrara County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Fiduciary funds - fiduciary funds (agency funds) are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of the funds are not available to support Niobrara County's own programs.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Niobrara County's budgets for the major funds and other supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Niobrara County Government's net position, 60% reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding.

NIOBRARA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Niobrara County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although Niobrara County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Comparative Statement of Net Position

	<u>2020</u>	<u>2019</u>
Assets:		
Current and other assets	\$ 8,728,576	\$ 7,976,040
Capital assets	11,095,890	11,682,908
Total assets	<u>19,824,466</u>	<u>19,658,948</u>
Liabilities:		
Other liabilities	97,555	117,541
Long-term liabilities outstanding	45,147	57,149
Total liabilities	<u>142,702</u>	<u>174,690</u>
Deferred inflows of resources:		
Unavailable property tax revenue	1,275,331	1,284,482
Unavailable grant revenue	-	1,945
Total deferred inflows of resources	<u>1,275,331</u>	<u>1,286,427</u>
Net position:		
Net investment in capital assets	11,081,838	11,658,120
Restricted for		
E-911	(13,381)	20,939
County road construction (W.S. 24-2-110)	809,504	870,823
Special purpose tax	701,613	703,420
Unrestricted	5,826,859	4,944,529
Total net position	<u>\$ 18,406,433</u>	<u>\$ 18,197,831</u>

NIOBRARA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

At the end of the current fiscal year, Niobrara County is able to report positive balances in the two categories of net position, both for the government as a whole, as well as for its separate governmental activities.

The government's net position increased by approximately \$258,321 during the current fiscal year.

Comparative Statement of Changes in Net Position

	<u>2020</u>	<u>2019</u>
Revenues:		
Program revenues		
Charges for services	\$ 270,471	\$ 288,590
Operating grants and contributions	106,761	167,659
Capital grants and contributions	86,453	237,361
General revenues:		
Property taxes	1,237,010	1,131,830
Other taxes	2,859,525	2,796,388
Miscellaneous revenues and reimbursements	487,077	175,925
Unrestricted investment earnings	86,902	80,131
Total revenues	<u>5,134,199</u>	<u>4,877,884</u>
Expenses:		
General government	2,193,624	2,335,496
Public safety	1,267,228	1,090,956
Public works	1,300,690	1,138,295
Health, welfare and recreation	34,212	28,732
Conservation of natural resources	79,624	78,954
Interest on long-term debt	500	760
Total expenses	<u>4,875,878</u>	<u>4,673,193</u>
Change in net position	258,321	204,691
Net position - beginning of year, as previously stated	18,197,831	17,976,786
Prior period adjustment	(49,719)	16,354
Net position - beginning of year, as restated	<u>18,148,112</u>	<u>17,993,140</u>
Net position - end of year	<u>\$ 18,406,433</u>	<u>\$ 18,197,831</u>

Governments change in net position

Property and other taxes, and investment earnings increased slightly. Miscellaneous revenues and reimbursements increased in large part due to a cash settlement from ONEOK in lieu of ONEOK performing actual road repairs on the roads impacted by the Elkcreek pipeline. General government expenses decreased as digitization of records in the County Clerk's office was not required at this time. Public safety expenditures increased due to payment of warranty and annual maintenance agreements for the E-911 system. Public works expenditures increased due to a road rehabilitation project. Health, welfare and recreation and conservation of natural resources expenditures remained comparable to last year.

NIOBRARA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

Financial Analysis of the Government's Funds

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

Governmental funds - The focus on Niobrara County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Niobrara County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Niobrara County's governmental funds reported ending fund balance of \$7,289,832, an increase of \$777,445, as compared to the prior year.

The general fund is the chief operating fund of Niobrara County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5,659,952. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures.

The fund balance of Niobrara County's general fund increased by \$802,106 during the current fiscal year.

General Fund Budgetary Highlights

While the Long Term Recovery Manager grant ended, grants continue to provide a source of revenue to the County. The Prevention Manager Grant and the WASCOP Grant allow for activities the County would not otherwise undertake. In addition to grants, FY 20 saw sales and property tax revenue increase due to pipeline and mineral activity in the area.

In the end, the County remains steadfast in its commitment to its citizens to be as fiscally responsible as possible while performing the duties required as efficiently as possible.

The total budget for FY 2019-2020 was amended by \$101,611 to account for unanticipated revenues and expenditures in the general fund and the E-911 fund.

In the general fund, 1% Option Tax revenues and expenditures were amended from \$225,000 to \$320,910, an increase of \$95,910. The E-911 fund was amended from \$83,487 to \$89,188, an increase of \$5,701.

Capital Asset and Debt Administration

Niobrara County's investment in capital assets for its governmental type activities as of June 30, 2020, amounts to \$11,081,838, net of depreciation. This investment in capital assets includes land, buildings, machinery and equipment, infrastructures, and roads, highways and bridges. The total decrease in Niobrara County's investment in capital assets for the current year was \$576,282.

The county road construction fund continues to provide funding necessary to upgrade and maintain Niobrara County roads and bridges.

NIOBRARA COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020

(Unaudited)

CAPITAL ASSETS (NET OF DEPRECIATION)

	<u>2020</u>	<u>2019</u>
Land	\$ 40,997	\$ 40,997
Construction in progress	8,396	7,206
Buildings	2,817,011	2,907,640
Vehicles, machinery and equipment	1,242,086	1,370,807
Infrastructure	6,987,400	7,356,258
Total	<u>\$ 11,095,890</u>	<u>\$ 11,682,908</u>

Long-Term Debt

At the end of the current fiscal year, Niobrara County had debt of \$14,052 from capital leases for three copiers and a postage meter. The County also has long-term debt related to amounts due to employees for accrued compensated absences.

Economic Factors and Future of the County

COVID-19 (the Pandemic) is an ongoing situation. At this time the County cannot determine the duration of the Pandemic or the overall impact the Pandemic, including the federal and state responses thereto, will have on its programs and operation. However, the continuation of the Pandemic and the resulting containment and mitigation efforts could have a material adverse effect on the County, its programs and operations.

The State of Wyoming is experiencing dramatic revenue losses as a result of decreased oil, gas and coal production, in addition to the outbreak of the COVID-19 virus. It is expected that the State may decrease future funding to make up for these revenue losses.

Requests for Information

The financial report is designed to provide a general overview of Niobrara County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Clerk, 424 S. Elm, Lusk, WY 82225.

BASIC FINANCIAL STATEMENTS

NIOBRARA COUNTY, WYOMING

STATEMENT OF NET POSITION

June 30, 2020

	Primary Government	
	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	\$ 5,779,674	\$ 5,779,674
Investments, at fair value	-	-
Receivables	1,570,975	1,570,975
Inventory	602,428	602,428
Restricted assets		
Investments, at fair value	775,499	775,499
Beneficial interest in assets held by others	-	-
Capital assets, not being depreciated	49,393	49,393
Capital assets, net of accumulated depreciation	11,046,497	11,046,497
Total assets	19,824,466	19,824,466
DEFERRED OUTFLOWS OF RESOURCES		
Pension plan items	-	-
Total deferred outflows of resources	-	-
LIABILITIES		
Accounts payable	64,750	64,750
Funds held in trust	32,805	32,805
Noncurrent liabilities		
Long-term debt due within one year	10,777	10,777
Long-term debt due in more than one year	34,370	34,370
Total liabilities	142,702	142,702
DEFERRED INFLOWS OF RESOURCES		
Unavailable property tax revenue	1,275,331	1,275,331
Pension plan items	-	-
Total deferred inflows of resources	1,275,331	1,275,331
NET POSITION		
Net investment in capital assets	11,081,838	11,081,838
Restricted for		
County road construction (W.S. 24-2-110)	809,504	809,504
E-911	(13,381)	(13,381)
Special purpose tax	701,613	701,613
By donor for fairground improvements	-	-
Library foundation		
Expendable	-	-
Permanent endowment for the library (nonexpendable)	-	-
Unrestricted	5,826,859	5,826,859
Total net position	\$ 18,406,433	\$ 18,406,433

See accompanying notes to the financial statements

Component Units

Weed and Pest Control District	County Library Board	County Fair Board	Predator Management District
\$ 398,500	\$ 81,910	\$ 58,079	\$ 28,260
951,234	-	-	212,575
351,862	168,021	50,626	-
149,006	-	-	-
-	239,508	-	-
-	1,962,894	-	-
16,906	550	11,635	-
323,144	690,063	1,044,707	-
<u>2,190,652</u>	<u>3,142,946</u>	<u>1,165,047</u>	<u>240,835</u>
51,110	-	-	-
<u>51,110</u>	<u>-</u>	<u>-</u>	<u>-</u>
20,963	-	-	-
-	-	-	-
-	-	-	-
141,434	9,856	-	-
<u>162,397</u>	<u>9,856</u>	<u>-</u>	<u>-</u>
250,550	166,600	50,017	-
49,106	-	-	-
<u>299,656</u>	<u>166,600</u>	<u>50,017</u>	<u>-</u>
340,050	690,613	1,056,342	-
-	-	-	-
-	-	-	-
-	-	50,000	-
-	239,508	-	-
-	1,962,894	-	-
1,439,659	73,475	8,688	240,835
<u>\$ 1,779,709</u>	<u>\$ 2,966,490</u>	<u>\$ 1,115,030</u>	<u>\$ 240,835</u>

NIOBRARA COUNTY, WYOMING

STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

Function/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 2,193,624	\$ 232,918	\$ -	\$ -
Public safety	1,267,228	18,452	77,231	-
Public works	1,300,690	-	-	11,800
Health, welfare and recreation	34,212	19,101	29,530	74,653
Conservation of natural resources	79,624	-	-	-
Interest on long-term debt	500	-	-	-
Total governmental activities	4,875,878	270,471	106,761	86,453
Total primary government	4,875,878	270,471	106,761	86,453
Component units				
Weed and Pest Control District	585,732	247,487	90,758	-
County Library Board	535,298	-	25,000	-
County Fair Board	175,467	-	15,000	-
Predator Management District	209,948	50,567	120,000	-
Total component units	\$ 1,506,445	\$ 298,054	\$ 250,758	\$ -
General revenues				
Property taxes				
Sales taxes				
Gas and coal tax				
Motor vehicle taxes				
Miscellaneous revenues and reimbursements				
Contribution to permanently restricted endowment				
Unrestricted investment earnings				
Total general revenues				
Change in net position				
Net position - beginning of year, as previously stated				
Prior period adjustment				
Net position, beginning of year, as restated				
Net position - ending of year				

See accompanying notes to the financial statements

Net (Expense) Revenue and Changes in Net Position

Primary Government		Component Units			
Governmental Activities	Total	Weed and Pest Control District	County Library Board	County Fair Board	Predator Management District
\$ (1,960,706)	\$ (1,960,706)	\$ -	\$ -	\$ -	\$ -
(1,171,545)	(1,171,545)	-	-	-	-
(1,288,890)	(1,288,890)	-	-	-	-
89,072	89,072	-	-	-	-
(79,624)	(79,624)	-	-	-	-
(500)	(500)	-	-	-	-
<u>(4,412,193)</u>	<u>(4,412,193)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(4,412,193)</u>	<u>(4,412,193)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	(247,487)	-	-	-
-	-	-	(510,298)	-	-
-	-	-	-	(160,467)	-
-	-	-	-	-	(39,381)
<u>-</u>	<u>-</u>	<u>(247,487)</u>	<u>(510,298)</u>	<u>(160,467)</u>	<u>(39,381)</u>
<u>-</u>	<u>-</u>	<u>(247,487)</u>	<u>(510,298)</u>	<u>(160,467)</u>	<u>(39,381)</u>
1,237,010	1,237,010	270,516	190,343	86,410	-
785,959	785,959	-	-	-	-
1,958,585	1,958,585	-	-	-	-
114,981	114,981	-	-	-	-
487,077	487,077	11,672	26,534	26,153	-
-	-	-	155,158	-	-
86,902	86,902	-	15,753	160	4,488
<u>4,670,514</u>	<u>4,670,514</u>	<u>282,188</u>	<u>387,788</u>	<u>112,723</u>	<u>4,488</u>
258,321	258,321	34,701	(122,510)	(47,744)	(34,893)
18,197,831	18,197,831	1,745,008	3,089,000	1,162,774	275,728
(49,719)	(49,719)	-	-	-	-
<u>18,148,112</u>	<u>18,148,112</u>	<u>1,745,008</u>	<u>3,089,000</u>	<u>1,162,774</u>	<u>275,728</u>
<u>\$ 18,406,433</u>	<u>\$ 18,406,433</u>	<u>\$ 1,779,709</u>	<u>\$ 2,966,490</u>	<u>\$ 1,115,030</u>	<u>\$ 240,835</u>

NIOBRARA COUNTY, WYOMING

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General Fund	County Road Construction Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 5,531,362	\$ 276,450
Property taxes receivable	1,296,827	-
Accounts receivable	31,384	-
Due from other governments	134,426	21,158
Due from other funds	26,157	-
Inventory	90,532	511,896
Total assets	<u>\$ 7,110,688</u>	<u>\$ 809,504</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 39,017	\$ -
Due to other funds	1,704	-
Funds held in trust	32,805	-
Total liabilities	<u>73,526</u>	<u>-</u>
Deferred inflows of resources		
Unavailable property tax revenue	1,286,678	-
Total deferred inflows of resources	<u>1,286,678</u>	<u>-</u>
Fund balances		
Nonspendable	90,532	511,896
Restricted - county road construction (W.S. 24-2-110)	-	297,608
Restricted - E-911	-	-
Restricted - special purpose tax	-	-
Committed for 1% projects	-	-
Unassigned	5,659,952	-
Total fund balances	<u>5,750,484</u>	<u>809,504</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,110,688</u>	<u>\$ 809,504</u>

See accompanying notes to the financial statements

Capital Facilities Fair, Library, Courthouse Fund	Federal and State Grants Fund	E-911 Fund	Jail O&M Fund	1% Fund	Total Governmental Funds
\$ 631,169	\$ 18	\$ 5,701	\$ 68,491	\$ 41,982	\$ 6,555,173
-	-	-	-	-	1,296,827
206	25,769	-	43	-	57,402
-	-	6,651	-	-	162,235
-	-	-	1,704	-	27,861
-	-	-	-	-	602,428
<u>\$ 631,375</u>	<u>\$ 25,787</u>	<u>\$ 12,352</u>	<u>\$ 70,238</u>	<u>\$ 41,982</u>	<u>\$ 8,701,926</u>
\$ -	\$ -	\$ 25,733	\$ -	\$ -	\$ 64,750
-	26,157	-	-	-	27,861
-	-	-	-	-	32,805
<u>-</u>	<u>26,157</u>	<u>25,733</u>	<u>-</u>	<u>-</u>	<u>125,416</u>
-	-	-	-	-	1,286,678
-	-	-	-	-	1,286,678
-	-	-	-	-	602,428
-	-	-	-	-	297,608
-	-	(13,381)	-	-	(13,381)
631,375	-	-	70,238	-	701,613
-	-	-	-	41,982	41,982
-	(370)	-	-	-	5,659,582
<u>631,375</u>	<u>(370)</u>	<u>(13,381)</u>	<u>70,238</u>	<u>41,982</u>	<u>7,289,832</u>
<u>\$ 631,375</u>	<u>\$ 25,787</u>	<u>\$ 12,352</u>	<u>\$ 70,238</u>	<u>\$ 41,982</u>	<u>\$ 8,701,926</u>

This page is intentionally left blank

NIOBRARA COUNTY, WYOMING

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

June 30, 2020

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

Total fund balances - governmental funds	\$ 7,289,832
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	11,095,890
Long-term liabilities, including compensated absences and lease purchase obligations are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(45,147)

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

Difference in unavailable property tax revenue	11,347
Unavailable revenue - other government	<u>54,511</u>
Net position of governmental activities	<u><u>\$ 18,406,433</u></u>

See accompanying notes to the financial statements

NIOBRARA COUNTY, WYOMING

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

	General Fund	County Road Construction Fund
Revenues		
Taxes	\$ 2,111,886	\$ -
Intergovernmental revenues	1,552,384	406,201
Charges for services	263,012	-
Investment earnings	75,938	4,170
Miscellaneous revenues and reimbursements	484,869	-
Total revenues	4,488,089	410,371
Expenditures		
Current		
General government	2,179,333	-
Public safety	950,258	-
Public works	442,351	77,901
Health, welfare and recreation	28,460	-
Conservation of natural resources	82,339	-
Capital outlay	-	298,447
Debt service		
Principal	10,736	-
Interest	500	-
Total expenditures	3,693,977	376,348
Excess (deficiency) of revenues over expenditures	794,112	34,023
Other financing sources (uses)		
Transfers in	7,994	-
Transfers out	-	-
Total other financing sources (uses)	7,994	-
Net change in fund balance	802,106	34,023
Fund balances - beginning of year, as previously stated	4,948,378	775,481
Prior period adjustment	-	-
Fund balances - beginning of year, as restated	4,948,378	775,481
Fund balances - end of year	\$ 5,750,484	\$ 809,504

See accompanying notes to the financial statements

Capital Facilities Fair, Library, Courthouse Fund	Federal and State Grants Fund	E-911 Fund	Jail O&M Fund	1% Fund	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,111,886
-	133,633	39,423	-	-	2,131,641
-	-	-	-	-	263,012
4,924	-	-	1,263	607	86,902
-	-	-	-	-	484,869
<u>4,924</u>	<u>133,633</u>	<u>39,423</u>	<u>1,263</u>	<u>607</u>	<u>5,078,310</u>
-	-	-	-	-	2,179,333
-	151,045	73,743	-	-	1,175,046
-	5,752	-	-	-	526,004
-	-	-	-	-	28,460
-	-	-	-	-	82,339
-	-	-	-	-	298,447
-	-	-	-	-	10,736
-	-	-	-	-	500
<u>-</u>	<u>156,797</u>	<u>73,743</u>	<u>-</u>	<u>-</u>	<u>4,300,865</u>
<u>4,924</u>	<u>(23,164)</u>	<u>(34,320)</u>	<u>1,263</u>	<u>607</u>	<u>777,445</u>
-	-	-	-	-	7,994
<u>(7,994)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,994)</u>
<u>(7,994)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(3,070)	(23,164)	(34,320)	1,263	607	777,445
<u>634,445</u>	<u>72,513</u>	<u>20,939</u>	<u>68,975</u>	<u>41,375</u>	<u>6,562,106</u>
-	(49,719)	-	-	-	(49,719)
<u>634,445</u>	<u>22,794</u>	<u>20,939</u>	<u>68,975</u>	<u>41,375</u>	<u>6,512,387</u>
<u>\$ 631,375</u>	<u>\$ (370)</u>	<u>\$ (13,381)</u>	<u>\$ 70,238</u>	<u>\$ 41,982</u>	<u>\$ 7,289,832</u>

NIOBRARA COUNTY, WYOMING

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

Year Ended June 30, 2020

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

Net change in fund balances - total governmental funds	\$	777,445
--	----	---------

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 depreciation exceeds capital outlay.

Additions to capital assets	\$ 611,542		
Assets transferred from construction in progress to fixed assets	(27,250)		
Depreciation expense	<u>(1,171,310)</u>		(587,018)

The change in long-term debt obligations (compensated absences and lease purchase obligations) does not require the use of current financial resources of governmental funds. Thus, the change is not recorded in the governmental funds. This is the net effect of those differences,

Principal paid on long-term debt obligations	10,736		
Decrease in compensated absences	<u>1,266</u>		12,002

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

Difference in unavailable property tax revenue - current year	11,347		
Difference in unavailable property tax revenue - prior year	(9,968)		
Unavailable revenue - other government	<u>54,511</u>		<u>55,890</u>

Change in net position of governmental activities	\$	<u><u>258,319</u></u>
---	----	-----------------------

NIOBRARA COUNTY, WYOMING

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

June 30, 2020

	<u>Agency Fund</u>
ASSETS	
Cash and cash equivalents	\$ 881,014
Accounts receivable	<u>261,423</u>
Total assets	<u>\$ 1,142,437</u>
LIABILITIES	
Due to other governments	<u>\$ 1,142,437</u>
Total liabilities	<u><u>\$ 1,142,437</u></u>

See accompanying notes to the financial statements

This page is intentionally left blank

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 1. Nature of Operations and Significant Accounting Policies

The Reporting Entity

Niobrara County, Wyoming (the "County") (primary government) is a municipal corporation governed by three elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge maintenance and operation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. As required by generally accepted accounting principles, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the basic financial statements to emphasize that it is legally separate from the County and each has a June 30 year end.

Discretely Presented Component Units

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

The *Weed and Pest Control District* was established for the purpose of implementing and pursuing an effective program for the control of weeds and pests within the County. This District is fiscally dependent upon the County because the Board of Commissioners approves the budget and levies taxes (if necessary) on behalf of the Weed and Pest Control District. This District is presented as a governmental fund type component unit. The Weed and Pest Control District does not issue separate financial statements.

The *County Library Board* maintains and manages the operations of the County Library and library system. The Library is fiscally dependent upon the County because the Board of Commissioners approves the Library's budget, levies taxes (if necessary), and must approve any debt issuances. The Library's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Library is presented as a governmental fund type component unit. The Library does not issue separate financial statements. Also included in the Library's financial data is financial information of the Library's fund-raising association the Niobrara County Library Foundation (the "Foundation"). Although the Library does not control the timing or amount of receipts from the Foundation, the majority of resources, and income thereon which the Foundation holds or invests, is restricted to the activities of the Library by the donors. Because the restricted resources held by the Foundation can only be used by, or for the benefit of, the Library, the Foundation is considered a component unit of the Library and is included in the Library's financial statements.

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

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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

Discretely Presented Component Units (Continued)

The *Predator Management District* was established for the purpose of exercising general supervision over the eradication and extermination of predatory animals that prey upon and destroy livestock, pigs, poultry, other domestic animals and wild game. In prior years, the County provided significant subsidies to this District; however, none have been necessary in recent years. The Predator Management District is considered a component unit of the County due to the nature and significance of its relationship to the County, and in the opinion of the Commissioners its exclusion would render the financial statements of the County incomplete. This District is presented as a governmental fund type component unit. The Predator Management District does not issue separate financial statements.

The accounting policies of Niobrara County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the most significant policies:

Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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

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

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

The government reports the following major governmental funds:

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

The County Road Construction fund is a *capital project fund* and is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The Capital Facilities Fair, Library, Courthouse fund is a *capital project fund* and is used to account for acquisition and construction of major capital facilities.

The Jail O&M fund is a *capital project fund* and is used to account for operations and maintenance of the jail.

The Federal and State Grants fund is a *special revenue fund* used to account for the revenue and expenditures of various federal and state grants.

The E-911 fund is a *special revenue fund* used to account for the revenue and expenditures of E-911 monies.

The 1% fund is a *special revenue fund* used to account for the revenue and expenditures of 1% monies.

Additionally, the government reports the following fund types:

The *agency fund* (a fiduciary fund) is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The County's agency fund is used to account for funds collected on behalf of and due to other government agencies.

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

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Deposits and Investments

The County defines its cash and cash equivalents to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition and investments in the State Treasurer's Investment Pool (WYOSTAR) and the Wyoming Government Investment Fund (WGIF). The County considers the account with WYOSTAR to be cash equivalents due to the County's ability and intent to withdraw the monies at any time. However, the Predator Management District considers its investment in WYOSTAR to be an investment.

Wyoming Statutes authorize the types of investments in which counties may invest. Among these authorized investments are certificates of deposit, obligations of the U.S. Treasury, agencies and instrumentalities, and repurchase agreements involving U.S. Government securities. The County's investments consist of certificates of deposit, U.S. Agencies' obligations, all of which are carried at fair value, and participation in two governmental investment pools.

A portion of the County's investment activity is conducted in a pooled investment account. WYOSTAR is an authorized government investment pool offered exclusively to Wyoming Governmental entities by the Wyoming State Treasurer's Office. The value of the County's investments in WYOSTAR equal the value of its WYOSTAR shares. Each participant's position in the WYOSTAR investment pool is calculated by the proportion of the cost of their contribution to the total funds invested in the pool multiplied by the pool's total fair value as of any specific date. WYOSTAR investments consist of short-term bonds and cash with a weighted average maturity which does not exceed 90 days, with a benchmark using Bank of America 3 month T-Bills index.

The County also invests in the WGIF. WGIF is a comprehensive cash management program available to Wyoming public entities. WGIF provides a full range of programs to meet participants' needs. The investments purchased by the WGIF are comprised of governmental securities meeting state statutory requirements.

The reported value of WYOSTAR and WGIF is the same as the fair value of the pool shares. Investments for the County are reported at fair value. Fair value is determined using the latest bid price or by the closing exchange price at the statements of net position date. The Library Foundation is not subject to the state statutes which restrict investments.

Restricted Cash

The County has cash restricted by the DEQ for reclamation for the gravel pits. This amount is held in a certificate of deposit at a local bank.

Receivables, Payables and Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Transfers and interfund transactions between governmental funds are eliminated in the government-wide financial statements.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on or about August 1 and payable in two installments. The first becomes due on September 1 delinquent on November 10; the second becomes due on March 1 and delinquent on May 11. If the entire amount is paid by December 31, the interest on the first installment will be waived. County property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period. The County bills and collects its own property taxes and also taxes for all municipalities and political subdivisions within the County. Collections and remittances of these taxes for other taxing districts are accounted for in the respective agency funds of the County.

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

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market. Inventories are accounted for using the consumption method by which inventory acquisitions are recorded in inventory accounts when purchased or received by other means and are charged to expense when consumed or sold.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the County as all tangible assets, over \$1,500, with a useful life in excess of one year to provide more accurate inventory of County assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	20-50
Infrastructure	30-50
Vehicles, machinery and equipment	5

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

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

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

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

Compensated Absences

The County’s policy for vacation is that any such amounts unused at the end of the fiscal year are accrued. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The general fund has been used to liquidate these liabilities in prior years.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types recognize proceeds from lease purchase obligations and are reported as other financing sources. Repayments of long-term debt (lease purchase obligations) are reported as debt service expenditures.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Pensions

For purposes of measuring the net position liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (“WRS”) plans and additions to/deductions from WRS’s fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The primary government of Niobrara County does not participate in the Wyoming Retirement System, however, the Weed and Pest Control District, a component unit of the County, does participate.

Fund Equity/Net Position

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the government’s board through approval of resolutions. Assigned fund balances is a limitation imposed by a designee of the government’s board. Unassigned fund balance in the general fund is the net resources in excess of what can be properly classified in one of the above four categories.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

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

Accounting Estimates

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

Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to May 15, the County Clerk submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

A public hearing is conducted on the third Monday in July to obtain public comments.

The budget is adopted on the third Tuesday of July.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

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

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

Budgets and Budgetary Accounting (Continued)

At the request of the County Clerk or upon its own motion after publication of notice, the Board of County Commissioners may by resolution transfer any unencumbered or unexpended appropriation balance or part thereof from one fund, department or account to another. Expenditures cannot exceed appropriations at the department level and any unexpended or unencumbered appropriations lapse at year end.

Formal legally adopted budgets are prepared as a management control device during the year for the General Fund, Special Revenue Funds and the County Road Construction Fund. The Capital Facilities Fair, Library, Courthouse Fund and the Jail O&M Fund does not set an annual budget as these funds are used to account for the Specific Purpose Tax of 1990 which can only be used for the voter approved projects.

Budgets for the County are adopted on a cash basis (budgetary). Capital Projects Fund expenditures are budgeted within the General Fund. The County's budgetary basis is not consistent with generally accepted accounting principles (GAAP).

Note 2. Deposits and Investments

As of June 30, 2020, the County had the following deposits and investments:

Type	Fair Value	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Deposits							
Cash in banks	\$ 2,575,271	N/A	\$ 2,575,271	\$ -	\$ -	\$ -	N/A
WGIF	2,502,282	N/A	2,502,282	-	-	-	AAAm
WYOSTAR Investment Pool	1,583,135	N/A	1,583,135	-	-	-	N/A
Total deposits	6,660,688		6,660,688	-	-	-	
Investments							
Certificates of deposit (term greater than 3 months)	775,499	0.00%	-	775,499	-	-	N/A
Total investments	775,499		-	775,499	-	-	
Total deposits and investments	\$ 7,436,187		\$ 6,660,688	\$ 775,499	\$ -	\$ -	

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 2. Deposits and Investments (Continued)

Deposits and investments of the County are reported under the following captions:

Cash and cash equivalents in the government-wide statement of net position	\$ 5,779,674
Cash and cash equivalents in the statement of fiduciary net position - fiduciary funds	881,014
Total deposits	6,660,688
Investments in the government-wide statement of net position	775,499
Total deposits and investments	\$ 7,436,187

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

Type	Fair Value	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Investments							
Certificates of deposit (term greater than 3 months)	951,234	0.50-1.25%	951,234	-	-	-	N/A
WYOSTAR Investment Pool	212,575		212,575	-	-	-	N/A
Total investments	1,163,809		1,163,809	-	-	-	
Total deposits and investments	\$ 1,163,809		\$ 1,163,809	\$ -	\$ -	\$ -	

N/A - not available, investment is unrated

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

Investments in the government-wide statement of net position -	
Weed and Pest Control District	\$ 951,234
Predator Management District	212,575
Total investments	\$ 1,163,809

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 2. Deposits and Investments (Continued)

Primary Government

Deposits held in the County’s bank accounts are insured by federal depository insurance or are collateralized with securities held by the pledging institution’s trust department or agent, in joint custody of the bank and the County. As of June 30, 2020, the County had balances in the bank of \$3,013,354 with a carrying amount of \$2,575,271. The difference between the carrying amount and the bank balance is the result of the transactions in transit. All deposits were covered by insurance or collateral held in joint custody with the financial institution.

Interest rate risk Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Some of the County's investments are held in an external pooled investment account, and as a means of limiting its exposure to fair value losses arising from rising interest rates, the County attempts to match its investment maturities to expected cash flow needs. With this investment focus, investments are expected to reach maturity with limited gains or losses.

Credit risk Generally, credit risk is the risk that an insurer of investments will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Under investment agreements with WYOSTAR and WGIF, the County has invested monies at a fixed contract rate of interest. Because the security is essentially a written contract, there is no rating available for such an investment; however, under Wyoming Statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized rating organizations.

Concentration of credit risk The County does not have a formal policy that allows for or limits an investment in any one issuer to a specified percentage of the County’s total investments. The composition of the investment portfolio of the County at June 30, 2020 is as follows:

Investment Type	Fair Value	Percent of Portfolio
Certificates of Deposit	\$ 775,499	15.95%
WGIF	2,502,282	51.48%
WYOSTAR Investment Pool	1,583,135	32.57%
	\$ 4,860,916	100.00%

Custodial credit risk - deposits

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require that the County's deposits in excess of the Federal depository insurance amount be collateralized. At June 30, 2020, the County's deposits were fully collateralized as required by statutes. In addition, the County’s deposits in WYOSTAR are held in trust by the Treasurer of the State of Wyoming and not comingled with other State funds; each entity has an individual interest in the pool held in its own name. The County also had cash equivalents of \$2,502,282 in the WGIF Liquid Asset Series, a money market investment rated AAAM by Standard and Poor’s. Management does not believe these cash balances are at risk as a result of not being fully insured or collateralized. The County has not incurred any losses related to uninsured deposits.

Custodial credit risk - investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the County’s investments are held in pools sponsored by the Wyoming State Treasurer or the Wyoming School Board Association and Wyoming Association of Municipalities which limits the risk of counter party failure.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 2. Deposits and Investments (Continued)

Component Units

Deposits held in the County’s component unit bank accounts are insured by federal depository insurance or are collateralized with securities held by the pledging institution’s trust department or agent, in joint custody of the bank and the County. As of June 30, 2020, the County’s component units had balances in the bank of \$1,717,766 with a carrying amount of \$1,744,970. The difference between the carrying amount and the bank balance is the result of the transactions in transit. All deposits were covered by insurance or collateral held in joint custody with the financial institution. Additionally, there is approximately \$12,000 in cash held by the Wyoming State Library Division.

Fair Value Measurements

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

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

External investment pool: Valued at the net asset value (NAV) of shares held at year end, based on quoted prices for identical or similar assets in active markets.

The following table sets forth by level, within the fair value hierarchy, the County’s investment at fair value as of June 30, 2020:

Primary government investments

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Investments by fair value level				
WGIF	\$ 2,502,282	\$ -	\$ -	\$ 2,502,282
WYOSTAR investment pool	1,583,135	-	-	1,583,135
Total investments at fair value	\$ 4,085,417	\$ -	\$ -	4,085,417
Other investments				
Certificates of deposit				775,499
Money market				9,688
Total other investments				785,187
Less: amounts reported as cash and cash equivalents				(4,095,105)
Total primary government investments				\$ 775,499

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 2. Deposits and Investments (Continued)

Fair Value Measurements(Continued)

Component unit investments

	Assets at Fair Value as of June 30, 2020			
	Level 1	Level 2	Level 3	Total
Investments by fair value level				
WYOSTAR investment pool	\$ 212,575	\$ -	\$ -	\$ 212,575
Total investments at fair value	<u>\$ 212,575</u>	<u>\$ -</u>	<u>\$ -</u>	212,575
Other investments				
Certificates of deposit				951,234
Beneficial interest in assets held by Wyoming Community Foundation				1,962,894
Total other investments				<u>2,914,128</u>
Total component unit investments				<u>\$ 3,126,703</u>

Note 3. Receivables and Individual Inter-fund Receivables and Payables

Receivables as of year-end for the government’s individual funds, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	County Road Construction Fund	Federal and State Grants Fund	E-911 Fund	Capital Facilities Fair, Library, Courthouse Fund	Jail O&M Fund	Total
Property taxes receivable	\$ 1,296,827	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,296,827
Accounts receivable	31,384	-	25,769	-	206	43	57,402
Due from other governments	134,426	21,158	-	6,651	-	-	162,235
	<u>\$ 1,462,637</u>	<u>\$ 21,158</u>	<u>\$ 25,769</u>	<u>\$ 6,651</u>	<u>\$ 206</u>	<u>\$ 43</u>	<u>\$ 1,516,215</u>

At June 30, 2020, the Federal and State Grants Fund owed the General Fund \$22,750 for outstanding pooled cash transactions that had not yet settled, and \$3,407 of indirect costs allocated to grant fund. Also in the current year the General fund owed the Jail O&M Fund \$1,704 to refund the fund for excess money not used from the initial transfer.

The outstanding balances between funds results mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 4. Capital Assets

Primary Government

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 40,997	\$ -	\$ -	\$ 40,997
Construction in progress	7,206	28,440	27,250	8,396
Total capital assets, not being depreciated	48,203	28,440	27,250	49,393
Capital assets, being depreciated				
Buildings	6,165,142	83,900	-	6,249,042
Vehicles, machinery and equipment	5,545,652	145,131	42,699	5,648,084
Infrastructure	21,226,262	354,071	-	21,580,333
Total capital assets, being depreciated	32,937,056	583,102	42,699	33,477,459
Less accumulated depreciation for				
Buildings	3,257,502	174,529	-	3,432,031
Vehicles, machinery and equipment	4,174,845	273,852	42,699	4,405,998
Infrastructure	13,870,004	722,929	-	14,592,933
Total accumulated depreciation	21,302,351	1,171,310	42,699	22,430,962
Total capital assets, being depreciated, net	11,634,705	(588,208)	-	11,046,497
Total capital assets, net	<u>\$ 11,682,908</u>	<u>\$ (559,768)</u>	<u>\$ 27,250</u>	<u>\$ 11,095,890</u>

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

Governmental activities	
General government	\$ 185,903
Public safety	149,593
Public works	833,190
Conservation of natural resources	2,624
Total depreciation expense - governmental activities	<u>\$ 1,171,310</u>

Capital Lease Equipment

Machinery and equipment that was purchased by a lease-purchase obligation is included in vehicles, machinery and equipment of the governmental activities. The purchase price of that equipment was \$53,753 with accumulated depreciation of \$40,402 and current year depreciation expense of \$10,147 in general government activities.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 4. Capital Assets (Continued)

Discretely Presented Component Units

Activity for the Weed and Pest Control District for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 16,906	\$ -	\$ -	\$ 16,906
Total capital assets, not being depreciated	16,906	-	-	16,906
Capital assets, being depreciated				
Buildings	475,445	-	-	475,445
Vehicles, machinery and equipment	224,944	9,835	21,131	213,648
Total capital assets, being depreciated	700,389	9,835	21,131	689,093
Less accumulated depreciation for				
Buildings	159,707	12,188	-	171,895
Vehicles, machinery and equipment	207,411	6,802	20,159	194,054
Total accumulated depreciation	367,118	18,990	20,159	365,949
Total capital assets, being depreciated, net	333,271	(9,155)	972	323,144
Total capital assets, net	\$ 350,177	\$ (9,155)	\$ 972	\$ 340,050

Activity for the County Library Board for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 550	\$ -	\$ -	\$ 550
Total capital assets, not being depreciated	550	-	-	550
Capital assets, being depreciated				
Buildings	736,378	-	-	736,378
Machinery and equipment	1,131,191	67,759	69,403	1,129,547
Total capital assets, being depreciated	1,867,569	67,759	69,403	1,865,925
Less accumulated depreciation for				
Buildings	305,838	28,634	-	334,472
Machinery and equipment	795,431	99,088	53,129	841,390
Total accumulated depreciation	1,101,269	127,722	53,129	1,175,862
Total capital assets, being depreciated net	766,300	(59,963)	16,274	690,063
Total capital assets, net	\$ 766,850	\$ (59,963)	\$ 16,274	\$ 690,613

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 4. Capital Assets (Continued)

Discretely Presented Component Units (Continued)

Activity for the County Fair Board for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 11,635	\$ -	\$ -	\$ 11,635
Construction in progress		-	-	-
Total capital assets, not being depreciated	11,635	-	-	11,635
Capital assets, being depreciated				
Buildings	1,857,922	59,352	-	1,917,274
Machinery and equipment	41,940	-	-	41,940
Total capital assets, being depreciated	1,899,862	59,352	-	1,959,214
Less accumulated depreciation for				
Buildings	800,750	72,182	-	872,932
Machinery and equipment	40,938	637	-	41,575
Total accumulated depreciation	841,688	72,819	-	914,507
Total capital assets, being depreciated net	1,058,174	(13,467)	-	1,044,707
Total capital assets, net	<u>\$ 1,069,809</u>	<u>\$ (13,467)</u>	<u>\$ -</u>	<u>\$ 1,056,342</u>

Activity for the Predator Management District for the year ended June 30, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated				
Buildings	\$ 16,619	\$ -	\$ -	\$ 16,619
Total capital assets, being depreciated	16,619	-	-	16,619
Less accumulated depreciation for				
Buildings	16,619	-	-	16,619
Total accumulated depreciation	16,619	-	-	16,619
Total capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 5. Long-Term Debt

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

	Balance July 01, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Primary Government					
Lease purchase obligations	\$ 24,788	\$ -	\$ 10,736	\$ 14,052	\$ 10,777
Compensated absences	32,361	-	1,266	31,095	-
Total primary government	<u>\$ 57,149</u>	<u>\$ -</u>	<u>\$ 12,002</u>	<u>\$ 45,147</u>	<u>\$ 10,777</u>
Discretely Presented Component Units					
Weed and Pest Control District					
Compensated absences	\$ 3,955	\$ 173	\$ -	\$ 4,128	\$ -
Pension liability	172,837	-	35,531	137,306	-
Total Weed and Pest Control District	<u>\$ 176,792</u>	<u>\$ 173</u>	<u>\$ -</u>	<u>\$ 141,434</u>	<u>\$ -</u>
County Library Board					
Compensated absences	\$ 8,200	\$ 1,656	\$ -	\$ 9,856	\$ -
Total County Library Board	<u>\$ 8,200</u>	<u>\$ 1,656</u>	<u>\$ -</u>	<u>\$ 9,856</u>	<u>\$ -</u>

Long-term debt related to the governmental activities is generally liquidated by the general fund.

A summary of the long-term debt as of June 30, 2020 is as follows:

Primary Government

Lease purchase obligations collateralized by the assets noted as of June 30, 2020 are as follows:

Lease purchase obligation on a postage meter, due in monthly installments of \$399, including interest of 2.64%, through January 2022, serviced by the general fund.	\$ 7,416
Lease purchase obligation on a copier, due in monthly installments of \$127, including interest of 3.49%, through October 2021, serviced by the general fund.	1,988
Lease purchase obligation on a copier, due in monthly installments of \$185, including interest of 1.96%, through June 2021, serviced by the general fund.	2,197
Lease purchase obligation on a copier, due in monthly installments of \$225, including interest of 1.96%, through May 2021, serviced by the general fund.	<u>2,451</u>
	14,052
Less current maturities of lease purchase obligations	<u>10,777</u>
	<u>\$ 3,275</u>

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 5. Long Term Debt (Continued)

Future minimum lease payments under lease purchase obligations together with the present value of net minimum lease payments as of June 30, 2020 are as follows:

Year ending June 30,

2021	\$ 11,011
2022	3,302
Total minimum lease payments	14,313
Less: amount representing interest	261
Net present value of minimum lease payments	\$ 14,052

Note 6. Interfund Transfers

Interfund transfers at June 30, 2020 consisted of the following:

	Transfers In	Transfers Out
General Fund	\$ 7,994	\$ -
Capital Project Funds - Capital Facilities FLC Fund	-	7,994
	\$ 7,994	\$ 7,994

Transfers are used to (1) move cash or revenues from the fund that voter restriction, statute or budget requires to collect them to the fund that voter restriction, statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In the fiscal year ended June 30, 2020, the Capital Projects Fund – Capital Facilities FLC Fund transferred money to the General Fund as a reimbursement for expenses paid.

Note 7. Net Position Restricted by Legislation

The government-wide statement of net position reports \$1,588,268 of restricted net position. The amount which is restricted for road construction by State legislation is \$809,504, E-911 fund has \$(13,381) restricted by federal regulations, and \$701,613 is restricted by as a special purpose tax assessed specifically for the Capital Facilities Fair, Library, Courthouse Fund, and Jail Operations and Maintenance Fund.

Note 8. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. As a result of these and other risks, the County participates in the Wyoming Association of Risk Management (WARM), a management risk pool and WARM property insurance pool and Local Government Claims Act (W.S. 1-39-101) up to \$250,000 per claimant but not more than \$500,000 per occurrence, \$1,500,000 per occurrence, and \$5,000,000 annual aggregate for federal and out-of-state claims. The coverage limit is \$1,000,000,000 for all members combined of the WARM risk pool including various additional sub-limits. Claims have not exceeded coverage amounts in any of the last three years. Premiums paid to WARM and LGLP by the County were approximately \$34,394 and \$15,789, respectively.

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2020

Note 8. Risk Management (Continued)

During the year ended June 30, 2020, the County contracted with the entities above for property insurance (including boiler and machinery), general liability insurance, professional insurance and vehicle insurance. The coverage under each type of insurance policy varies in amounts and deductibles. The County has not had significant settlements exceeding insurance coverage in any of the past three years. The County has had no significant reductions in insurance coverage from coverage in the prior years.

The County pays into the State Worker's Compensation System a premium based on a rate per covered payroll. This rate is calculated based on accident history and administrative costs.

On September 20, 2019 Niobrara County began offering health insurance to employees working 30 hours or more per week. The County pays the employee's premium.

Note 9. Beneficial Interest

The Library Foundation ("Foundation") transferred investments to the Wyoming Community Foundation specifying itself as the beneficiary. The Wyoming Community Foundation ("WCF") is a Wyoming not-for-profit organization. The WCF receives contributions that are specifically designated for the benefit of the Foundation. The WCF established an endowment fund to account for these permanently restricted contributions. Distributions of interest and dividend income to the Foundation for unrestricted use are to be made not less than annually, and distributions of \$74,776 occurred during the year ended June 30, 2020. In accordance with generally accepted accounting standards, the Foundation recorded its beneficial interest in the endowment fund and recorded as permanently restricted those contributions received by the WCF for the benefit of the Foundation. The Foundation's beneficial interest in WCF was \$1,962,894 as of June 30, 2020.

Note 10. Construction Commitments

The County had one outstanding construction project as of June 30, 2020. At year end the County's construction commitment is as follows:

Project Name	Total Contract Amount	Expended To Date	Remaining Commitment
Air Conditioning Upgrade	\$ 18,580	\$ -	\$ 18,580
Road Rehab Project 2020	347,496	8,396	339,100
Total construction commitments	<u>\$ 366,076</u>	<u>\$ 8,396</u>	<u>\$ 357,680</u>

Note 11. Issued Standards Not Yet Implemented

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

NIOBRARA COUNTY, WYOMING

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020

Note 11. Issued Standards Note Yet Implemented (Continued)

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

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides accounting and financial reporting guidance for subscription-based information technology arrangements (SBITAs). It is based on the standards established in Statement 87, *Leases*. This standard (a) defines a SBITA as a contract that conveys control of the right to use a SBITA vendor’s IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction; (b) requires governments with SBITAs to recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability (with an exception for short-term SBITAs—those with a maximum possible term of 12 months); and (c) provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. Management has not yet completed its assessment of the effects of implementing this standard.

Note 12. Prior Period Adjustment

In the fiscal year 2019, there was an accrual recorded twice for grant revenue. The error was realized during the fiscal 2020 audit and corrected. The table below illustrates the net position as originally stated and restated:

	As originally stated June 30, 2019	Increase (Decrease)	Restated June 30, 2019
<i>Governmental activities</i>			
Net position	\$ 18,197,831	\$ (49,719)	\$ 18,148,112

Note 13. Risk and Uncertainties

During the year ended June 30, 2020, the World Health Organization declared the outbreak of the COVID-19 as a “Public emergency of International Concern.” The COVID-19 outbreak is disrupting supply chains and impacting individuals in the United States and the world. The extent of the impact of COVID-19 on the Boards operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on taxpayers, state funding decisions, employees and vendors.

Note 14. Subsequent Events

Subsequent to year end the County was awarded approximately \$1.2 million in CARES funding and grants available due to the COVID-19 virus.

This page is intentionally left blank

REQUIRED SUPPLEMENTARY INFORMATION

This page is intentionally left blank

NIOBRARA COUNTY, WYOMING

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

GENERAL FUND

(Unaudited)

Year Ended June 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property taxes				
- current and delinquent	\$ 1,234,816	\$ 1,234,816	\$ 1,219,988	\$ (14,828)
Vehicle fees	110,000	110,000	110,976	976
Payments in lieu of property taxes	202,985	202,985	363,525	160,540
Sales and use taxes	370,889	274,979	468,516	193,537
1% optional tax	225,000	320,910	320,910	-
Taxes	<u>2,143,690</u>	<u>2,143,690</u>	<u>2,483,915</u>	<u>340,225</u>
State gasoline tax	126,743	126,743	121,818	(4,925)
Car company tax	10,000	10,000	10,063	63
Severance tax	859,751	859,751	860,455	704
Special fuel tax	196,877	196,877	200,999	4,122
Intergovernmental revenues	<u>1,193,371</u>	<u>1,193,371</u>	<u>1,193,335</u>	<u>(36)</u>
Clerk of Court fees	3,500	3,500	10,754	7,254
Treasurer	4,500	4,500	6,162	1,662
Assessor	3,000	3,000	1,284	(1,716)
County Clerk fees	49,000	49,000	53,621	4,621
County Sheriff fees	7,500	7,500	12,444	4,944
Coroner Fees	-	-	25	25
Inmate housing	162,000	162,000	170,586	8,586
Liquor permits	700	700	720	20
Public health nurse	250	250	10,479	10,229
County health officer	13,600	13,600	9,600	(4,000)
Civil fees	6,500	6,500	6,170	(330)
Charges for services	<u>250,550</u>	<u>250,550</u>	<u>281,845</u>	<u>31,295</u>
Interest earnings	50,000	50,000	1,167	(48,833)
Interest on delinquent taxes	2,000	2,000	74,102	72,102
Investment earnings	<u>52,000</u>	<u>52,000</u>	<u>75,269</u>	<u>23,269</u>
Other income	197,525	197,525	473,490	275,965
Miscellaneous revenue	<u>197,525</u>	<u>197,525</u>	<u>473,490</u>	<u>275,965</u>
Total revenues	<u>3,837,136</u>	<u>3,837,136</u>	<u>4,507,854</u>	<u>670,718</u>

(Continued)

See accompanying notes to required supplementary information

NIOBRARA COUNTY, WYOMING

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

(Unaudited)

Year Ended June 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
County Commissioners	\$ 130,676	\$ 130,676	\$ 74,737	55,939
County Clerk	142,006	142,006	120,404	21,602
County Treasurer	123,741	123,741	117,517	6,224
County Assessor	141,390	141,390	139,673	1,717
County Attorney	152,089	152,089	142,799	9,290
Clerk of District Court	133,284	133,284	120,509	12,775
Justice Court	12,000	12,000	12,000	-
Elections	12,500	12,500	8,055	4,445
Facilities	412,725	412,725	314,991	97,734
Other general accounts	978,000	978,000	837,042	140,958
Optional 1% Tax	225,000	320,910	320,910	-
General government	<u>2,463,411</u>	<u>2,559,321</u>	<u>2,208,637</u>	<u>350,684</u>
County Sheriff	336,717	336,717	329,660	7,057
County Coroner	27,209	27,209	16,009	11,200
Detention	405,390	405,390	369,343	36,047
Emergency Management	9,995	9,995	7,809	2,186
911 Dispatch	276,325	276,325	223,881	52,444
Public safety	<u>1,055,636</u>	<u>1,055,636</u>	<u>946,702</u>	<u>108,934</u>
Road and Bridge	521,070	521,070	438,268	82,802
Public works	<u>521,070</u>	<u>521,070</u>	<u>438,268</u>	<u>82,802</u>
Health Officer	9,600	9,600	9,600	-
Public Health Nurse	23,442	23,442	17,430	6,012
Health, welfare and recreation	<u>33,042</u>	<u>33,042</u>	<u>27,030</u>	<u>6,012</u>
Agriculture department	82,895	82,895	77,058	5,837
Conservation of natural resources	<u>82,895</u>	<u>82,895</u>	<u>77,058</u>	<u>5,837</u>
Total expenditures	<u>4,156,054</u>	<u>4,251,964</u>	<u>3,697,695</u>	<u>554,269</u>
Excess (deficiency) of revenues over expenditures	<u>(318,918)</u>	<u>(414,828)</u>	<u>810,159</u>	<u>1,224,987</u>
Transfers in	155,000	155,000	7,994	(147,006)
Other financing sources (uses)	<u>155,000</u>	<u>155,000</u>	<u>7,994</u>	<u>(147,006)</u>
Net change in fund balance	(163,918)	(259,828)	818,153	<u>\$ 1,077,981</u>
Fund balance - beginning of year	<u>4,686,599</u>	<u>4,686,599</u>	<u>4,686,599</u>	
Fund balance - end of year	<u>\$ 4,522,681</u>	<u>\$ 4,426,771</u>	<u>\$ 5,504,752</u>	

See accompanying notes to required supplementary information

NIOBRARA COUNTY, WYOMING

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

(Unaudited)
Year Ended June 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 582,738	\$ 582,738	\$ 188,310	\$ (394,428)
Total revenues	582,738	582,738	188,310	(394,428)
Expenditures				
Public safety	437,761	437,761	60,215	377,546
Health, welfare and recreation	89,641	89,641	95,491	(5,850)
Total expenditures	527,402	527,402	155,706	371,696
Net change in fund balance	55,336	55,336	32,604	\$ (22,732)
Fund balance (deficit) - beginning of year	(55,336)	(55,336)	(55,336)	
Fund balance (deficit) - end of year	\$ -	\$ -	\$ (22,732)	

See accompanying notes to required supplementary information

NIOBRARA COUNTY, WYOMING

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

E-911 FUND

(Unaudited)

Year Ended June 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 35,000	\$ 35,000	\$ 40,957	\$ 5,957
Total revenues	35,000	35,000	40,957	5,957
Expenditures				
Public safety	83,487	89,188	83,743	5,445
Total expenditures	83,487	89,188	83,743	5,445
Net change in fund balance	(48,487)	(54,188)	(42,786)	<u>\$ 11,402</u>
Fund balance - beginning of year	48,487	48,487	48,487	
Fund balance - end of year	<u>\$ -</u>	<u>\$ (5,701)</u>	<u>\$ 5,701</u>	

See accompanying notes to required supplementary information

NIOBRARA COUNTY, WYOMING

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

1% FUND
(Unaudited)
Year Ended June 30, 2020

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment earnings	\$ 700	\$ 700	\$ 673	\$ (27)
Total revenues	700	700	673	(27)
Expenditures				
Public safety	41,997	41,997	-	41,997
Total expenditures	41,997	41,997	-	41,997
Net change in fund balance	(41,297)	(41,297)	673	<u>\$ 41,970</u>
Fund balance - beginning of year	41,297	41,297	41,297	
Fund balance (deficit)- end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,970</u>	

See accompanying notes to required supplementary information

This page is intentionally left blank

NIOBRARA COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2020

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

	General Fund	Federal and State Grants Fund	E-911 Fund	1% Fund
Revenues				
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 4,507,854	\$ 188,310	\$ 40,957	\$ 673
Differences - Budget Basis to GAAP				
Accrual of accounts receivable	(23,654)	(54,677)	(1,534)	(66)
Accrual of future property taxes receivable	644	-	-	-
Accrual of due from other funds	3,407	-	-	-
Accrual of due from other governments	(7,943)	-	-	-
Deferral of future property tax revenue	7,770	-	-	-
Miscellaneous reconciling items	11	-	-	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 4,488,089</u>	<u>\$ 133,633</u>	<u>\$ 39,423</u>	<u>\$ 607</u>
Expenditures				
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 3,697,695	\$ 155,706	\$ 83,743	\$ -
Differences - Budget Basis to GAAP				
Accrual of inventory	4,810	-	-	-
Accrual of accounts payable	(4,390)	(2,315)	(10,000)	-
Accrual of wages payable	(732)	-	-	-
Accrual of due to (from) other funds	(3,406)	3,406	-	-
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 3,693,977</u>	<u>\$ 156,797</u>	<u>\$ 73,743</u>	<u>\$ -</u>

Note 2. Budgeting

Annual budgets are adopted on the cash basis for all governmental funds except capital facilities fair, library, courthouse fund and jail operations and maintenance fund. Legal spending control for the County monies is at the function level. The County may amend the budget after it is appropriated using the same procedures necessary to approve the original budget at the functional level. Management monitors expenditures at budgetary line item levels within each fund to enhance the accounting control system and may amend the budget at this level as long as the functional level budget is maintained.

The total budget for FY 2019-2020 was amended by \$101,611 to account for unanticipated revenues and expenditures in the general fund and the E-911 fund.

In the General Fund, 1% Option Tax revenues and expenditures were amended from \$225,000 to \$320,910, an increase of \$95,910. The E-911 fund was amended from \$83,487 to \$89,188, an increase of \$5,701.

This page is intentionally left blank

OTHER SUPPLEMENTARY INFORMATION

This page is intentionally left blank

NIOBRARA COUNTY, WYOMING

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

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 437,693	\$ 437,693	\$ 410,571	\$ (27,122)
Investment earnings	-	-	4,436	4,436
Total revenues	<u>437,693</u>	<u>437,693</u>	<u>415,007</u>	<u>(22,686)</u>
Expenditures				
Public works	<u>611,660</u>	<u>611,660</u>	<u>312,708</u>	<u>298,952</u>
Total expenditures	<u>611,660</u>	<u>611,660</u>	<u>312,708</u>	<u>298,952</u>
Excess (deficiency) of revenues over expenditures	<u>(173,967)</u>	<u>(173,967)</u>	<u>102,299</u>	<u>276,266</u>
Net change in fund balance	<u>(173,967)</u>	<u>(173,967)</u>	<u>102,299</u>	<u>\$ (276,266)</u>
Fund balance - beginning of year	<u>173,967</u>	<u>173,967</u>	<u>173,967</u>	
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 276,266</u>	

This page is intentionally left blank

COMPLIANCE SECTION

This page is intentionally left blank

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

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Niobrara County, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Niobrara County, Wyoming, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Niobrara County, Wyoming's basic financial statement, and have issued our report thereon dated December 29, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Niobrara County, Wyoming's internal control over financial reporting (internal control) as a basis for designing 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 Niobrara County, Wyoming's internal control. Accordingly, we do not express an opinion on the effectiveness of Niobrara County, Wyoming's internal control.

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 over financial reporting that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as 2020-001 to be significant deficiencies.



MAIL: PO Box 2750
Casper, WY 82602-2750



PHONE: (307) 265-4311
FAX: (307) 265-5180

51

PMCH.COM   



LOCATION: 600 East 1st Street
Casper, WY 82601

Compliance and Other Matters

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

We noted certain matters we have reported to management of Niobrara County in a separate letter dated December 29, 2020.

County's Response to Findings

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

Purpose of this Report

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



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, Wyoming

December 29, 2020

NIOBRARA COUNTY, WYOMING

SCHEDULE OF FINDINGS AND RESPONSES Year Ended June 30, 2020

Significant Deficiencies in Internal Control over Financial Reporting

2020-001

Financial Reporting

Criteria

The Auditing Standards Board (ASB) issued guidance to auditors related to an entity's internal controls over external financial reporting (i.e. financial statements presented in conformity with generally accepted accounting principles [GAAP] and issued to outside third parties). Many small organizations rely on their auditor to generate these annual financial statements including the related footnotes. Statement on Auditing Standards (SAS) No. 115 emphasizes that the auditor cannot be part of the entity's system of internal control over external financial reporting. Consequently, the entity must have personnel who are capable of preparing external financial statements in conformity with GAAP even though the auditor may draft the statements on behalf of the entity.

Condition

The County has controls in place and operating over the preparation of budget-basis financial reports, including in-depth review by management and the Commissioners and a high level of awareness of all transactions being reported. However, budgetary basis financial reporting (non-GAAP) differs significantly from GAAP financial reporting. In our judgment, the County's accounting personnel and those charged with governance, in the course of their assigned duties, lack the skills to prepare the external financial statements and related footnotes in accordance with GAAP and to prevent, detect and correct a material misstatement, if present, without additional training or additional tools.

Cause

The County is in a rural area of Wyoming with limited access to individuals with strong financial backgrounds.

Effect or Potential Effect

Without involvement from people with strong financial backgrounds a significant error in financial statement disclosure could occur and not be discovered and corrected in a timely manner.

Recommendation

In our judgment, management and those charged with governance need to understand the importance of this communication as it relates to external GAAP basis financial statements. While accounting personnel, management, and those charged with governance have the skills to understand non-GAAP financial reports, we recommend accounting personnel attend training to improve their understanding of GAAP basis financial reporting specifically geared towards reporting for governmental organizations. We also recommend accounting personnel receive additional training to improve utilization of the software to produce accounting information on a GAAP basis in addition to the budgetary basis. Management may also mitigate this weakness by utilizing the services of another accounting firm to assist in compiling or reviewing the external financial statements, or by using professional tools such as disclosure checklists to enhance the review of the financial statements.

NIOBRARA COUNTY, WYOMING

SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
Year Ended June 30, 2020

Significant Deficiencies in Internal Control over Financial Reporting (Continued)

2020-001 (Continued)

Financial Reporting(Continued)

Views of Responsible Officials and Planned Corrective Actions

While the County understands the guidelines under SAS No. 115, the County does not see a significant value from the technical compliance with this statement. The County feels that there is no justifiable benefit to employ a certified public accountant for the sole purpose of converting the County's budgetary basis reporting to the GAAP based annual financial statement. The County's accounting personnel have the skills and understand the County's finances to find and correct material misstatements on the budgetary basis. The lack of familiarity with all required disclosures for formal financial reporting in accordance with GAAP reflects more on the esoteric nature of many required disclosures than the management/oversight capabilities of the County's personnel. The County will review the disclosure checklists as part of its process in reviewing the GAAP basis financial statements.

**NIOBRARA COUNTY
424 SOUTH ELM STREET
LUSK, WY 82225**

Niorara County, Wyoming
Summary Schedule of Prior Year Audit Findings
Year Ended June 30, 2020

Material Weakness in Internal Control over Financial Reporting

2019-001 Financial Reporting

Condition

The County has controls in place and operating over the preparation of budget-basis financial reports. These controls include in depth review by management and the Commissioners, and a high level of awareness of all transactions being reported. However, budgetary basis financial reporting (non-GAAP) differs significantly from GAAP financial reporting. The County has gravel stockpiles for the maintenance and construction of county roads. Inventory in these stockpiles are expensed when used, however, no measurement was performed at year-end to quantify an inventory value at year-end. In our judgement, the County's personnel were unable to identify and determine the balance of the gravel inventory at year-end. In addition controls over these accounts were inadequate to prevent, detect and correct a material misstatement, if present, without additional procedures and record keeping.

Status

This condition has been remedied.

Significant Deficiencies in Internal Control over Financial Reporting

2019-002: Financial Reporting

Condition

The County has controls in place and operating over the preparation of budget-basis financial reports, including in-depth review by management and the Commissioners and a high level of awareness of all transactions being reported. However, budgetary basis financial reporting (non-GAAP) differs significantly from GAAP financial reporting. In our judgment, the County's accounting personnel and those charged with governance, in the course of their assigned duties, lack the skills to prepare the external financial statements and related footnotes in accordance with GAAP and to prevent, detect and correct a material misstatement, if present, without additional training or additional tools.

Status

This condition has been repeated.

**NIOBRARA COUNTY
424 SOUTH ELM STREET
LUSK, WY 82225**

Niorara County, Wyoming

Summary Schedule of Prior Year Audit Findings (Continued)
Year Ended June 30, 2020

Significant Deficiencies in Internal Control over Financial Reporting (Continued)

2019-003 Clerk of District Court Bank Reconciliations

Condition

The Clerk of District Court was not been able to reconcile her bank accounts to the transactions in the court software for fiscal year ended June 30, 2019. Consequently, she was not consistently remitting the required amounts to various individuals and entities.

Status

This condition has been remedied.