

NIOBRARA COUNTY,  
WYOMING

**Financial Report**

**June 30, 2023**





**NIOBRARA COUNTY,  
WYOMING**

**Financial Report**

**June 30, 2023**

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***INDEPENDENT AUDITOR'S REPORT***

Honorable Board of County Commissioners  
Niobrara County, Wyoming

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited 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, 2023, 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.

In our opinion, the accompanying 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, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Niobrara County, Wyoming and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.



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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Niobrara County, Wyoming's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Niobrara County, Wyoming's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Niobrara County, Wyoming's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***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 budgetary comparison information and combining balance sheet and statement of revenues, expenditures and changes in fund balance are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 March 15, 2024 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, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Niobrara County, Wyoming's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Niobrara County, Wyoming's internal control over financial reporting and compliance.



Porter, Muirhead, Cornia & Howard  
Certified Public Accountants

Casper, Wyoming  
March 15, 2024



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**MANAGEMENT'S  
DISCUSSION  
AND ANALYSIS**

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**Management's Discussion and Analysis**  
**(Unaudited)**

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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, 2023.

***Financial Highlights***

- The assets of Niobrara County exceeded its liabilities at the close of the most recent fiscal year by \$18,053,979 (*net position*). Of this amount, \$6,589,127 (*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 \$7,704,923. Of this total amount, \$6,106,499 is available for spending at the government's discretion (unassigned).
- The County's debt, other than compensated absences, decreased overall by \$6,683 due to payments made on capital leases.

***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to Niobrara County's financial statements. Niobrara County's financial statements are comprised 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 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.

**Management's Discussion and Analysis  
(Unaudited)**

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***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, federal and state grants fund and the capital facilities fair, library, courthouse 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 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 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

**Management's Discussion and Analysis**  
**(Unaudited)*****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's net position, 56% reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding.

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>2023</u>	<u>2022</u>
<b>Assets:</b>		
Current and other assets	\$ 10,498,183	\$ 8,934,101
Capital assets	10,099,490	10,460,810
<b>Total assets</b>	<u>20,597,673</u>	<u>19,394,911</u>
<b>Liabilities:</b>		
Other liabilities	823,114	330,586
Long-term liabilities	80,165	94,995
<b>Total liabilities</b>	<u>903,279</u>	<u>425,581</u>
<b>Deferred inflows of resources:</b>		
Unavailable property tax revenue	1,640,415	1,548,088
<b>Total deferred inflows of resources</b>	<u>1,640,415</u>	<u>1,548,088</u>
<b>Net position:</b>		
Net investment in capital assets	10,049,374	10,426,660
Restricted for		
County road construction (W.S. 24-2-110)	696,959	652,924
E-911	40,147	18,605
Special purpose tax	678,372	667,673
Unrestricted	6,589,127	5,655,380
<b>Total net position</b>	<u>\$ 18,053,979</u>	<u>\$ 17,421,242</u>

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

**Management's Discussion and Analysis**  
**(Unaudited)**

The government's net position increased by approximately \$632,737 during the current fiscal year.

**Comparative Statement of Activities**

	<u>2023</u>	<u>2022</u>
<b>Revenues:</b>		
Program revenues		
Charges for services	\$ 291,372	\$ 155,921
Operating grants and contributions	109,784	52,548
Capital grants and contributions	188,735	43,993
<b>General revenues:</b>		
Property taxes	2,161,264	1,314,102
Other taxes	2,751,621	2,422,869
Miscellaneous intergovernmental revenue and reimbursements	134,614	207,197
Investment income (loss)	162,703	(84,723)
<b>Total revenues</b>	<u>5,800,093</u>	<u>4,111,907</u>
<b>Expenses:</b>		
General government	2,442,453	2,269,582
Public safety	1,176,600	1,158,888
Public works	1,121,636	1,162,499
Health, welfare and recreation	346,759	69,232
Conservation of natural resources	78,223	66,254
Interest on long-term debt	1,685	1,839
<b>Total expenses</b>	<u>5,167,356</u>	<u>4,728,294</u>
<b>Change in net position</b>	632,737	(616,387)
Net position - beginning of year	17,421,242	18,037,629
Net position - end of year	<u>\$ 18,053,979</u>	<u>\$ 17,421,242</u>

Total revenues increased \$1,688,196 over the prior fiscal year.

- Operating grants and contributions increased by \$57,236. This was primarily due to Niobrara County assuming management of the Public Health Emergency Preparedness Grant. The grant was previously administered by Goshen County.
- Capital grants and contributions rose by \$144,742 as a result of American Rescue Plan Act (ARPA) funding.
- Property tax revenue increased by \$847,162. This growth was due to the increased value of state assessed property, as well as statutory changes in the manner in which ad valorem taxes on mineral production are collected.
- Other taxes increased by \$328,752 due to a boost in sales tax collections and direct distribution funding from the state of Wyoming.

Investment income rose significantly due to higher interest rates.

**Management's Discussion and Analysis  
(Unaudited)**

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Total expenses increased \$439,062.00 over the prior fiscal year. This is an increase of 9.28%.

- General Government, Public Safety, and Public Works make up most of the County's expenses.
- General Government expenses increased by \$172,871.00. This is primarily due to increased wages, health insurance costs, utilities, and the basic cost of providing services to the public.
- Public Safety is comprised of law enforcement, emergency management, E911 dispatch, and the county coroner. These expenses increased slightly by \$17,712.00. The main causes for these increases, besides wages, are fuel and vehicle upkeep.
- Public Works is comprised of Road and Bridge and the County Road Fund. Overall, there was a decrease in expenditures of approximately \$40,863.00.
- Health, welfare, and recreation increased significantly because of grants

***Governmental Funds Financial Analysis***

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 \$7,704,923 an increase of \$687,431, 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 \$6,110,426. 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 \$611,976 during the current fiscal year.

***General Fund Budgetary Highlights***

Niobrara County remains steadfast in its commitment to its citizens to be as fiscally responsible as possible while performing statutory duties as efficiently as possible.

Grants continue to provide a source of revenue to the County. American Rescue Plan Act (ARPA) funding allowed the County to purchase a public health building, purchase used vehicles for the sheriff's department and repair the leaking roof at the fairgrounds. In addition to ARPA, a grant was awarded to pay for interior renovations to the public health building. The Prevention Grant and the Public Health Emergency Preparedness Grant allowed for activities the County would not otherwise undertake, including substance abuse, suicide prevention, and emergency preparedness.



**Management’s Discussion and Analysis  
(Unaudited)**

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***Capital Asset and Debt Administration***

Niobrara County’s capital assets for its governmental type activities as of June 30, 2023, amounts to \$10,099,490, net of depreciation. The capital assets include land, construction in progress, buildings, vehicles, machinery and equipment, infrastructure and right-to-use leased equipment. The total decrease in Niobrara County’s capital assets for the current year was \$361,320.

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

**CAPITAL ASSETS (NET OF DEPRECIATION)**

	<b>2023</b>	<b>2022</b>
Land	\$ 53,933	\$ 40,997
Construction in progress	394,185	382,382
Buildings	2,419,902	2,498,788
Vehicles, machinery and equipment	740,567	865,866
Infrastructure	6,474,954	6,652,160
Right-to-use leased equipment	15,949	20,617
<b>Total</b>	<b>\$ 10,099,490</b>	<b>\$ 10,460,810</b>

***Long-Term Debt***

At the end of the current fiscal year, Niobrara County had debt of \$27,467 from leases for two 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***

The legislature and citizens of Wyoming are working on numerous proposals for property tax reform. Property taxes accounted for 37% of the County’s revenue in fiscal year 2023, and any significant change to current laws could adversely affect revenue. The County relies heavily on taxes from mineral production, and this revenue is subject to volatility in production and market price. Many of the state’s distribution formulas are based on population, and changes in population affect revenue. Inflation results in an inevitable increase in expenses. Because of these uncertainties, management remains acutely aware of the need to be fiscally conservative and maintain adequate reserves to meet the County’s ongoing obligations.

**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.



**FINANCIAL  
STATEMENTS**

Niobrara County, Wyoming

June 30, 2023

**Statement of Net Position**

	Primary Government	
	Governmental Activities	Total
<b>ASSETS</b>		
Cash and cash equivalents	\$ 928,300	\$ 928,300
Investments, at fair value	6,639,079	6,639,079
Property tax receivable, net	1,834,980	1,834,980
Accounts receivable	5,856	5,856
Due from other governments	203,887	203,887
Due from primary government	-	-
Inventory	327,871	327,871
Restricted assets		
Restricted cash and cash equivalents	83,430	83,430
Investments, at fair value	474,780	474,780
Beneficial interest in assets held by others	-	-
Capital assets, not being depreciated	448,118	448,118
Capital assets, net of accumulated depreciation	9,651,372	9,651,372
Total assets	<u>20,597,673</u>	<u>20,597,673</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension plan items	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	296,720	296,720
Due to component units	40,041	40,041
Retainage payable	22,649	22,649
Advance payments on grants	463,704	463,704
Noncurrent liabilities		
Long-term debt due within one year	8,769	8,769
Long-term debt due in more than one year	71,396	71,396
Total liabilities	<u>903,279</u>	<u>903,279</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable property tax revenue	1,640,415	1,640,415
Pension plan items	-	-
Total deferred inflows of resources	<u>1,640,415</u>	<u>1,640,415</u>
<b>NET POSITION</b>		
Net investment in capital assets	10,049,374	10,049,374
Restricted for		
County road construction (W.S. 24-2-110)	696,959	696,959
E-911	40,147	40,147
Special purpose tax	678,372	678,372
Library foundation		
Expendable	-	-
Permanent endowment for the library (nonexpendable)	-	-
Unrestricted	6,589,127	6,589,127
Total net position	<u>\$ 18,053,979</u>	<u>\$ 18,053,979</u>

Component Units

Weed and Pest Control District	County Library Board	County Fair Board	Predator Management District
\$ 773,590	\$ 109,799	\$ 75,932	\$ 40,833
971,964	-	-	241,633
383,827	4,032	1,221	-
6,680	-	-	-
-	-	-	-
9,962	22,709	606	6,764
114,066	-	-	-
-	244,246	74,858	-
-	40,104	-	-
-	2,504,671	-	-
16,906	550	22,443	-
295,820	586,358	1,242,008	-
<u>2,572,815</u>	<u>3,512,469</u>	<u>1,417,068</u>	<u>289,230</u>
55,754	-	-	-
<u>55,754</u>	<u>-</u>	<u>-</u>	<u>-</u>
29,265	707	2,246	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
129,887	10,665	-	-
<u>159,152</u>	<u>11,372</u>	<u>2,246</u>	<u>-</u>
383,039	3,881	1,170	-
56,055	-	-	-
<u>439,094</u>	<u>3,881</u>	<u>1,170</u>	<u>-</u>
312,726	586,908	1,264,451	-
-	-	-	-
-	-	-	-
-	-	-	-
-	40,104	-	-
-	2,748,917	-	-
1,717,597	121,287	149,201	289,230
<u>\$ 2,030,323</u>	<u>\$ 3,497,216</u>	<u>\$ 1,413,652</u>	<u>\$ 289,230</u>

Niobrara County, Wyoming  
Year Ended June 30, 2023  
**Statement of Activities**

Function/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 2,442,453	\$ 226,072	\$ -	\$ -
Public safety	1,176,600	49,637	9,160	188,735
Public works	1,121,636	-	-	-
Health, welfare and recreation	346,759	15,663	100,624	-
Conservation of natural resources	78,223	-	-	-
Interest on long-term debt	1,685	-	-	-
Total governmental activities	<u>5,167,356</u>	<u>291,372</u>	<u>109,784</u>	<u>188,735</u>
Total primary government	<u>5,167,356</u>	<u>291,372</u>	<u>109,784</u>	<u>188,735</u>
Component units				
Weed and Pest Control District	356,978	96,338	-	-
County Library Board	469,964	4,738	311,103	31,576
County Fair Board	223,370	43,636	56,998	83,729
Predator Management District	203,692	58,047	179,025	-
Total component units	<u>\$ 1,254,004</u>	<u>\$ 202,759</u>	<u>\$ 547,126</u>	<u>\$ 115,305</u>
General revenues				
Property taxes				
Sales taxes				
Gas tax and other				
Motor vehicle fees				
Miscellaneous intergovernmental revenue				
Miscellaneous revenues and reimbursements				
Contribution to permanently restricted endowment				
Investment income				
Loss on disposal of assets				
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				

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
\$ (2,216,381)	\$ (2,216,381)	\$ -	\$ -	\$ -	\$ -
(929,068)	(929,068)	-	-	-	-
(1,121,636)	(1,121,636)	-	-	-	-
(230,472)	(230,472)	-	-	-	-
(78,223)	(78,223)	-	-	-	-
(1,685)	(1,685)	-	-	-	-
(4,577,465)	(4,577,465)	-	-	-	-
(4,577,465)	(4,577,465)	-	-	-	-
-	-	(260,640)	-	-	-
-	-	-	(122,547)	-	-
-	-	-	-	(39,007)	-
-	-	-	-	-	33,380
-	-	(260,640)	(122,547)	(39,007)	33,380
2,161,264	2,161,264	367,727	-	-	-
513,511	513,511	-	-	-	-
2,104,570	2,104,570	-	-	-	-
133,540	133,540	-	-	-	-
46,969	46,969	-	-	-	-
87,645	87,645	168	1,925	9,258	16
-	-	-	19,324	-	-
162,703	162,703	16,966	311,550	202	4,748
-	-	-	(19,078)	-	-
5,210,202	5,210,202	384,861	313,721	9,460	4,764
632,737	632,737	124,221	191,174	(29,547)	38,144
17,421,242	17,421,242	1,906,102	3,306,042	1,421,653	251,086
-	-	-	-	21,546	-
17,421,242	17,421,242	1,906,102	3,306,042	1,443,199	251,086
<u>\$ 18,053,979</u>	<u>\$ 18,053,979</u>	<u>\$ 2,030,323</u>	<u>\$ 3,497,216</u>	<u>\$ 1,413,652</u>	<u>\$ 289,230</u>

Niobrara County, Wyoming

June 30, 2023

**Balance Sheet - Governmental Funds**

	General Fund	County Road Construction Fund
<b>ASSETS</b>		
Cash and cash equivalents	\$ 442,929	\$ 1,383
Investments, at fair value	5,782,785	516,454
Property taxes receivable, net	1,834,980	-
Accounts receivable	-	-
Due from other governments	156,347	25,265
Due from other funds	25,206	-
Inventory	139,271	188,600
Restricted assets		
Cash and cash equivalents	83,430	-
Investments, at fair value	11,076	-
Total assets	<u>\$ 8,476,024</u>	<u>\$ 731,702</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 234,265	\$ 14,450
Retainage payable	-	20,293
Due to other funds	-	-
Due to component units	40,041	-
Advance payments on grants	-	-
Total liabilities	<u>274,306</u>	<u>34,743</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable property tax revenue	1,952,021	-
Unavailable intergovernmental revenue	-	-
Total deferred inflows of resources	<u>1,952,021</u>	<u>-</u>
<b>FUND BALANCES</b>		
Nonspendable	139,271	188,600
Restricted for		
County road construction (W.S. 24-2-110)	-	508,359
E-911	-	-
Special purpose tax	-	-
Committed for 1% projects	-	-
Unassigned	<u>6,110,426</u>	<u>-</u>
Total fund balances	<u>6,249,697</u>	<u>696,959</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,476,024</u>	<u>\$ 731,702</u>

Capital Facilities Fair, Library, Courthouse Fund	Federal and State Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 448,079	\$ 300	\$ 35,609	928,300
158,411	65,872	115,557	6,639,079
-	-	-	1,834,980
-	-	5,856	5,856
-	22,275	-	203,887
-	-	-	25,206
-	-	-	327,871
-	-	-	83,430
-	463,704	-	474,780
<u>\$ 606,490</u>	<u>\$ 552,151</u>	<u>\$ 157,022</u>	<u>\$ 10,523,389</u>
\$ -	\$ 46,687	\$ 1,318	\$ 296,720
-	2,356	-	22,649
-	25,206	-	25,206
-	-	-	40,041
-	463,704	-	463,704
<u>-</u>	<u>537,953</u>	<u>1,318</u>	<u>848,320</u>
-	-	-	1,952,021
-	18,125	-	18,125
<u>-</u>	<u>18,125</u>	<u>-</u>	<u>1,970,146</u>
-	-	-	327,871
-	-	-	508,359
-	-	40,147	40,147
606,490	-	71,882	678,372
-	-	43,675	43,675
-	(3,927)	-	6,106,499
<u>606,490</u>	<u>(3,927)</u>	<u>155,704</u>	<u>7,704,923</u>
<u>\$ 606,490</u>	<u>\$ 552,151</u>	<u>\$ 157,022</u>	<u>\$ 10,523,389</u>



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Niobrara County, Wyoming

June 30, 2023

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**

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

Total fund balances - governmental funds		\$ 7,704,923
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources, and therefore, are not reported in the governmental fund statements. As capital assets used in governmental activities are purchased or constructed, the costs of those assets are reported as expenditures in the governmental funds. This is the total of capital assets reported in the government-wide statements.		10,099,490
Other long-term assets that are not available to pay for current period expenditures and therefore, are either deferred or not reported in the funds.		
Difference in unavailable revenue - intergovernmental		18,125
Long-term liabilities that are not due and payable in the current period, and therefore, are not reported in the governmental funds.		
Leases	\$ (27,467)	
Compensated absences	<u>(52,698)</u>	(80,165)
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		<u>311,606</u>
Net position of governmental activities		<u>\$ 18,053,979</u>

Niobrara County, Wyoming  
 Year Ended June 30, 2023

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds**

	General Fund	County Road Construction Fund
Revenues		
Taxes	\$ 2,534,644	\$ -
Intergovernmental revenues	1,749,903	401,639
Charges for services	256,469	-
Investment income	118,063	16,861
Miscellaneous revenues	38,295	-
Total revenues	<u>4,697,374</u>	<u>418,500</u>
Expenditures		
Current		
General government	2,280,983	-
Public safety	976,151	-
Public works	439,931	374,465
Health, welfare and recreation	279,781	-
Conservation of natural resources	74,410	-
Debt service		
Principal	6,683	-
Interest	1,685	-
Capital outlay	25,774	-
Total expenditures	<u>4,085,398</u>	<u>374,465</u>
Excess (deficiency) of revenues over expenditures	<u>611,976</u>	<u>44,035</u>
Net change in fund balances	611,976	44,035
Fund balances (deficit) - beginning of year	<u>5,637,721</u>	<u>652,924</u>
Fund balances (deficit) - end of year	<u>\$ 6,249,697</u>	<u>\$ 696,959</u>

Capital Facilities Fair, Library, Courthouse Fund	Federal and State Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 2,534,644
-	280,395	-	2,431,937
-	-	34,903	291,372
8,858	15,494	3,427	162,703
-	-	-	38,295
<u>8,858</u>	<u>295,889</u>	<u>38,330</u>	<u>5,458,951</u>
-	-	-	2,280,983
-	104,504	13,361	1,094,016
-	-	-	814,396
-	66,530	-	346,311
-	-	-	74,410
-	-	-	6,683
-	-	-	1,685
-	127,262	-	153,036
<u>-</u>	<u>298,296</u>	<u>13,361</u>	<u>4,771,520</u>
<u>8,858</u>	<u>(2,407)</u>	<u>24,969</u>	<u>687,431</u>
8,858	(2,407)	24,969	687,431
<u>597,632</u>	<u>(1,520)</u>	<u>130,735</u>	<u>7,017,492</u>
<u>\$ 606,490</u>	<u>\$ (3,927)</u>	<u>\$ 155,704</u>	<u>\$ 7,704,923</u>

Niobrara County, Wyoming

Year Ended June 30, 2023

**Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities**

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

Net change in fund balances - total governmental funds \$ 687,431

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.

Capital outlay	\$ 593,641	
Depreciation expense	<u>(954,961)</u>	(361,320)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the government-wide changes in net position. This is the net effect of these differences in the treatment of long-term debt, including compensated absences:

Principal paid on long-term debt obligations	6,683	
Compensated absences - prior year	60,845	
Compensated absences - current year	<u>(52,698)</u>	14,830

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	311,606	
Difference in unavailable property tax revenue - prior year	(37,935)	
Difference in unavailable revenue - intergovernmental	<u>18,125</u>	<u>291,796</u>

Change in net position of governmental activities \$ 632,737

Niobrara County, Wyoming

June 30, 2023

**Statement of Fiduciary Net Position - Fiduciary Funds**

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	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 726,156
Investments, at fair value	533,418
Property taxes receivable, net	<u>1,472,151</u>
Total assets	<u>2,731,725</u>
<b>LIABILITIES</b>	
Due to other governments	<u>2,731,249</u>
Total liabilities	<u>2,731,249</u>
<b>NET POSITION</b>	
Restricted for:	
Individuals, organizations, and other governments	<u>476</u>
Total net position	<u>\$ 476</u>

Niobrara County, Wyoming

June 30, 2023

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds**

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	<u>Custodial Funds</u>
<b>Additions</b>	
Contributions:	
Child support collections	\$ 37,428
Total contributions	<u>37,428</u>
Investment earnings:	
Interest and dividends	<u>33,487</u>
Total investment earnings	<u>33,487</u>
Collection of taxes and fees for other governments	<u>11,769,074</u>
Total additions	<u>11,839,989</u>
<b>Deductions</b>	
Commissary - sales and services	3,161
Payments of taxes and fees to other governments and organizations	11,812,698
Child support distributions	<u>36,687</u>
Total deductions	<u>11,852,546</u>
Net decrease in fiduciary net position	(12,557)
Net position - beginning of year	<u>13,033</u>
Net position - end of year	<u>\$ 476</u>

**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.

***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 and must approve any debt issuances. The Library's receives funding from the County's general fund. 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 Foundation does not issue separate 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 and must approve any debt issuances. The Fair receives funding from the County's general fund. The Fair is presented as a governmental fund type component unit. The Fair does not issue separate financial statements. Also included in the Fair's financial data is financial information of the Fair's fund-raising association the Niobrara County Fair Foundation (the "Foundation") and the Livestock Committee. The Foundation operates on a calendar year and the results of its operations have not been restated to conform to the County's year end. Although the Fair does not control the timing or amount of receipts from the Foundation or the Livestock Committee, the majority of resources, and income thereon which the Foundation and the Livestock Committee holds or invests, is restricted to the activities of the Fair. Because the restricted resources held by these entities can only be used by, or for the benefit of, the Fair, these entities are considered component units of the Fair and are included in the Fair's financial statements. The Foundation and Livestock Committee do not issue separate financial statements.



**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.

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.

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

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

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. For the County's intergovernmental revenues related to grants, the revenue is considered available if collected within 90 days. This is extended for grant revenues to better align with grant expenditures. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. General capital asset acquisitions, including entering into contracts giving the County the right-to-use leased assets, are reported as expenditures in governmental funds.

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 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 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.

Additionally, the County reports the following fund types:

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

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 *custodial fund* is custodial in nature and is used to account for assets that the County holds for others in a fiduciary capacity (e.g. taxes collected by the treasurer for the benefit of other governments).

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

**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***

***Cash and Cash Equivalents***

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 to be cash and cash equivalents.

The County's cash activity is accounted for in pooled cash accounts. The accounting records for each applicable fund reflect its portion of the pooled cash and/or investments and any separate unpooled bank accounts. When a particular fund overdraws its share of the pooled cash, the deficit is recorded as a payable to the general fund and a corresponding entry is made in the general fund to reflect the receivable from the other fund.

***Investments***

The County follows the guidelines described in Wyoming Statute 9-4-831 as it relates to the investment of public funds. Wyoming Statutes authorize the types of investments in which the County may invest. Among these authorized investments are certificates of deposit, money market funds, commercial paper, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government, mortgage backed securities, guaranteed investment contracts, and repurchase agreements with banks with the underlying securities being obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government.

The County's investments are carried at fair value and consist of certificates of deposit valued at amortized cost or carried at cost plus accrued interest, U.S. government agency notes and bonds, participation in WYO-STAR I, participation in Wyoming CLASS, and participation in WGIF.

WYO-STAR I is an authorized government investment pool established in 1987 offered exclusively to Wyoming governmental entities by the Wyoming State Treasurer's Office. The value of the County's investments in WYO-STAR I equals the value of its WYO-STAR I shares. Each participant's position in WYO-STAR I is calculated by the proportion of their share as a percentage of the total share invested in the pool. Income is distributed to participants based on each entity's average daily share balance in the pool. Interest is calculated and credited monthly. WYO-STAR I investments are carried at their fair value as determined at June 30 each year. WYO-STAR I's target asset allocation, as stated in its Master Investment Policy, comprises one hundred percent (100%) of short-term bonds and cash. The Pool does not have a guaranteed rate of return, and Participants expose their investments to market losses as well as gains. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period or withdrawal penalty.

Wyoming Government Investment Fund (WGIF) is a governmental pool established in 1996 to provide cash-management investments exclusively designed for Wyoming public entities. The WGIF Liquid Asset Series is a short-term money market portfolio that seeks to provide daily liquidity and there are no withdrawal penalties. The value of the County's investment in WGIF equals the value of its WGIF shares.

**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)***

***Investments (Continued)***

The Wyoming CLASS Indenture of Trust was adopted pursuant to the provisions of W.S. 17-23-101 *et seq.*, the Wyoming Statutory Trust Act. The Wyoming CLASS portfolio invests in U.S. Treasury securities, federal instrumentality securities, agency securities, repurchase agreements and triparty repurchase agreements, collateralized bank deposits commercial paper that, at the time of purchase is rated in its highest rating category by one or more nationally recognized statistical rating organizations that regularly rate such obligations, and government money market funds. The value of the County's investment in Wyoming CLASS equals the value of its Wyoming CLASS shares. There are no withdrawal penalties.

***Restricted Cash and Investments***

The County considers any cash that is legally restricted as to withdrawal or usage to be presented as restricted cash. The County has investments restricted by the DEQ for reclamation for the gravel pits of \$11,076 and advance payments on grants for ARPA and LATCF funds of \$463,704. These amounts are held in certificates of deposit at a local bank and in WGIF.

***Endowments***

Restricted nonexpendable net position as of June 30, 2023 for the library foundation, represents the principal of permanent endowments restricted to investment in perpetuity by donors of the library foundation. Investment earnings, except for changes in fair market value, are expendable to support the purposes designated by donors.

***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.

Any advances between funds, would be offset by recognizing nonspendable fund balance in the applicable governmental funds. This indicates that the assets reported are not available for appropriation and are not expendable financial resources.

**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***

The State of Wyoming has two different types of ad valorem property tax assessment methodologies: non-mineral and mineral. Non-mineral properties are annually valued and assessed on January 1 at fair market value, and mineral properties are valued and assessed on prior year mineral production. Non-mineral property taxes attach as an enforceable lien on assessed property as of January 1 of each year and mineral property taxes attached as an enforceable lien upon the severance of the mineral. Property taxes are levied on or about August 1 and are due in two installments. The first installment becomes due on September 1 and delinquent on November 10; the second becomes due on March 1 and delinquent on May 10.

The County bills and collects its own property taxes as well as for all municipalities and political subdivisions within the county with the exception for mineral based ad valorem property taxes. The collection of mineral based ad valorem property taxes was significantly modified during the 2021 and 2022 Legislative Sessions. Beginning with mineral production year 2022 (tax year 2023), mineral ad valorem taxes are collected by the State of Wyoming and remitted to each county for the distribution. Previously, the County billed and collected mineral ad valorem taxes. For the mineral production year 2021 (tax year 2022), mineral producers had the option to defer payment of taxes until December 1, 2023 at which time the taxes are due at eight percent per year until paid. Beginning with 2022, mineral based ad valorem property taxes are due on or before the 25th day of the third month following the month of production.

The County's property tax revenues are recognized when levied to the extent they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period on the fund financial statements. Property taxes which are not current receivables are offset by deferred inflows of resources on the fund financial but are reported on the government-wide financial statements as revenue and receivables, with no amount being deferred when levied. Property taxes receivable are recognized as of the lien date; however, revenue is not recognized until the levy date. Mineral property taxes for 2022 and 2023 production received by June 30, 2023 are not considered legally assessed and are recorded as unearned revenue in the fund and on the government-wide financial statements, if any.

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, 2023, was 12 mills, which means the County has levied to the maximum amount available.

***Property Taxes Allowance***

During fiscal year 2023, the County has recorded an allowance uncollectible for property taxes receivable in the amount of \$5,867 for the General Fund and \$28,432 for the Custodial Funds due to bankruptcy or business closure of mineral and natural resource taxpayers.

**Notes to the Financial Statements**

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**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)******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 \$2,500, with a useful life in excess of one year to provide a more accurate inventory of County assets. Such assets are recorded at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in the leases accounting policy below) or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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, the right to use leased equipment, and infrastructure 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
Right-to-use leased equipment	5-20
Vehicles, machinery and equipment	5

***Collections***

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

**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 consumption of net assets 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 acquisition of net assets 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 one sources: property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide statement of net position, property tax revenue is reported as a deferred inflow of resources in the year a lien attaches to the property.

*Pension-Related Amounts* – In the government-wide statement of net position, a deferred outflow or deferred inflow of resources is reported for the unrecognized items not yet charged to 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, limited to a 40 hour maximum for full time employees. 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.

***Advance Payments on Grants***

Revenue received in advance of the performance of services deemed to be exchange transactions is deferred until such time as related expenditures are incurred and then recognized as revenue.

The County received an advance from the American Rescue Plan Act (ARPA) and also from the Local Assistance and Tribal Consistency Fund (LATCF), in the amount of \$262,390 and \$201,314, respectively. The amount of the received funds of \$463,704 is reported as advance payments on grants on the County's Statement of Net Position.

**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)***

***Leases***

The County has a lease for a noncancellable lease of a postage meter. The County recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial, individual value of \$2,500 or more.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its risk free rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonable certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

***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 leases and are reported as other financing sources. Repayments of long-term debt (leases) are reported as debt service expenditures.



**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.

***Restricted Net Position***

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

***Accounting Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported 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.

**Note1. 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***

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.

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).

***Standards Issued and Implemented***

As of July 1, 2022, the County adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard establishes that a SBITA results in a right-to-use subscription IT asset –an intangible asset – and a corresponding liability. The standard provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The statement require recognition of certain SBITA assets and liabilities for SBITAs that previously were recognized as outflows of resources based on the payment provisions of the contract. There was no impact of the implementation of this standard in the current year. The County's SBITAs met the exceptions provided in the statement.

**Notes to the Financial Statements****Note 2. Cash and Cash Equivalents*****Custodial Credit Risk – Deposits***

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository institution, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County does not have a formal policy on custodial credit risk. Wyoming state statutes require that the County's deposits in excess of the Federal depository insurance must be collateralized. 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. All deposits were covered by insurance or collateral held in joint custody with the financial institution, with the exception of the Library Foundation accounts held at Lusk State Bank, which had approximately \$25,000 in excess of FDIC insured limits.

***Primary Government***

At June 30, 2023, the County's bank balance was \$1,942,293 and the carrying amount of the deposits was reported in the financial statements as listed below. The difference between the carrying amount and the bank balance is the result of transactions in transit and cash equivalents without a bank balance.

	<u>Carrying Amount</u>
Government-wide Statement of Net Position	
Governmental activities	
Cash and cash equivalents	\$ 928,300
Investments	11,076
Fiduciary Fund Statement of Net Position	
Custodial Fund	
Cash and cash equivalents	726,156
Total carrying amount of deposits	<u>\$ 1,665,532</u>

***Component Units***

As of June 30, 2023, the County's component unit's bank balance was \$2,263,203 and the carrying amount of the deposits was reported in the financial statements as listed below. The difference between the carrying amount and the bank balance is the result of transactions in transit and cash equivalents without a bank balance.

	<u>Carrying Amount</u>
Component Units Statement of Net Position	
Weed and Pest Control District	
Cash and cash equivalents	\$ 773,590
Investments	971,964
County Library Board	
Cash and cash equivalents	109,799
County Fair Board	
Cash and cash equivalents	75,932
Predator Management District	
Cash and cash equivalents	40,833
Total carrying amount of deposits	<u>\$ 1,972,118</u>

**Notes to the Financial Statements****Note 2. Cash and Cash Equivalents (Continued)*****Custodial Credit Risk – Deposits (Continued)******Component Units (Continued)***

Additionally, there is approximately \$19,000 in cash held by the Wyoming State Library Division included in the County Library Board bank deposits. All component unit's bank balances were either fully insured or collateralized as required by State statutes.

**Note 3. Investments**

As of June 30, 2023, the County had the following deposits and investments:

Type	Fair Value	Interest Rate	Investment Maturity (in Years)		Rating*
			Less Than 1	1-5	
Primary government					
Non-negotiable certificates of deposit	\$ 11,076	1.50 -3.00%	\$ 10,000	\$ 1,076	NR
Negotiable certificates of deposit	1,169,376	0.30-5.5%	592,174	577,202	NR
U.S. Government bonds	677,411	0.45-1.00%	-	677,411	AA+
U.S. Treasury securities	296,155	0.13-.75%	296,155	-	Aaa
WGIF	2,550,533	4.99%	2,550,533	-	AAAm
WYO-STAR I	1,908,057	5.00%	1,908,057	-	NR
Wyoming CLASS	501,251	5.08%	501,251	-	NR
Total investments	<u>\$ 7,113,859</u>		<u>\$ 5,858,170</u>	<u>\$ 1,255,689</u>	

As of June 30, 2023, the fiduciary funds had the following investments:

Type	Fair Value	Interest Rate	Investment Maturity (in Years)		Rating*
			Less Than 1	1-5	
Fiduciary funds					
WGIF	\$ 533,418	4.99%	\$ 533,418	\$ -	NR
	<u>\$ 533,418</u>		<u>\$ 533,418</u>	<u>\$ -</u>	

As of June 30, 2023, the component units of the County had the following investments:

Type	Fair Value	Interest Rate	Investment Maturity (in Years)		Rating*
			Less Than 1	1-5	
Investments					
Negotiable certificates of deposit	\$ 971,964	2.5%-4.6%	\$ 971,964	\$ -	NR
WYO-STAR I	241,633	5.00%	241,633	-	NR
Total investments	<u>\$ 1,213,597</u>		<u>\$ 1,213,597</u>	<u>\$ -</u>	

NR - investment is not rated

\*

**Notes to the Financial Statements****Note 3. Investments (Continued)*****Credit Risk***

Generally, credit risk is the risk that an issuer 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. The County does not have a formal policy for credit risk but follows Wyoming State statute 9-4-31 which limits investments to those with highest credit rating from nationally recognized credit rating organizations.

***Custodial Credit Risk - Investments***

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities held in the possession of an outside party. Custodial credit risk is for those investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name. The County does not have a formal policy for custodial credit risk. The County does not have any investments that are not registered in the name of the County. Custodial credit risk does not apply to a local government's indirect investments in securities through the use of government investment pools.

***Concentration of Credit Risk***

The concentration of credit risk is the risk of loss that may be caused by the County's investments in a single issuer. GASB 40 requires disclosure by issuer and amount of investment in any one issuer that represents 5% or more of total investments for the County. The information presented below is based on concentrations of investments in the County's portfolio. Concentration risk does not arise in connection with U.S. government obligation and obligations explicitly guaranteed by the U.S. government. Likewise, concentration risk does not apply to positions in external investment pools, and similar pooled investments, which are designed, in part, to provide diversification. The County does not have a formal policy for concentration of credit risk.

The composition of the investment portfolio of the County at June 30, 2023 is as follows:

Deposit and Investment Type	Fair Value	Percent of Portfolio
Certificates of deposit	\$ 11,076	0.18%
U.S. Government bonds	677,411	11.40%
U.S. Treasury securities	296,155	4.98%
WGIF	2,550,533	42.91%
WYO-STAR I	1,908,057	32.10%
Wyoming CLASS	501,251	8.43%
	\$ 5,944,483	100.00%

**Note 3. Investments (Continued)**

***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County does not have a formal policy for interest rate risk. The County's investments are held in external investment pools with a focus on liquidity as a means of limiting its exposure to fair value losses arising from interest rates.

WGIF pool seeks to maintain a stable net asset value (NAV) of \$1.00 and is managed to a maximum weighted average maturity to reset (WAM(R)) of 60 days.

Wyoming CLASS pool seeks to maintain a stable net asset value of \$1.00. The funds' weighted average maturity is limited to a maximum of 60 days and a weighted average life of 120 days. In our view, a portfolio's weighted-average maturity is a key measure of a fund's tolerance and sensitivity to rising interest rates.

The WYO-STAR I investment portfolio, as stated in its Master Investment Policy, maintains funds in a cash portfolio and the rest in an extended cash portfolio, which may not exceed 35% of the market value of the portfolio at the time of purchase. The cash portfolio seeks to maintain weighted average maturity not to exceed 90 days and all securities must have a maximum maturity of 365 days. The market value of the portfolio must remain within +/-0.5% to 1% of amortized cost. The extended portfolio seeks to maintain maximum average cash flow weighted duration not to exceed three years and individual securities must not exceed a cash flow weighted duration of 5 years. Participants acknowledge there is a risk associated with investing in the pool and there is no guaranteed rate of return.

**Note 4. 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.

The 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, 2023:

*U.S. Government Bonds:* Valued using quoted prices for identical or similar assets in active markets.

*U.S. Treasury Securities:* Valued at the closing price reported in the active market which the individual securities are traded.

**Notes to the Financial Statements****Note 4. Fair Value Measurements (Continued)**

The following table sets forth by level, within the fair value hierarchy, the County's investment at fair value as of June 30, 2023:

**Primary Government Investments**

	Assets at Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
Investments by fair value level				
U.S. Government bonds	\$ -	\$ 677,411	\$ -	\$ 677,411
U.S. Treasury securities	296,155	-	-	296,155
Total investments at fair value	<u>\$ 296,155</u>	<u>\$ 677,411</u>	<u>\$ -</u>	<u>\$ 973,566</u>
Other investments				
Non-negotiable certificates of deposit				11,076
Negotiable certificates of deposit				1,169,376
WGIF				2,550,533
Wyoming CLASS				501,251
WYO-STAR I				1,908,057
Total primary government investments				<u>\$ 7,113,859</u>

**Note 5. Individual Inter-fund Receivables and Payables**

At June 30, 2023, the Federal and State Grants Fund owed the General Fund for outstanding pooled cash transactions that had not yet settled:

	Receivable	Payable
General Fund	\$ 25,206	\$ -
Federal and State Grants Fund	-	25,206
	<u>\$ 25,206</u>	<u>\$ 25,206</u>

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.

**Notes to the Financial Statements****Note 6. Capital Assets****Primary Government**

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 40,997	\$ 12,936	\$ -	\$ 53,933
Construction in progress	382,382	406,118	394,315	394,185
Total capital assets, not being depreciated	<u>423,379</u>	<u>419,054</u>	<u>394,315</u>	<u>448,118</u>
Capital assets, being depreciated				
Buildings	6,271,262	85,449	-	6,356,711
Vehicles, machinery and equipment	5,527,163	82,488	242,770	5,366,881
Infrastructure	22,633,284	400,965	-	23,034,249
Right-to-use leased equipment	23,340	-	-	23,340
Total capital assets, being depreciated	<u>34,455,049</u>	<u>568,902</u>	<u>242,770</u>	<u>34,781,181</u>
Less accumulated depreciation for				
Buildings	3,772,474	164,335	-	3,936,809
Vehicles, machinery and equipment	4,661,297	207,787	242,770	4,626,314
Infrastructure	15,981,124	578,171	-	16,559,295
Right-to-use leased equipment	2,723	4,668	-	7,391
Total accumulated depreciation	<u>24,417,618</u>	<u>954,961</u>	<u>242,770</u>	<u>25,129,809</u>
Total capital assets, being depreciated, net	<u>10,037,431</u>	<u>(386,059)</u>	<u>-</u>	<u>9,651,372</u>
Total capital assets, net	<u>\$ 10,460,810</u>	<u>\$ 32,995</u>	<u>\$ 394,315</u>	<u>\$ 10,099,490</u>

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

Governmental activities	
General government	\$ 184,523
Public safety	129,728
Public works	637,662
Conservation of natural resources	3,048
Total depreciation expense - governmental activities	<u>\$ 954,961</u>

Equipment of \$45,695 has been acquired under financing leases. The related depreciation and amortization expense on these assets in the amount of \$7,740 is included in annual depreciation expense.



**Notes to the Financial Statements****Note 6. Capital Assets (Continued)*****Discretely Presented Component Units***

Activity for the Weed and Pest Control District for the year ended June 30, 2023 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	249,647	1,575	5,943	245,279
Total capital assets, being depreciated	725,092	1,575	5,943	720,724
Less accumulated depreciation for				
Buildings	196,271	12,188	-	208,459
Vehicles, machinery and equipment	211,403	10,985	5,943	216,445
Total accumulated depreciation	407,674	23,173	5,943	424,904
Total capital assets, being depreciated, net	317,418	(21,598)	-	295,820
Total capital assets, net	\$ 334,324	\$ (21,598)	\$ -	\$ 312,726

Activity for the County Library Board for the year ended June 30, 2023 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	742,858	-	-	742,858
Machinery and equipment	1,192,560	98,350	74,342	1,216,568
Total capital assets, being depreciated	1,935,418	98,350	74,342	1,959,426
Less accumulated depreciation for				
Buildings	391,224	28,790	-	420,014
Machinery and equipment	935,710	72,607	55,263	953,054
Total accumulated depreciation	1,326,934	101,397	55,263	1,373,068
Total capital assets, being depreciated net	608,484	(3,047)	19,079	586,358
Total capital assets, net	\$ 609,034	\$ (3,047)	\$ 19,079	\$ 586,908

**Notes to the Financial Statements****Note 6. Capital Assets (Continued)*****Discretely Presented Component Units (Continued)***

Activity for the County Fair Board for the year ended June 30, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated				
Land	\$ 11,635	\$ -	\$ -	\$ 11,635
Construction in progress	-	10,808	-	10,808
Total capital assets, not being depreciated	11,635	10,808	-	22,443
Capital assets, being depreciated				
Buildings	2,280,978	-	-	2,280,978
Machinery and equipment	106,909	21,359	9,668	118,600
Total capital assets, being depreciated	2,387,887	21,359	9,668	2,399,578
Less accumulated depreciation for				
Buildings	1,037,474	80,860	-	1,118,334
Machinery and equipment	42,146	5,367	8,277	39,236
Total accumulated depreciation	1,079,620	86,227	8,277	1,157,570
Total capital assets, being depreciated net	1,308,267	(64,868)	1,391	1,242,008
Total capital assets, net	\$ 1,319,902	\$ (54,060)	\$ 1,391	\$ 1,264,451

Activity for the Predator Management District for the year ended June 30, 2023 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	\$ -	\$ -	\$ -	\$ -

**Notes to the Financial Statements****Note 7. Long-Term Debt**

The following is a summary of changes in long-term debt of the County for the year ended June 30, 2023:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Due Within One Year
Primary Government					
Leases	\$ 34,150	\$ -	\$ 6,683	\$ 27,467	\$ 8,769
Compensated absences	60,845	-	8,147	52,698	-
	<u>\$ 94,995</u>	<u>\$ -</u>	<u>\$ 14,830</u>	<u>\$ 80,165</u>	<u>\$ 8,769</u>

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

Weed and Pest Control District					
Compensated absences	\$ 3,374	\$ 694	\$ -	\$ 4,068	\$ -
Pension liability	75,044	50,775	-	125,819	-
	<u>\$ 78,418</u>	<u>\$ 51,469</u>	<u>\$ -</u>	<u>\$ 129,887</u>	<u>\$ -</u>
County Library Board					
Compensated absences	\$ 9,674	\$ 991	\$ -	\$ 10,665	\$ -
	<u>\$ 9,674</u>	<u>\$ 991</u>	<u>\$ -</u>	<u>\$ 10,665</u>	<u>\$ -</u>

A summary of the long-term debt as of June 30, 2023 is as follows:

Lease purchase obligation on a copier, due in monthly installments of \$165, including interest of 10.94%, through February 2026, serviced by the general fund.	\$ 4,588
Lease purchase obligation on a copier, due in monthly installments of \$165, including interest of 10.94%, through February 2026, serviced by the general fund.	4,588
Lease purchase obligation on a postage meter, due in monthly installments of \$401, including interest of 2.99%, through February 2027, serviced by the general fund.	18,291
	<u>27,467</u>
Less current maturities of lease purchase obligations	<u>7,467</u>
	<u>\$ 20,000</u>

Future minimum lease payments under lease purchase obligations together with the present value of net minimum lease payments as of June 30, 2023 are as follows:

Year ending June 30,	Principal	Interest	Total
2024	\$ 7,467	\$ 1,302	\$ 8,769
2025	7,944	825	8,769
2026	7,126	323	7,449
2027	4,327	81	4,408
2028	603	2	605
	<u>\$ 27,467</u>	<u>\$ 2,533</u>	<u>\$ 30,000</u>

**Note 8. Fund Equity**

***Net Position Restricted***

The government-wide statement of net position reports \$1,415,478 of restricted net position. The amount which is restricted for county road construction by State legislation is \$508,359, E-911 fund has \$40,147 restricted by federal regulations, and \$606,490 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 9. Transactions with Component Units**

During the fiscal year ended June 30, 2023, the County provided \$78,755, and \$168,363 in support to the Niobrara County Fair and the Niobrara County Library, respectively.

**Note 10. Risk Management**

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, 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 Liability Pool (LGLP) which is a public entity risk pool. LGLP provides liability coverage for claims subject to the Wyoming Governmental 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, 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 \$39,166 and \$18,931, respectively.

During the year ended June 30, 2023, 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 also participates in two other state sponsored, risk management programs under the Workers' Compensation Act and Unemployment Compensation Act.

Wyoming Statute 27-14-101 created the Wyoming Workers' Compensation Act which is administered as an enterprise fund by the State of Wyoming. All employers within the State of Wyoming are participants of this plan with only a few exceptions. This Act provides for the payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This Act provides general protection from suits filed by employees against the County.

The County makes quarterly payments to the Department of Employment, State of Wyoming. This amount is based on salaries and is a split rate between hazardous and non-hazardous positions. Amounts paid by the County to the State for Workers' Compensation during the fiscal year 2023 and 2022 were \$36,842 and \$51,863, respectively.

Wyoming Statute 27-3-101 created the Wyoming Unemployment Compensation Act. This Act requires the County to pay the cost of actual claims incurred. There were no claims incurred or paid in 2023 or 2022.

**Notes to the Financial Statements****Note 11. 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 \$90,952 occurred during the year ended June 30, 2023. 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 \$2,504,671 as of June 30, 2023.

**Note 12. Construction Commitments**

The County had one outstanding construction project as of June 30, 2023. At year end the County's construction commitment are as follows:

Project Name	Total Contract Amount	Expended To Date	Remaining Commitment
Fairgrounds Roof Upgrade	\$ 103,400	\$ 40,000	\$ 63,400
Public Health Nurse Building	96,415	22,500	73,915
Jail Project	211,450	15,255	196,195
Road Rehab Project	316,430	316,430	-
Total construction commitments	\$ 727,695	\$ 394,185	\$ 333,510

**Note 13. Wyoming Educator Benefit Trust**

On September 20, 2019 the County began offering health insurance to employees working 30 hours or more per week. The County pays the employee's insurance premium, premiums for dependents are paid by the employee. The County participates in health care coverage through the Wyoming Educator Benefit Trust (WEBT). WEBT sets health care premium rates each year based on projected medical costs. In the year ended June 30, 2023, the County paid \$431,528 in premiums to WEBT. Were the County to withdraw from coverage through WEBT, the County would not be responsible for any specific liabilities nor is it entitled to any of the reserves. As a participating employer, if the trust is dissolved the County may be entitled to a residual portion of the plan reserves.

**Note 14. Contingencies**

In the normal course of business, various lawsuits or claims are brought against the County. It is not possible to determine the ultimate disposition of these matters at this time; however, the County Attorney and the County Commissioners are of the opinion that these matters would not have a material adverse effect on the results of operations, financial condition, or cash flows of the County.

**Notes to the Financial Statements**

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**Note 15. Issued Standards Not Yet Implemented**

Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, aligns recognition and measurement guidance for all types of compensated absences under a unified model, which will result in governments recognizing a liability that more appropriately reflects when they incur an obligation for compensated absences. The model also will lead to greater consistency in application and improved comparability across governments. The requirements of the Statement are effective for reporting periods beginning after December 15, 2023.

Management has not completed its assessment of the effects of implementing this standard.

**Note 16. Prior Period Adjustment**

In reviewing the financial statements for the current period, it has been determined that the activity for the Livestock Committee was not included in the amounts reported for the County Fair Board, a component unit, in the prior period's financial statements. Consequently, to correct this oversight and ensure accurate financial reporting, a prior period adjustment has been made to reflect the inclusion of the Livestock Committee's activity.

	As originally stated June 30, 2022	Increase (Decrease)	Restated June 30, 2022
<i>County Fair Board</i> Net position	\$ 1,421,653	\$ 21,546	\$ 1,443,199

**Note 17. Subsequent Events**

Subsequent to year end, the County purchased a blade for \$286,880, as well as a vehicle for \$44,378.

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**REQUIRED  
SUPPLEMENTARY  
INFORMATION**



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Niobrara County, Wyoming

Year Ended June 30, 2023

**Schedule of Revenues, Expenditures and Changes in Fund Balance**

**Budget and Actual (Non-GAAP Basis) - General Fund**

**(Unaudited)**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property taxes				
- current and delinquent	\$ 1,673,981	\$ 1,673,981	\$ 1,970,199	\$ 296,218
Vehicle fees	115,000	115,000	133,540	18,540
Payments in lieu of property taxes	300,000	300,000	392,615	92,615
Sales and use taxes	414,300	414,300	327,610	(86,690)
1% optional tax	175,000	202,729	202,729	-
Taxes	<u>2,678,281</u>	<u>2,706,010</u>	<u>3,026,693</u>	<u>320,683</u>
State gasoline tax	125,000	125,000	123,342	(1,658)
Car company tax	10,000	10,000	12,606	2,606
Severance tax	1,001,382	1,001,382	967,631	(33,751)
Special fuel tax	195,000	195,000	204,707	9,707
Other	155,118	155,118	207,342	52,224
Intergovernmental revenues	<u>1,486,500</u>	<u>1,486,500</u>	<u>1,515,628</u>	<u>29,128</u>
Clerk of Court fees	5,500	5,500	8,519	3,019
Treasurer	3,500	3,500	3,461	(39)
Assessor	1,700	1,700	1,948	248
Clerk fees	51,000	51,000	46,566	(4,434)
Sheriff fees	11,000	11,000	10,982	(18)
Inmate housing	10,000	10,000	11,330	1,330
Liquor permits	720	720	750	30
Public health nurse	400	400	4,084	3,684
County health officer	13,900	13,900	9,600	(4,300)
Civil fees	5,500	5,500	5,990	490
Town of Lusk ESRI License Fee	1,255	1,255	1,279	24
Alcohol & tobacco checks	900	900	425	(475)
Charges for services	<u>105,375</u>	<u>105,375</u>	<u>104,934</u>	<u>(441)</u>
Interest earnings	17,500	17,500	119,125	101,625
Interest on delinquent taxes	1,000	1,000	1,887	887
Investment earnings	<u>18,500</u>	<u>18,500</u>	<u>121,012</u>	<u>102,512</u>
Other income	10,650	20,748	36,838	16,090
Miscellaneous revenue	<u>10,650</u>	<u>20,748</u>	<u>36,838</u>	<u>16,090</u>
Total revenues	<u>4,299,306</u>	<u>4,337,133</u>	<u>4,805,105</u>	<u>467,972</u>

(Continued)

Niobrara County, Wyoming

Year Ended June 30, 2023

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Basis) - General Fund (Continued)  
(Unaudited)**

	Budget Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Expenditures				
County Commissioners	\$ 120,849	\$ 120,849	\$ 112,597	\$ 8,252
County Clerk	139,974	139,974	139,625	349
County Treasurer	143,287	143,287	141,086	2,201
County Assessor	167,551	167,551	153,079	14,472
County Attorney	173,032	173,032	168,013	5,019
Clerk of District Court	140,667	151,995	151,995	-
Justice Court	12,000	12,000	12,000	-
Elections	29,850	43,656	43,656	-
Facilities	362,375	362,375	225,550	136,825
Other general accounts	1,139,381	1,139,381	973,493	165,888
Optional 1% Tax	175,000	202,729	202,729	-
General government	<u>2,603,966</u>	<u>2,656,829</u>	<u>2,323,823</u>	<u>333,006</u>
County Sheriff	339,922	343,191	341,291	1,900
County Coroner	33,496	33,496	23,512	9,984
Detention	397,082	397,082	353,991	43,091
Emergency Management	12,358	12,358	8,905	3,453
911 Dispatch	328,040	324,771	257,879	66,892
Public safety	<u>1,110,898</u>	<u>1,110,898</u>	<u>985,578</u>	<u>125,320</u>
Road and Bridge	491,271	491,271	466,059	25,212
Public works	<u>491,271</u>	<u>491,271</u>	<u>466,059</u>	<u>25,212</u>
Health Officer	9,600	9,600	9,600	-
Public Health Nurse	29,445	29,445	23,063	6,382
Health, welfare and recreation	<u>39,045</u>	<u>39,045</u>	<u>32,663</u>	<u>6,382</u>
Agriculture department	78,564	78,564	74,839	3,725
Conservation of natural resources	<u>78,564</u>	<u>78,564</u>	<u>74,839</u>	<u>3,725</u>
Library	78,755	78,755	78,755	-
Fair	168,363	168,363	168,363	-
Component units	<u>247,118</u>	<u>247,118</u>	<u>247,118</u>	<u>-</u>
Total expenditures	<u>4,570,862</u>	<u>4,623,725</u>	<u>4,130,080</u>	<u>493,645</u>
Excess (deficiency) of revenues over expenditures	<u>(271,556)</u>	<u>(286,592)</u>	<u>675,025</u>	<u>\$ 961,617</u>
Fund balance - beginning of year	<u>5,488,405</u>	<u>5,488,405</u>	<u>5,488,405</u>	
Fund balance - end of year	<u>\$ 5,216,849</u>	<u>\$ 5,201,813</u>	<u>\$ 6,163,430</u>	

Niobrara County, Wyoming

Year Ended June 30, 2023

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Basis) - Federal and State Grants Fund  
(Unaudited)**

---

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 284,369	\$ 642,390	\$ 540,581	\$ (101,809)
Investment income	-	-	13,492	(13,492)
Total revenues	<u>284,369</u>	<u>642,390</u>	<u>554,073</u>	<u>(115,301)</u>
Expenditures				
Grants	<u>716,617</u>	<u>1,074,639</u>	<u>296,692</u>	<u>777,947</u>
Total expenditures	<u>716,617</u>	<u>1,074,639</u>	<u>296,692</u>	<u>777,947</u>
Excess of revenues (deficiency) over expenditures	(432,248)	(432,249)	257,381	<u>\$ 662,646</u>
Fund balance - beginning of year	<u>198,439</u>	<u>198,439</u>	<u>198,439</u>	
Fund balance (deficit) - end of year	<u>\$ (233,809)</u>	<u>\$ (233,810)</u>	<u>\$ 455,820</u>	

**Notes to Required Supplementary Information****Note 1. Explanation of Differences between Budgetary Basis and GAAP Basis**

	General Fund	Federal and State Grants Fund
	<u>                    </u>	<u>                    </u>
Revenues		
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 4,805,105	\$ 554,073
Differences - Budget Basis to GAAP		
Accrual of amounts due from other governments	(22,176)	(6,793)
Investment income	(2,949)	-
Advance payments on grants	-	(251,391)
Accrual of future property taxes receivable	(82,606)	-
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 4,697,374</u>	<u>\$ 295,889</u>
Expenditures		
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 4,130,080	\$ 296,692
Differences - Budget Basis to GAAP		
Change in inventory	(14,892)	-
Accrual of accounts payable	(33,326)	1,604
Accrual of wages payable	3,536	-
Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 4,085,398</u>	<u>\$ 298,296</u>

**Note 2. Budgeting**

Annual budgets are adopted on the cash basis. 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.

In fiscal year 2023, a budget amendment was made to reallocate money from certain departments to other departments to cover unexpected expenses, these changes amounted to \$52,863. In addition to the reallocation of money, the County received unanticipated revenue of \$37,827.



**OTHER  
SUPPLEMENTARY  
INFORMATION**

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Niobrara County, Wyoming

Year Ended June 30, 2023

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Basis) - County Road Construction Fund**

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	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 403,561	\$ 403,561	\$ 400,392	\$ (3,169)
Investment income	1,000	1,000	17,565	16,565
Total revenues	<u>404,561</u>	<u>404,561</u>	<u>417,957</u>	<u>13,396</u>
Expenditures				
Public works	869,040	869,040	362,045	506,995
Total expenditures	<u>869,040</u>	<u>869,040</u>	<u>362,045</u>	<u>506,995</u>
Excess (deficiency) of revenues over expenditures	<u>(464,479)</u>	<u>(464,479)</u>	<u>55,912</u>	<u>\$ 520,391</u>
Fund balance - beginning of year	<u>464,479</u>	<u>464,479</u>	<u>464,479</u>	
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 520,391</u>	



Niobrara County, Wyoming

Year Ended June 30, 2023

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Basis) - E-911 Fund**

---

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 35,000	\$ 35,000	\$ 35,505	\$ 505
Total revenues	<u>35,000</u>	<u>35,000</u>	<u>35,505</u>	<u>505</u>
Expenditures				
Public safety	47,147	47,147	13,361	33,786
Total expenditures	<u>47,147</u>	<u>47,147</u>	<u>13,361</u>	<u>33,786</u>
Excess (deficiency) of revenues over expenditures	<u>(12,147)</u>	<u>(12,147)</u>	<u>22,144</u>	<u>\$ 34,291</u>
Fund balance - beginning of year	<u>12,147</u>	<u>12,147</u>	<u>12,147</u>	
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,291</u>	

Niobrara County, Wyoming

Year Ended June 30, 2023

**Schedule of Revenues, Expenditures and Changes in Fund Balance -  
Budget and Actual (Non-GAAP Basis) - 1% Fund**

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ 150	\$ 150	\$ 1,439	\$ 1,289
Miscellaneous revenue	41,928	41,928	-	(41,928)
Total revenues	<u>42,078</u>	<u>42,078</u>	<u>1,439</u>	<u>(40,639)</u>
Expenditures				
Health, welfare and recreation	42,078	42,078	-	42,078
Total expenditures	<u>42,078</u>	<u>42,078</u>	<u>-</u>	<u>42,078</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>1,439</u>	<u>\$ 1,439</u>
Fund balance - beginning of year	<u>42,058</u>	<u>42,058</u>	<u>42,058</u>	
Fund balance - end of year	<u>\$ 42,058</u>	<u>\$ 42,058</u>	<u>\$ 43,497</u>	

**Combining Balance Sheet - Nonmajor Governmental Funds**

	E-911 Fund	Jail O&M Fund	1% Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and cash equivalents	\$ 35,609	\$ -	\$ -	\$ 35,609
Investments, at fair value	-	71,882	43,675	115,557
Accounts receivable	5,856	-	-	5,856
Total assets	<u>\$ 41,465</u>	<u>\$ 71,882</u>	<u>\$ 43,675</u>	<u>\$ 157,022</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 1,318	\$ -	\$ -	\$ 1,318
Total liabilities	<u>1,318</u>	<u>-</u>	<u>-</u>	<u>1,318</u>
<b>FUND BALANCES</b>				
Restricted - E-911	40,147	-	-	40,147
Restricted - special purpose tax	-	71,882	-	71,882
Committed for 1% projects	-	-	43,675	43,675
Total fund balances	<u>40,147</u>	<u>71,882</u>	<u>43,675</u>	<u>155,704</u>
Total liabilities and fund balances	<u>\$ 41,465</u>	<u>\$ 71,882</u>	<u>\$ 43,675</u>	<u>\$ 157,022</u>

Niobrara County, Wyoming  
Year Ended June 30, 2023

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds**

	E-911 Fund	Jail O&M Fund	1% Fund	Total Nonmajor Governmental Funds
Revenues				
Charges for services	\$ 34,903	\$ -	\$ -	\$ 34,903
Investment income	-	1,841	1,586	3,427
Total revenues	<u>34,903</u>	<u>1,841</u>	<u>1,586</u>	<u>38,330</u>
Expenditures				
Current				
Public safety	13,361	-	-	13,361
Total expenditures	<u>13,361</u>	<u>-</u>	<u>-</u>	<u>13,361</u>
Excess of revenues over expenditures	<u>21,542</u>	<u>1,841</u>	<u>1,586</u>	<u>24,969</u>
Net change in fund balance	21,542	1,841	1,586	24,969
Fund balances - beginning of year	<u>18,605</u>	<u>70,041</u>	<u>42,089</u>	<u>130,735</u>
Fund balances - end of year	<u>\$ 40,147</u>	<u>\$ 71,882</u>	<u>\$ 43,675</u>	<u>\$ 155,704</u>

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**COMPLIANCE  
SECTION**

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**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 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 (*Government Auditing Standards*), 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, 2023, and the related notes to the financial statements, which collectively comprise Niobrara County, Wyoming's basic financial statements, and have issued our report thereon dated March 15, 2024.

**Report on 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control described in the accompanying schedule of findings and responses as items 2023-001 and 2023-002 that we consider to be material weaknesses.



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Casper, WY 82601



## **Report on 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*.

### ***Niobrara County, Wyoming's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on Niobrara County, Wyoming's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Niobrara County, Wyoming's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### ***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  
March 15, 2024

## **Material Weakness in Internal Control over Financial Reporting**

### ***2023-001 - Financial Reporting***

#### ***Criteria***

Government Auditing Standards issued by the Government Accountability Office (GAO) by the Comptroller General of the United States requires management to be responsible for the preparation and fair presentation of the financial statements in accordance with the applicable reporting framework.

#### ***Condition***

The County's management, in the course of their assigned duties, lack the specific skills and experience to fully prepare the external financial statements and related footnotes in accordance with accounting principles generally accepted in the United States of America (GAAP). The auditors were requested to, and did, draft the financial statements and the accompanying notes to the financial statements.

#### ***Cause***

The County's management lacks the knowledge and experience to prepare accurate GAAP-basis financial statements and related footnotes.

#### ***Effect or Potential Effect***

Since the individuals charged with preparing support for and reviewing the County's financial statements are not well versed in GAAP requirements, their support and review may have limited benefit. Consequently, the financial statements could include undetected errors and irregularities or omit information, which is important to readers of the financial statements.

#### ***Recommendation***

It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of the cost or other considerations.

#### ***Views of Responsible Officials and Planned Corrective Actions***

While the County understands the guidelines the Government Auditing Standards issues, 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.

**Material Weakness in Internal Control over Financial Reporting (Continued)**

***2023-002 – Material Audit Adjustments***

***Criteria***

Government Auditing Standards issued by the Government Accountability Office (GAO) by the Comptroller General of the United States requires management to be responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework. The County and its component units must have sufficient internal controls over the financial records and preparation of financial statements in place to allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

***Condition***

The County's component units maintain their financial records on a cash basis and provide accrual information to the auditor for formal financial reporting. The accrual information provided by management contained significant errors requiring adjustments to prevent the financial statements from being materially misstated in accordance with accounting principles generally accepted in the United States of America (GAAP). Management agreed and approved proposed significant adjustments related to investments, fixed assets, accounts payable, receivables.

***Cause***

County component unit personnel had not identified all entries needed at the time of the audit. Personnel are relying primarily on the budgetary basis of accounting without full consideration of all adjustments required for GAAP reporting.

***Effect or Potential Effect***

A lack of timely and effective review of accounting records can lead to undetected errors and increased opportunity for fraud, since discrepancies are not identified timely. Management does not have adequate internal control to ensure the identification year-end accruals for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.

***Recommendation***

Management needs to consider procedures to ensure financial accounting records and accruals are reviewed on a timely basis to verify the accuracy and completeness of the accounting records.

***Views of Responsible Officials and Planned Corrective Actions***

The County will consider hiring outside consultants to help train and assist the component units with accounting processes and procedures in the future.

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

**Niobrara County, Wyoming**

Year Ended June 30, 2022

Summary Schedule of Prior Year Audit Findings

**Significant Deficiencies in Internal Control over Financial Reporting**

**2022-001: Financial Reporting**

Name of Contact Person: Becky Freeman, Clerk and Keri Thompson, Treasurer

***Condition***

The County has controls in place and operating over the preparation of budgetary-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, knowledge or experience 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.

***2022-002 – Material Audit Adjustments***

Name of Contact Person: Becky Freeman, Clerk and Keri Thompson, Treasurer

***Condition***

The County was not able to identify all balances and necessary adjustments which were significant to the financial records and financial statements. Material audit adjustments were required to prevent the financial statements from being material misstated in accordance with GAAP. Adjustments were made in inventory, and accounts payable for the County. For the component units, adjustments were made in cash, accounts receivable and accounts payable.

***Status***

This County has made all the correcting adjustments, the component units have not made the material adjustments necessary, therefore the condition has been repeated for the component units.