

# **TETON COUNTY WYOMING**



## **FINANCIAL STATEMENTS**

**June 30, 2015**

**TETON COUNTY**

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**June 30, 2015**

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## INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners  
Teton County  
Jackson, Wyoming

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Teton County, Wyoming (the County) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Teton County Weed and Pest Control District (a discretely presented component unit), which represent 12 percent, 8 percent, and 13 percent, respectively of the assets, net position, and revenues of the aggregate discretely presented component units of the County. We also did not audit the financial statements of Teton County Building Corporation (a blended component unit), which represent 1 percent, 1 percent, and 0 percent, respectively, of the assets, net position, and revenues of the primary government. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Teton County Weed and Pest Control District and Teton County Building Corporation, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Teton County, Wyoming as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Change in Accounting Principle**

As described in Note 2 to the financial statements, in 2015, the County adopted new accounting guidance, GASB Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information

because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements. The accompanying schedule of financial position and schedule of activities and functional expenses of the Teton County Court Supervised Treatment Program are presented for purposes of additional analysis as required by the State of Wyoming Department of Health and are also not a required part of the basic financial statements.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated December 4, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.



JONES SIMKINS LLC  
Logan, Utah  
December 4, 2015



## Management's Discussion and Analysis

The Board of County Commissioners of Teton County, Wyoming (the County) offers this narrative overview and analysis of the financial activities of the County for the fiscal year ended on June 30, 2015.

This narrative responds to the requirements of Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. All comparisons and analyses should be read in conjunction with the details contained in the audited financial statements for this year and prior years.

Unless otherwise noted, the information and financial data included in this discussion and analysis relate to the *primary government* and do not include the County's discretely presented component units. The primary government can be generally described as providing the core services expected of local government, such as public safety, public health and maintenance of infrastructure; component units are separate legal entities that provide ancillary services (examples of which are library, affordable housing, and weed and pest control services).

#### FINANCIAL HIGHLIGHTS

- County assets and deferred outflows of \$156.2 million exceeded liabilities and deferred inflows of \$40.4 million, which resulted in total net position of \$115.8 million, the majority of which (70.4%) is the County's net investment in capital assets totaling \$81.5 million. (*See the Statement of Net Position in the Audited Financial Statements*)
- Total assets and deferred outflows of the primary government increased \$18.3 million from June 30, 2014 to June 30, 2015. Total assets increased primarily as a result of an increase in pooled cash and additions to capital assets, which increased by approximately \$9.9 and \$7.1 million, respectively. Due to new accounting standards relating to pension accounting, deferred outflows of resources are new and accounted for \$1.2 million of the increase. Pooled cash increased as a result of changes in fund balance from general operations due to a higher than expected sales tax increase of 10.3% and lower than budgeted expenditures utilizing 81.0% of operational budget. Major capital asset additions include completion of construction of the pathway bridge and approaches over the Snake River in the amount of \$3.9 million. The County purchased land and buildings for employee housing in the amount of \$2.6 million. There was continued construction of the pathway system on WY 22 in the amount of \$1.3 million which is classified as construction in process. The County made improvements to fair rodeo grounds and infrastructure in the amount of \$0.9 million. The County purchased the Clifford P. Hansen courthouse and land back from the federal government for \$0.6 million. The County made other significant capital improvements including road and bridge infrastructure improvements, equipment for public safety departments, vehicle fleet additions, pathway systems, and improvements associated with a county-wide energy efficiency program.
- Total liabilities and deferred inflows increased \$1.8 million during 2015. New accounting standards require governments participating in cost sharing defined benefit plans to report their proportion of net pension assets and liabilities. As a result of the accounting changes, net pension liabilities increased total long-term liabilities in the amount of \$2.0 million. (*See also Notes 2 & 8 in the Notes to the Financial Statements for further discussion*)

- Of the \$34.3 million in net position that is not invested in capital assets, \$0.7 million was unrestricted and \$33.6 million was restricted for future capital projects, infrastructure expenditures, public safety services and community development services. The current year decrease of \$5.9 million in unrestricted net position is primarily associated with new accounting standards relating to recognizing net pension liability. *(See the Statement of Activities and the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds in the Audited Financial Statements)*
- Total general fund revenues increased \$2.2 million or 7.1% over the prior year, from \$30.9 million in 2014 to \$33.1 million in 2015. Sales and use tax revenues increased \$1.4 million due to improvements in the local retail and tourism economy. As a result of increases in property values, property taxes increased \$0.3 million. All other general fund tax revenues were generally consistent with the prior year. Non-tax revenues increased \$0.5 million. As a result of an increase in building and planning activity, license and permit revenues increased \$1.3 million. The County is permitted by Wyoming Statutes to levy taxes up to 12 mills of the assessed valuation to finance general governmental services (general government operations, and library, fair and special fire fund operations). The combined tax rate for the year ended June 30, 2015, remained consistent with the prior year at 9.154 mills, leaving a tax margin of 2.846 mills or \$3.3 million that was not assessed on the total assessed valuation of \$1.1 billion.
- Total general fund expenditures decreased \$0.2 million between 2015 and 2014, primarily resulting from decreases in community development expenditures relating to employee capital housing purchases expended from the County capital projects fund instead of general fund as in prior year. Other general fund functional expenditures remained fairly consistent with prior year levels. For the year ended June 30, 2015, revenues exceeded expenditures by \$9.1 million.
- After net interfund transfers out of \$6.1 million, the general fund's total fund balance increased by \$3.0 million in 2015. Transfers out were made up of budgeted, normal operating transfers to special revenue funds and the capital projects fund. Please note that the general fund revenues and expenditures do not include the activities of special revenue funds, which are described in the governmental funds discussion. *(See the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds in the Audited Financial Statements)*

## OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. These statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

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

The *Statement of Net Position* presents information on all of the County's assets, deferred outflows, liabilities and deferred inflows, with the resulting difference between the assets plus deferred outflows less liabilities plus deferred inflows being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the County is improving or deteriorating. However, other non-financial factors should also be considered.

The *Statement of Activities* presents information showing how the County's net position changed during the 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, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both the Statement of Net Position and the Statement of Activities, which together comprise the government-wide financial statements, distinguish between activities 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).

Financial information for the discretely presented component units is reported separately from the financial information of the primary government. The County's *discretely presented component units* include the following:

Teton County Weed and Pest Control District  
Teton County Library Board  
Teton County Housing Authority  
Jackson Hole Travel and Tourism Board

***Fund financial statements*** group those accounts for which revenues are segregated for specific activities. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County maintains a general fund and several special revenue funds and capital projects funds.

The County's *special revenue funds* include the following:

- Parks and Recreation
- Grants
- Special Fire
- Fire/EMS
- Enhanced 911
- Housing Authority
- Roads
- Lodging Tax
- County Fair

The County's *capital projects funds* include the following:

- Capital Projects (general projects)
- 2006 Daycare Specific Tax
- 2006 Trash Transfer Specific Tax
- 2008 Pathways Specific Tax
- 2010 Pathways Specific Tax
- 2010 Wilson Specific Tax
- 2010 Parks and Recreation Specific Tax
- 2010 County Fair Specific Tax
- 2012 Landfill Closure Specific Tax
- 2012 Pathways Specific Tax

The General Fund is always classified as a major fund. The size of the Parks and Recreation Special Revenue Fund, the Grants Special Revenue Fund, the Capital Projects Fund and the 2012 Landfill Closure Specific Tax Fund meet the threshold for classification as major funds and therefore these funds along with the General Fund are listed separately in the Statement of Revenues, Expenditures and Changes in Fund Balances. All other special revenue funds and capital projects funds have been included in the aggregated non-major fund totals.

These *governmental funds* account for functions reported as governmental activities and focus on near-term sources and uses of money, as well as the balance available at the end of the fiscal year. These reports are useful in evaluating the County's near-term financial requirements and include the governmental funds *balance sheet* and the governmental funds *statement of revenues, expenditures, and changes in fund balances*. These reports provide information on how services are financed in the short term and what remains for future spending. Sources and uses of money are discussed in the Financial Analysis portion of this discussion.

There are currently no *internal service funds*; however, the County has participated in tracking performance measures to determine cost-allocations for parks maintenance, facilities maintenance, and information systems services.

The County uses proprietary funds to account for business-type activities. The County has created the Integrated Solid Waste and Recycling Fund to account for the recycling center and trash transfer station operations. The operations of the Teton County Building Corporation are also reported as a business-type activity and included as a proprietary fund. Proprietary funds are reported using the same accounting basis used in the government-wide financial statements.

The County also operates a *fiduciary fund*, which is used to account for assets held strictly in a custodial manner for the benefit of other entities. The County's fiduciary fund is presented as a separate report in the financial statements because the assets are not available to support the County's programs. The County's fiduciary fund is the Treasurer's Tax Agency Fund.

**Notes to the financial statements** provide additional information that is necessary to more fully understand the financial statements. Many of the notes contain a more complete definition of accounting terms and descriptions of the County's accounting policies. The notes also provide additional detail on deposits and investments, changes to capital assets, funded liabilities, long-term debt obligations, retirement plans and compliance-related issues.

#### CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

- A summary of changes to capital assets is contained within Note 4 of the Notes to the Financial Statements.
- A summary of changes to long-term liabilities is contained within Note 7 of the Notes to the Financial Statements. The County has an outstanding lease revenue bond resulting in total bonds payable of \$3.3 million with a decrease in 2015 of \$0.6 million from principal payments. The County also reports a liability associated with the estimated closure costs related to the County's landfill for approximately \$12.9 million. While \$0.1 million was expended during fiscal 2015 for closure planning activities, the liability increased \$0.6 million due to an increase in estimated closure cost.
- During 2015, the County implemented Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. The statements require the County to report their proportion of the net pension liability of the three defined benefit plans administered by the Wyoming Retirement System that employees of the County participate in. The statements' intent is to accurately reflect unfunded pension obligations of the plans. All participants in the Wyoming Retirement System plan will increase contribution rates over time until the plans are adequately funded. The new accounting rules will create a decrease in net position as assets will now be encumbered to offset the net pension asset and liability. The change decreases governmental activities net position \$5.5 million and business-type activities net position \$0.4 million. As a result of implementation, long-term liabilities increased \$1.8 million for governmental activities and \$0.1 million for business-type activities.
- Other long-term liabilities include employee compensated absences and notes payable which bring the total long-term liabilities to \$25.6 million.

FINANCIAL ANALYSIS

As previously noted, *net position* serves as a useful indicator of the County's financial condition. Total primary government assets and deferred outflows exceeded total primary government liabilities and deferred inflows by approximately \$115.8 million, the majority of which is reflected in the net investment in capital assets totaling \$81.5 million. (*See also the Statement of Net Position in the Audited Financial Statements*)

The table below summarizes the County's assets, deferred outflows, liabilities, deferred inflows and net position as of June 30, 2015 and 2014:

**SUMMARY SCHEDULE OF NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	\$ 65,372,461	55,852,456	3,799,599	3,280,679	69,172,060	59,133,135
Non-current assets	42,967	116,481	-	-	42,967	116,481
Capital assets	<u>83,670,016</u>	<u>76,429,152</u>	<u>1,129,064</u>	<u>1,229,712</u>	<u>84,799,080</u>	<u>77,658,864</u>
Total assets	<u>149,085,444</u>	<u>132,398,089</u>	<u>4,928,663</u>	<u>4,510,391</u>	<u>154,014,107</u>	<u>136,908,480</u>
Deferred outflows of resources	<u>2,071,369</u>	<u>922,616</u>	<u>92,588</u>	<u>36,405</u>	<u>2,163,957</u>	<u>959,021</u>
Current liabilities	6,484,876	7,056,577	392,194	380,395	6,877,070	7,436,972
Non-current liabilities	<u>25,096,215</u>	<u>23,553,453</u>	<u>540,525</u>	<u>407,487</u>	<u>25,636,740</u>	<u>23,960,940</u>
Total liabilities	<u>31,581,091</u>	<u>30,610,030</u>	<u>932,719</u>	<u>787,882</u>	<u>32,513,810</u>	<u>31,397,912</u>
Deferred inflows of resources	<u>7,900,776</u>	<u>7,219,217</u>	<u>-</u>	<u>-</u>	<u>7,900,776</u>	<u>7,219,217</u>
Net investment in capital assets	80,321,522	72,480,658	1,129,064	1,229,712	81,450,586	73,710,370
Restricted	33,444,455	18,694,133	148,850	191,935	33,593,305	18,886,068
Unrestricted	<u>(2,091,031)</u>	<u>4,316,667</u>	<u>2,810,618</u>	<u>2,337,267</u>	<u>719,587</u>	<u>6,653,934</u>
Total net position	\$ <u>111,674,946</u>	<u>95,491,458</u>	<u>4,088,532</u>	<u>3,758,914</u>	<u>115,763,478</u>	<u>99,250,372</u>

The County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. This portion of net position is reported net of related debt, and therefore resources needed to repay this debt are provided from other sources, not the capital assets themselves. The implementation of GASB Statements No. 68 and No. 71 had a negative impact on the unrestricted net position. As a result, the unrestricted position is negative \$2.1 million.

Activities in the tables that follow summarize the sources and uses of funds for all operations of the County. The audited financial statements provide details related to the revenues and expenditures summarized below. Please also refer to the previously described highlights that discuss changes in activities from the prior fiscal year to current fiscal year.

**SUMMARY SCHEDULE OF CHANGES IN NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 12,696,812	11,289,565	4,565,362	4,217,692	17,262,174	15,507,257
Operating grants and contributions	1,872,136	2,014,458	104,928	100,837	1,977,064	2,115,295
Capital grants and contributions	2,537,959	1,309,738	-	-	2,537,959	1,309,738
General revenues:						
Taxes	40,961,035	30,355,898	-	-	40,961,035	30,355,898
Investment income	217,368	266,500	36,192	32,953	253,560	299,453
Other income	170,993	147,514	3,003	3,838	173,996	151,352
Total revenues	58,456,303	45,383,673	4,709,485	4,355,320	63,165,788	49,738,993
Expenses:						
Administration	7,844,461	7,569,837	-	-	7,844,461	7,569,837
Community development	8,442,904	4,048,842	-	-	8,442,904	4,048,842
Health and human services	2,821,843	2,506,001	-	-	2,821,843	2,506,001
Justice	1,730,828	1,601,080	-	-	1,730,828	1,601,080
Infrastructure	5,052,091	5,840,135	-	-	5,052,091	5,840,135
Parks and recreation	5,290,670	5,828,816	-	-	5,290,670	5,828,816
Public safety	10,971,992	10,331,771	-	-	10,971,992	10,331,771
Interest and fiscal charges	80,826	201,304	-	-	80,826	201,304
Solid waste and recycling	-	-	4,374,910	4,316,292	4,374,910	4,316,292
Building Corporation	-	-	42,157	38,276	42,157	38,276
Total expenses	42,235,615	37,927,786	4,417,067	4,354,568	46,652,682	42,282,354
Change in net position before transfers and special items	16,220,688	7,455,887	292,418	752	16,513,106	7,456,639
Loss on note receivable	-	(346,513)	-	-	-	(346,513)
Transfers in (out)	(37,200)	85,024	37,200	(85,024)	-	-
Change in net position	16,183,488	7,194,398	329,618	(84,272)	16,513,106	7,110,126
Net position - beginning, as restated	95,491,458	88,297,060	3,758,914	3,843,186	99,250,372	92,140,246
Net position - ending	\$ 111,674,946	95,491,458	4,088,532	3,758,914	115,763,478	99,250,372



**GENERAL FUND**  
**SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

	2015 Final Budget	2015 Actual	Variance	Variance as a % of Budget
Revenues	\$30,887,435	\$33,123,791	\$2,236,356	7.2%
Expenditures	29,595,834	23,982,008	5,613,826	19.0%
Excess of revenues over expenditures	1,291,601	9,141,783	7,850,182	
Transfers from other funds	715,766	625,449	(90,317)	
Transfers to other funds	(6,957,989)	(6,741,608)	216,381	
Deficiency of revenues over expenditures and transfers	<u>\$ (4,950,622)</u>	3,025,624	<u>\$7,976,246</u>	
Fund balance – beginning of fiscal year		<u>\$19,047,561</u>		
Fund balance – end of fiscal year		<u><u>\$22,073,185</u></u>		

The Board of County Commissioners must weigh the adequacy of the County's reserves with whether excess fund balance should be invested in infrastructure, returned to the taxpayers through a decrease to the mill levy, or retained as reserves. During fiscal year 2015, the County implemented three separate fund balance reserve policies: Operation Stabilization Reserve Policy, Special Revenue Fund Balance Policy, and Emergency Reserve/Capital Projects Fund Policy. The policies set minimum fund balance standards based upon governmental best practices and proper operating and emergency reserve balances to be reviewed annually. The approved fiscal year 2016 budget contains reserve transfers that will be reviewed and amended based upon the ending fund balances at June 30, 2015. *(See also Note 9 in the Notes to the Financial Statements for further discussion)*

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Sales and use tax revenue exceeded budgeted revenues by \$1.6 million. Budget to actual variances in the sales and use tax revenue were a result of better than expected improvements in the local retail and tourism economy. Based on the uncertainty in local and national economic conditions, conservative projections were used to establish the sales and use tax revenue budget for the year. The budget projection expected an increase of 3.0% compared to the prior year, but the actual sales and use tax revenue increased 10.3% compared to the prior year.

Administration expenditures were \$2.2 million below budget, due to lower than expected salary, benefit costs, and various infrastructure projects. The County also had lower than expected health insurance expense.

Infrastructure expenditures were \$2.0 million below budget, due to lower than expected service contract cost and pathways capital expenditures were lower than expected as various projects were pushed into fiscal year 2016.

Public safety expenditures were \$1.2 million below budget, due to lower than expected salaries and benefits costs for both sheriff and jail operations and in various capital project items.

The Teton County budget process begins midway through the current fiscal year to coincide with the Town of Jackson (TOJ) budget timeline in order to accommodate the joint department budget schedules. Because of this accelerated timeline, budgets do not reflect unanticipated grant revenues and associated expenditures, which therefore require budget amendments.

#### JOINT DEPARTMENT DISCUSSION

Several departments, called Joint Departments, provide services that are considered the County and TOJ operations. The County and TOJ split certain expenses based on the 2010 population census as determined by the State of Wyoming. For fiscal year 2015, the population split is 55% County and 45% TOJ. The County and TOJ hold Joint Information Meetings at least monthly to discuss matters related to the Joint Departments and have special meetings as needed. The Joint Departments are part of the normal budget process and both the County Commission and Town Council jointly approve the department's budget. The Joint Departments are:

- Special Fire
- Fire/EMS
- Parks and Recreation
- START
- Dispatch
- Pathways
- Victim Witness Services
- Animal Shelter
- Court Supervised Treatment Program

#### CONTACT INFORMATION

This discussion is designed to provide a general overview of Teton County's finances for citizens, taxpayers, customers, investors, creditors, and anyone else with an interest in governmental finance. Questions concerning the information provided in this discussion or requests for additional financial information should be addressed to the Board of County Commissioners, P.O. Box 3594, Jackson, WY 83001, by calling 307-733-8094, or by e-mailing: [commissioners@tetonwyo.org](mailto:commissioners@tetonwyo.org).

## Basic Financial Statements

TETON COUNTY  
STATEMENT OF NET POSITION  
June 30, 2015

	<u>Primary Government</u>			<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	
<b>Assets:</b>				
Pooled cash and cash equivalents	\$ 50,820,903	2,219,495	53,040,398	-
Cash and cash equivalents	408,040	467,425	875,465	4,958,444
Investments	-	493,272	493,272	5,401,581
Accounts receivable	229,583	612,004	841,587	68,806
Taxes receivable	7,944,064	-	7,944,064	3,547,425
Other receivables	-	-	-	154
Due from other governments	5,956,710	-	5,956,710	581,470
Prepaid expenses	8,661	7,403	16,064	11,893
Inventory	-	-	-	138,875
Other assets	4,500	-	4,500	-
Net pension assets	42,967	-	42,967	-
Capital assets	140,739,215	2,012,597	142,751,812	27,072,358
Accumulated depreciation	<u>(57,069,199)</u>	<u>(883,533)</u>	<u>(57,952,732)</u>	<u>(2,229,935)</u>
<b>Total assets</b>	<u>149,085,444</u>	<u>4,928,663</u>	<u>154,014,107</u>	<u>39,551,071</u>
<b>Deferred outflows of resources:</b>				
Pensions	<u>2,071,369</u>	<u>92,588</u>	<u>2,163,957</u>	<u>369,552</u>
<b>Total deferred outflows of resources</b>	<u>2,071,369</u>	<u>92,588</u>	<u>2,163,957</u>	<u>369,552</u>
<b>Liabilities:</b>				
Accounts payable and accrued liabilities	3,591,067	367,194	3,958,261	966,152
Unearned revenue	68,286	-	68,286	-
Funds held in trust	1,648,663	-	1,648,663	-
<b>Long-term liabilities:</b>				
Due within one year	1,176,860	25,000	1,201,860	339,794
Due in more than one year	16,769,566	16,452	16,786,018	4,124,102
Net pension liability	<u>8,326,649</u>	<u>524,073</u>	<u>8,850,722</u>	<u>2,347,817</u>
<b>Total liabilities</b>	<u>31,581,091</u>	<u>932,719</u>	<u>32,513,810</u>	<u>7,777,865</u>
<b>Deferred inflows of resources:</b>				
Revenues for future periods	<u>7,900,776</u>	<u>-</u>	<u>7,900,776</u>	<u>3,259,000</u>
<b>Total deferred inflows of resources</b>	<u>7,900,776</u>	<u>-</u>	<u>7,900,776</u>	<u>3,259,000</u>
<b>Net position:</b>				
Net investment in capital assets	80,321,522	1,129,064	81,450,586	20,549,122
Restricted for capital projects	28,438,995	148,850	28,587,845	154,640
Restricted for infrastructure	1,978,609	-	1,978,609	-
Restricted for public safety	2,412,484	-	2,412,484	-
Restricted for community development	566,483	-	566,483	-
Restricted for other purposes	47,884	-	47,884	-
Restricted for permanent endowment - nonexpendable	-	-	-	2,903,685
Unrestricted	<u>(2,091,031)</u>	<u>2,810,618</u>	<u>719,587</u>	<u>5,276,311</u>
<b>Total net position</b>	<u>\$ 111,674,946</u>	<u>4,088,532</u>	<u>115,763,478</u>	<u>28,883,758</u>

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

TETON COUNTY  
STATEMENT OF ACTIVITIES  
Year Ended June 30, 2015

	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
<b>Governmental activities:</b>								
Administration	\$ 7,844,461	622,430	5,008	139,973	(7,077,050)	-	(7,077,050)	-
Community development	8,442,904	5,191,299	624,905	158,374	(2,468,326)	-	(2,468,326)	-
Health and human services	2,821,843	304,022	398,958	-	(2,118,863)	-	(2,118,863)	-
Justice	1,730,828	312,889	95,569	-	(1,322,370)	-	(1,322,370)	-
Infrastructure	5,052,091	188,359	148,529	1,465,780	(3,249,423)	-	(3,249,423)	-
Parks and recreation	5,290,670	3,367,409	69,255	610,561	(1,243,445)	-	(1,243,445)	-
Public safety	10,971,992	2,710,404	529,912	163,271	(7,568,405)	-	(7,568,405)	-
Debt service: interest and fiscal charges	80,826	-	-	-	(80,826)	-	(80,826)	-
Total governmental activities	<u>42,235,615</u>	<u>12,696,812</u>	<u>1,872,136</u>	<u>2,537,959</u>	<u>(25,128,708)</u>	<u>-</u>	<u>(25,128,708)</u>	<u>-</u>
<b>Business-type activities:</b>								
Integrated solid waste and recycling	4,374,910	4,565,362	104,928	-	-	295,380	295,380	-
Teton County Building Corporation	42,157	-	-	-	-	(42,157)	(42,157)	-
Total business-type activities	<u>4,417,067</u>	<u>4,565,362</u>	<u>104,928</u>	<u>-</u>	<u>-</u>	<u>253,223</u>	<u>253,223</u>	<u>-</u>
Total primary government	<u>\$ 46,652,682</u>	<u>17,262,174</u>	<u>1,977,064</u>	<u>2,537,959</u>	<u>(25,128,708)</u>	<u>253,223</u>	<u>(24,875,485)</u>	<u>-</u>
<b>Component units:</b>								
Teton County Library	\$ 4,051,280	46,242	1,170,000	-	-	-	-	(2,835,038)
Teton County Weed and Pest Control	1,776,941	351,816	95,503	-	-	-	-	(1,329,622)
Teton County Housing Authority	672,280	216,924	-	-	-	-	-	(455,356)
Jackson Hole Travel and Tourism Board	2,603,450	-	-	-	-	-	-	(2,603,450)
Total component units	<u>\$ 9,103,951</u>	<u>614,982</u>	<u>1,265,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,223,466)</u>
General revenues:								
Sales and use taxes					\$ 27,325,771	-	27,325,771	3,218,162
Property taxes					10,144,306	-	10,144,306	4,744,895
Other taxes					3,490,958	-	3,490,958	-
County appropriations					-	-	-	2,904,000
Investment income					217,368	36,192	253,560	73,045
Loss on disposal of assets					(406)	-	(406)	-
Miscellaneous					171,399	3,003	174,402	8,051
Transfers					(37,200)	37,200	-	-
Total general revenues					<u>41,312,196</u>	<u>76,395</u>	<u>41,388,591</u>	<u>10,948,153</u>
Change in net position					<u>16,183,488</u>	<u>329,618</u>	<u>16,513,106</u>	<u>3,724,687</u>
Net position - beginning, as restated					<u>95,491,458</u>	<u>3,758,914</u>	<u>99,250,372</u>	<u>25,159,071</u>
Net position - ending					<u>\$ 111,674,946</u>	<u>4,088,532</u>	<u>115,763,478</u>	<u>28,883,758</u>

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

TETON COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS

June 30, 2015

	General	Parks and Recreation Special Revenue	Grants Special Revenue	Capital Projects	2012 Landfill Closure Specific Tax Fund	Non-major Funds	Total Governmental Funds
<b>Assets:</b>							
Pooled cash and cash equivalents	\$ 21,397,621	274,532	-	6,792,287	6,910,768	15,445,695	50,820,903
Cash and cash equivalents	404,626	1,400	-	-	-	2,014	408,040
Interfund receivable - pooled cash	80,129	-	-	-	-	-	80,129
Accounts receivable	54,205	20,685	-	-	-	154,693	229,583
Taxes receivable	6,889,060	-	-	-	-	1,055,004	7,944,064
Other receivables	-	-	-	-	-	-	-
Due from other governments	3,015,463	176,324	440,290	-	1,998,307	326,326	5,956,710
Due from other funds	62,221	94,304	-	-	-	48,390	204,915
Prepaid expenses	-	-	-	-	-	8,661	8,661
Other assets	4,500	-	-	-	-	-	4,500
<b>Total assets</b>	<b>31,907,825</b>	<b>567,245</b>	<b>440,290</b>	<b>6,792,287</b>	<b>8,909,075</b>	<b>17,040,783</b>	<b>65,657,505</b>
<b>Liabilities:</b>							
Interfund payable - pooled cash	-	-	80,129	-	-	-	80,129
Accounts payable and accrued liabilities	1,190,852	281,530	297,924	-	38,864	1,747,642	3,556,812
Due to other funds	142,693	-	42,697	-	4,930	14,595	204,915
Unearned revenue	-	-	11,024	-	-	57,262	68,286
Funds held in trust	1,648,663	-	-	-	-	-	1,648,663
<b>Total liabilities</b>	<b>2,982,208</b>	<b>281,530</b>	<b>431,774</b>	<b>-</b>	<b>43,794</b>	<b>1,819,499</b>	<b>5,558,805</b>
<b>Deferred inflows of resources:</b>							
Revenues for future periods	6,852,432	-	-	-	-	1,048,344	7,900,776
<b>Total deferred inflows of resources</b>	<b>6,852,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,048,344</b>	<b>7,900,776</b>
<b>Fund balances:</b>							
<b>Nonspendable:</b>							
Prepaid expenses	-	-	-	-	-	8,661	8,661
<b>Restricted for:</b>							
Capital projects	5,135,287	-	-	6,792,287	8,865,281	7,646,140	28,438,995
Infrastructure	-	-	-	-	-	1,978,609	1,978,609
Public safety	-	-	-	-	-	2,412,484	2,412,484
Community development	-	-	-	-	-	566,483	566,483
Other purposes	39,368	-	8,516	-	-	-	47,884
<b>Committed for:</b>							
Capital projects	-	-	-	-	-	-	-
Operations stabilization	6,537,747	-	-	-	-	-	6,537,747
Public safety	-	-	-	-	-	867,514	867,514
Parks and recreation	-	285,715	-	-	-	693,049	978,764
<b>Assigned for:</b>							
Capital projects	2,696,734	-	-	-	-	-	2,696,734
Unassigned	7,664,049	-	-	-	-	-	7,664,049
<b>Total fund balances</b>	<b>22,073,185</b>	<b>285,715</b>	<b>8,516</b>	<b>6,792,287</b>	<b>8,865,281</b>	<b>14,172,940</b>	<b>52,197,924</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 31,907,825</b>	<b>567,245</b>	<b>440,290</b>	<b>6,792,287</b>	<b>8,909,075</b>	<b>17,040,783</b>	<b>65,657,505</b>

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

TETON COUNTY  
RECONCILIATION OF THE BALANCE SHEET  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION  
June 30, 2015

Total fund balances of governmental funds \$ 52,197,924

Amounts reported for governmental activities in the Statement of Net Position are different because:

The net pension asset, net pension liability, and deferred outflows of resources related to pensions are not reported in the funds.

Net pension asset	\$	42,967	
Deferred outflow of resources - pensions		2,071,369	
Net pension liability		<u>(8,326,649)</u>	(6,212,313)

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

Capital assets	\$	140,739,215	
Accumulated depreciation		<u>(57,069,199)</u>	83,670,016

Long-term liabilities, as well as accrued interest are not due and payable in the current period and are therefore not reported in the funds.

Long-term liabilities, due within one year	\$	(1,176,860)	
Long-term liabilities, due in more than one year		(16,769,566)	
Accrued interest payable		<u>(34,255)</u>	<u>(17,980,681)</u>

Net position of governmental activities \$ 111,674,946

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

TETON COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year Ended June 30, 2015

	General	Parks and Recreation Special Revenue	Grants Special Revenue	Capital Projects	2012 Landfill Closure Specific Tax Fund	Non-major Funds	Total Governmental Funds
<b>Revenues:</b>							
Taxes	\$ 26,072,637	-	-	-	8,510,262	6,378,137	40,961,036
Intergovernmental	833,316	606,219	1,865,916	-	-	274,571	3,580,022
Charges for services	1,881,804	2,891,331	-	-	-	3,748,012	8,521,147
Licenses and permits	4,151,015	24,650	-	-	-	-	4,175,665
Contributions	17,746	29,090	-	-	-	212,933	259,769
Miscellaneous	167,273	26,000	-	41,386	14,347	157,103	406,109
<b>Total revenues</b>	<b>33,123,791</b>	<b>3,577,290</b>	<b>1,865,916</b>	<b>41,386</b>	<b>8,524,609</b>	<b>10,770,756</b>	<b>57,903,748</b>
<b>Expenditures:</b>							
Administration	7,489,717	-	54,879	-	-	-	7,544,596
Community development	2,198,203	-	23,164	3,164,058	-	2,983,999	8,369,424
Health and human services	2,570,236	-	177,869	-	-	-	2,748,105
Justice	1,655,434	-	-	-	-	-	1,655,434
Infrastructure	2,612,044	-	1,004,773	-	460,184	4,960,626	9,037,627
Parks and recreation	-	5,375,002	28,617	-	-	1,716,279	7,119,898
Public safety	6,782,574	-	282,402	-	-	4,186,317	11,251,293
<b>Debt service:</b>							
Principal	600,000	-	-	-	-	-	600,000
Interest and fiscal charges	73,800	-	-	-	-	-	73,800
<b>Total expenditures</b>	<b>23,982,008</b>	<b>5,375,002</b>	<b>1,571,704</b>	<b>3,164,058</b>	<b>460,184</b>	<b>13,847,221</b>	<b>48,400,177</b>
Excess (deficiency) of revenues over expenditures	9,141,783	(1,797,712)	294,212	(3,122,672)	8,064,425	(3,076,465)	9,503,571
<b>Other financing sources (uses):</b>							
Transfers in (out)	(6,116,159)	1,828,085	(294,212)	3,200,000	-	1,374,119	(8,167)
<b>Total other financing sources (uses)</b>	<b>(6,116,159)</b>	<b>1,828,085</b>	<b>(294,212)</b>	<b>3,200,000</b>	<b>-</b>	<b>1,374,119</b>	<b>(8,167)</b>
Change in fund balance	3,025,624	30,373	-	77,328	8,064,425	(1,702,346)	9,495,404
Fund balance - July 1	19,047,561	255,342	8,516	6,714,959	800,856	15,875,286	42,702,520
Fund balance - June 30	\$ 22,073,185	285,715	8,516	6,792,287	8,865,281	14,172,940	52,197,924

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



TETON COUNTY  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
Year Ended June 30, 2015

Net change in fund balances - governmental funds \$ 9,495,404

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of capital assets is allocated over estimated useful lives as depreciation expense.

Capital outlays	\$ 11,756,237	
Depreciation expense	<u>(4,457,075)</u>	
		7,299,162

Certain capital assets were disposed during the course of the year. The amount of net book value of these assets at the time of disposal is recorded in the Statement of Activities as a reduction of net position. (58,298)

The net effect of transactions involving net pension asset and liability, deferred outflows of resources related to pensions, nonemployer contributions, and pension expense is to decrease net position.

Change in net pension asset	(73,514)	
Change in deferred outflow of resources related to pensions	1,148,753	
Change in net pension liability	<u>(1,831,632)</u>	
		(756,393)

Debt issuances provide current financial resources to governmental funds, but increase long-term liabilities in the Statement of Net Position. Repayments of debt principal are expenditures in governmental funds, but decrease long-term liabilities in the Statement of Net Position. Changes in other long-term liabilities do not require current financial resources, and are excluded from the funds.

Reductions of principal on long-term liabilities	\$ 747,578	
Change in accrued interest payable	3,769	
Change in landfill closure liability	(505,574)	
Change in compensated absences liability	<u>(42,160)</u>	
		<u>203,613</u>

Change in net position of governmental activities \$ 16,183,488

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

TETON COUNTY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2015

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Teton County Building Corporation</u>	<u>Total Proprietary Funds</u>
Assets:			
Current assets:			
Pooled cash and cash equivalents	\$ 2,219,495	-	2,219,495
Cash and cash equivalents	-	467,425	467,425
Investments	-	493,272	493,272
Accounts receivable	612,004	-	612,004
Due from other governments	-	-	-
Prepaid expenses	-	7,403	7,403
	<u>2,831,499</u>	<u>968,100</u>	<u>3,799,599</u>
Total current assets			
Non-current assets:			
Capital assets	2,012,597	-	2,012,597
Accumulated depreciation	(883,533)	-	(883,533)
	<u>1,129,064</u>	<u>-</u>	<u>1,129,064</u>
Total non-current assets			
Total assets	<u>3,960,563</u>	<u>968,100</u>	<u>4,928,663</u>
Deferred outflows of resources:			
Pensions	92,588	-	92,588
	<u>92,588</u>	<u>-</u>	<u>92,588</u>
Total deferred outflows of resources			
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	367,194	-	367,194
Long-term liabilities, due within one year	25,000	-	25,000
	<u>392,194</u>	<u>-</u>	<u>392,194</u>
Total current liabilities			
Non-current liabilities:			
Long-term liabilities, due in more than one year	16,452	-	16,452
Net pension liability	524,073	-	524,073
	<u>540,525</u>	<u>-</u>	<u>540,525</u>
Total non-current liabilities			
Total liabilities	<u>932,719</u>	<u>-</u>	<u>932,719</u>
Net position:			
Net investment in capital assets	1,129,064	-	1,129,064
Restricted for capital projects	148,850	-	148,850
Unrestricted	1,842,518	968,100	2,810,618
	<u>3,120,432</u>	<u>968,100</u>	<u>4,088,532</u>
Total net position	<u>\$ 3,120,432</u>	<u>968,100</u>	<u>4,088,532</u>

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

TETON COUNTY  
STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2015

	Integrated Solid Waste and Recycling Fund	Teton County Building Corporation	Total Proprietary Funds
Operating revenues:			
Charges for services	\$ 4,113,288	-	4,113,288
Materials sales	452,074	-	452,074
Miscellaneous	3,003	-	3,003
Total operating revenues	<u>4,568,365</u>	<u>-</u>	<u>4,568,365</u>
Operating expenses:			
Salaries and benefits	955,564	-	955,564
Current expenses	3,275,613	42,157	3,317,770
Depreciation	143,733	-	143,733
Total operating expenses	<u>4,374,910</u>	<u>42,157</u>	<u>4,417,067</u>
Operating income (loss)	<u>193,455</u>	<u>(42,157)</u>	<u>151,298</u>
Non-operating income:			
Grants and contributions	104,928	-	104,928
Investment income	22,496	13,696	36,192
Total non-operating income	<u>127,424</u>	<u>13,696</u>	<u>141,120</u>
Income (loss) before transfers	320,879	(28,461)	292,418
Transfers in	-	37,200	37,200
Change in net position	320,879	8,739	329,618
Net position - beginning, as restated	<u>2,799,553</u>	<u>959,361</u>	<u>3,758,914</u>
Net position - ending	<u>\$ 3,120,432</u>	<u>968,100</u>	<u>4,088,532</u>

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

TETON COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2015

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Teton County Building Corporation</u>	<u>Total Proprietary Funds</u>
Cash flows from operating activities:			
Receipts from customers and users	\$ 4,359,217	-	4,359,217
Payments to suppliers	(3,237,153)	(42,361)	(3,279,514)
Payments to employees	(900,370)	-	(900,370)
Net cash provided by (used in) operating activities	<u>221,694</u>	<u>(42,361)</u>	<u>179,333</u>
Cash flows from non-capital financing activities:			
Transfers from other funds	-	37,200	37,200
Receipts from operating grants and contributions	102,900	-	102,900
Net cash provided by non-capital financing activities	<u>102,900</u>	<u>37,200</u>	<u>140,100</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(43,085)	-	(43,085)
Net cash used in capital and related financing activities	<u>(43,085)</u>	<u>-</u>	<u>(43,085)</u>
Cash flows from investing activities:			
Interest income received	22,496	4,975	27,471
Net cash provided by investing activities	<u>22,496</u>	<u>4,975</u>	<u>27,471</u>
Net change in cash and cash equivalents	304,005	(186)	303,819
Cash and cash equivalents - beginning	<u>1,915,490</u>	<u>467,611</u>	<u>2,383,101</u>
Cash and cash equivalents - ending	<u>\$ 2,219,495</u>	<u>467,425</u>	<u>2,686,920</u>

(continued)

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

TETON COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
Year Ended June 30, 2015

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Teton County Building Corporation</u>	<u>Total Proprietary Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ <u>193,455</u>	<u>(42,157)</u>	<u>151,298</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	143,733	-	143,733
Non-cash compensation expense	76,855	-	76,855
Net change in assets and liabilities:			
Accounts receivable	(209,148)		(209,148)
Prepaid expenses	-	(204)	(204)
Accounts payable and accrued liabilities	<u>16,799</u>	<u>-</u>	<u>16,799</u>
Total adjustments	<u>28,239</u>	<u>(204)</u>	<u>28,035</u>
Net cash provided by (used in) operating activities	\$ <u><u>221,694</u></u>	<u><u>(42,361)</u></u>	<u><u>179,333</u></u>

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

TETON COUNTY  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2015

	<u>Treasurer's Tax Agency Fund</u>
Assets:	
Pooled cash and cash equivalents	\$ 2,533,283
Cash and cash equivalents	<u>3,314,769</u>
Total assets	<u><u>5,848,052</u></u>
Liabilities:	
Due to other taxing units	<u>5,848,052</u>
Total liabilities	<u><u>\$ 5,848,052</u></u>

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

TETON COUNTY  
COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS  
June 30, 2015

	<u>Teton County Library</u>	<u>Teton County Weed and Pest Control</u>	<u>Teton County Housing Authority</u>	<u>Jackson Hole Travel and Tourism Board</u>	<u>Total</u>
Assets:					
Cash and cash equivalents	\$ 2,863,778	321,249	576,097	1,197,320	4,958,444
Investments	5,401,581	-	-	-	5,401,581
Accounts receivable	-	68,406	400	-	68,806
Taxes receivable	3,537,227	10,198	-	-	3,547,425
Other receivables	154	-	-	-	154
Due from other governments	1,002	55,800	-	524,668	581,470
Prepaid expenses	-	7,458	-	4,435	11,893
Inventory	686	138,189	-	-	138,875
Capital assets	1,055,256	5,707,927	20,309,175	-	27,072,358
Accumulated depreciation	<u>(483,300)</u>	<u>(1,484,972)</u>	<u>(261,663)</u>	<u>-</u>	<u>(2,229,935)</u>
Total assets	<u>12,376,384</u>	<u>4,824,255</u>	<u>20,624,009</u>	<u>1,726,423</u>	<u>39,551,071</u>
Deferred outflows of resources:					
Pensions	<u>265,013</u>	<u>73,504</u>	<u>31,035</u>	<u>-</u>	<u>369,552</u>
Total deferred outflows of resources	<u>265,013</u>	<u>73,504</u>	<u>31,035</u>	<u>-</u>	<u>369,552</u>
Liabilities:					
Accounts payable and accrued liabilities	179,189	20,809	556,853	209,301	966,152
Long-term liabilities:					
Due within one year	95,143	174,150	70,501	-	339,794
Due in more than one year	-	1,778,476	2,345,626	-	4,124,102
Net pension liabilities	<u>1,647,440</u>	<u>471,633</u>	<u>228,744</u>	<u>-</u>	<u>2,347,817</u>
Total liabilities	<u>1,921,772</u>	<u>2,445,068</u>	<u>3,201,724</u>	<u>209,301</u>	<u>7,777,865</u>
Deferred inflows of resources:					
Revenues for future periods	<u>3,259,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,259,000</u>
Total deferred inflows of resources	<u>3,259,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,259,000</u>
Net position:					
Net investment in capital assets	571,956	2,338,280	17,638,886	-	20,549,122
Restricted for capital projects	154,640	-	-	-	154,640
Restricted for permanent endowment - non expendable	2,903,685	-	-	-	2,903,685
Unrestricted	<u>3,830,344</u>	<u>114,411</u>	<u>(185,566)</u>	<u>1,517,122</u>	<u>5,276,311</u>
Total net position	<u>\$ 7,460,625</u>	<u>2,452,691</u>	<u>17,453,320</u>	<u>1,517,122</u>	<u>28,883,758</u>

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

TETON COUNTY  
COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
Year Ended June 30, 2015

	<u>Teton County Library</u>	<u>Teton County Weed and Pest Control</u>	<u>Teton County Housing Authority</u>	<u>Jackson Hole Travel and Tourism Board</u>	<u>Total</u>
Expenses	\$ 4,051,280	1,776,941	672,280	2,603,450	9,103,951
Program revenues:					
Charges for services	46,242	351,816	216,924	-	614,982
Operating grants and contributions	<u>1,170,000</u>	<u>95,503</u>	<u>-</u>	<u>-</u>	<u>1,265,503</u>
Total program revenues	<u>1,216,242</u>	<u>447,319</u>	<u>216,924</u>	<u>-</u>	<u>1,880,485</u>
Net expenses	<u>(2,835,038)</u>	<u>(1,329,622)</u>	<u>(455,356)</u>	<u>(2,603,450)</u>	<u>(7,223,466)</u>
General revenues:					
Sales and use taxes	-	-	-	3,218,162	3,218,162
Property taxes	3,468,553	1,276,342	-	-	4,744,895
County appropriations	-	-	2,904,000	-	2,904,000
Investment income	61,878	332	10,623	212	73,045
Miscellaneous	<u>1,767</u>	<u>5,863</u>	<u>421</u>	<u>-</u>	<u>8,051</u>
Total general revenues	<u>3,532,198</u>	<u>1,282,537</u>	<u>2,915,044</u>	<u>3,218,374</u>	<u>10,948,153</u>
Change in net position	697,160	(47,085)	2,459,688	614,924	3,724,687
Net position – beginning, as restated	<u>6,763,465</u>	<u>2,499,776</u>	<u>14,993,632</u>	<u>902,198</u>	<u>25,159,071</u>
Net position – ending	<u>\$ 7,460,625</u>	<u>2,452,691</u>	<u>17,453,320</u>	<u>1,517,122</u>	<u>28,883,758</u>

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



TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies

Teton County, Wyoming (the County), operates as an incorporated governmental entity within the State of Wyoming. The County is a municipal corporation governed by five elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge operation and maintenance, health and social services, culture and recreation, public improvements, planning and zoning, judicial and general administrative services. As required by generally accepted accounting principles, these financial statements present the County and its component units.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the County are discussed below.

**Financial Reporting Entity**

As required by GAAP, the County evaluates whether separate legal entities are controlled by or dependent on the County. The evaluation of control or dependence is based on several factors including the appointment of the respective governing board, ability of the County to impose its will on the separate legal entity and whether a financial benefit or burden relationship exists.

Blended component units, although legally separate entities, are in substance part of the County's operations, and data from those units is combined with data of the primary government. Discretely presented component units, conversely, are reported in a separate column in the financial statements to emphasize that they are legally separate from the County. All of the County's blended component units and discretely presented component units have a June 30 fiscal year-end.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

*Blended Component Units*

**The Jackson / Teton County Public Facilities Joint Powers Board** (the Joint Powers Board) serves all citizens of the County and is governed by a board comprised of three County Commissioners and three members appointed by the Town of Jackson. The Joint Powers Board was established to provide an efficient, orderly and economically feasible method of jointly financing the acquisition, construction, and renovation of various projects, all of which will enhance the general civic welfare of the County and Town and their residents and will be of service to and be for the benefit of the County and Town and their residents. To date, the only involvement of the Town of Jackson has been to establish the Joint Powers Board. Consequently, the Joint Powers Board financial activity is reported in the debt service fund of the County because it has been determined to be fiscally dependent on the County. The Joint Powers Board had no activity during the year ended June 30, 2015.

**The Teton County Building Corporation** (the TCBC) is a separate legal entity established in accordance with the laws of the State of Wyoming. The purpose of the TCBC is to issue debt, construct assets, and lease those assets to the County. Leases between the TCBC and the primary government are consolidated resulting in the governmental activities of the primary government reporting the debt issued by TCBC along with the associated leased assets as its own. The board of the TCBC consists of three members. The County appointed the original three members. The TCBC is presented as a proprietary fund of the County. The TCBC issues separately audited financial statements that can be obtained from the County.

*Discretely Presented Component Units*

**The Teton County Weed and Pest Control District** (the District) was established for the purpose of implementing and pursuing an effective program for the control of weeds and pests within the County. The District is fiscally dependent upon the County as the Board of Commissioners approves the District's budget and tax levy. On a stand-alone basis, the District is presented as a governmental fund type. Included in the Weed and Pest Control District is Weed Management, Inc., a separate legal non-profit entity. Weed Management, Inc. was established in accordance with the laws of the State of Wyoming and its purpose is to issue debt, construct capital assets, and lease those assets to the District. Weed Management, Inc. has been determined to be a component unit of the District. The District issues separately audited financial statements that can be obtained by writing to PO Box 1852, Jackson, WY 83001.

**The Teton County Library Board** (the Library Board) maintains and manages the operations of the County Library system. The Library Board is fiscally dependent upon the County because the Board of Commissioners approves the Library Board's budget, levies taxes on behalf of the Library Board and must approve any debt issuance. The Library Board's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. On a stand-alone basis, the Library is presented as a governmental fund type.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

Included in the financial statements of the Library Board is the Teton County Library Foundation (the Foundation) which is a separate legal non-profit entity. The Foundation's purpose is to raise funds for the Library Board. The Foundation has been determined to be a component unit of the Library Board. The Library Board does not issue separate financial statements.

**The Teton County Housing Authority** (the Housing Authority) has been established to operate affordable housing projects and provide for the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration or repair of various housing related projects within the County. Five board members, appointed by the County Commissioners, govern the Housing Authority. The Housing Authority is fiscally dependent on the County as the Board of Commissioners approves the Housing Authority's budget and the County imposes and collects fees for affordable housing purposes and must approve all new housing projects. The Housing Authority does not issue separate financial statements.

**Jackson Hole Travel and Tourism Joint Powers Board** (the Tourism Board) has been established to facilitate County-wide tourism promotion efforts. Seven board members, jointly appointed by the County Commissioners and the Jackson Town Council, govern the Tourism Board, with the Town and County holding joint approval authority over the Board's budget. The Tourism Board is fiscally dependent on the County as the County approves the Tourism Board's budget and imposes and collects the lodging sales tax which is the primary revenue source of the Tourism Board. The Tourism Board does not issue separate financial statements.

*Jointly Governed Organizations*

**The Jackson Hole Airport Board** (the Airport Board) was created by the Town of Jackson and the County. The Airport Board was created to establish and operate an airport facility to serve the Town of Jackson and unincorporated areas of the County. Five board members are jointly appointed by the County Commissioners and the Jackson Town Council and Mayor. The Town Council and the County Commissioners jointly approve the budget of the Airport Board. Although neither the Town of Jackson nor the County has any obligation to fund the Airport Board, they may fund any sum of money as determined in their individual budget processes. Audited financial statements can be obtained from the Airport Board by writing to P.O. Box 3594, Jackson, WY 83001.

The **Five County Board** joint powers agreement was created to maintain, develop, and enhance the computer software programs used by Teton County, Big Horn County, Hot Springs County, Sublette County and Uinta County (the participating counties). The board consists of 15 members, which include the elected County Clerk, County Treasurer and County Assessor from each of the participating counties. Operations are financed by appropriations from each of the participating counties. The Five County Board does not issue separate financial statements but does provide each of the participating counties with internally generated financial statements.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

**Basic Financial Statements - Government-Wide Statements**

The County's basic financial statements include both government-wide financial statements (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County's general administration, community development, health and human services, infrastructure, justice, parks and recreation and public safety functions are classified as governmental activities. The County's solid waste and recycling services as well as the operations of the Teton County Building Corporation are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

Governmental activities are usually financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions (parks and recreation, public safety, etc.). The functions are also supported by general revenues (property taxes, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants and contributions and capital grants and contributions.

Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenue (property or sales taxes, intergovernmental revenues, interest income, etc.). The County does not allocate indirect costs.

These government-wide statements focus more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

**Basic Financial Statements – Fund Statements**

The County's accounting system is organized on a fund basis. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the government establishes for accountability purposes in accordance with statutes, laws, regulations, restrictions, or specific purposes.

Separate financial statements are provided for governmental funds and proprietary funds. The emphasis of fund financial statements is on major individual funds, as defined by GASB Statement No. 34, with each displayed as a separate column. All remaining governmental and proprietary funds are aggregated and reported as non-major funds in their respective fund financial statements.

The following fund types are used by the County:

Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than on net income. The following is a description of the governmental funds of the County:

- The **General Fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds** are used to account for and report the proceeds of revenue sources that are restricted or committed to expenditures for specified purposes.
- **Capital Projects Funds** are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- **Debt Service Funds** are used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the government.

The County's major governmental funds consist of the General Fund (see description above), Parks and Recreation Fund, Grants Fund, Capital Projects Fund, and 2012 Landfill Closure Specific Tax Fund.

The Parks and Recreation Fund is a special revenue fund established to account for the operations and maintenance of the County recreation center and parks. The operations of the Parks and Recreation Fund are jointly funded by appropriations from the Town of Jackson and the County.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

The Grants Fund is a special revenue fund established to account for the activities associated with grant funded operations and capital projects.

The Capital Projects Fund is established to account for the resources restricted, committed, or assigned to expenditure for general government capital outlays excluding those capital projects which are funded by voter-approved allocations of the Special Purpose Excise Tax (SPET).

The 2012 Landfill Closure Specific Tax Fund is established to account for SPET funds restricted for the purpose of the funding of design, planning, engineering, and implementation of the closure, environmental monitoring, and mitigation of the existing Teton County Landfill at Horse Thief Canyon.

The County's non-major special revenue funds consist of funds that collect fees and taxes restricted for public safety (Special Fire, Fire / EMS, and Enhanced 911 Funds), public road construction, maintenance and repair (Roads Fund), promotion of affordable housing (Housing Authority Fund), county fair promotion and fairground maintenance (County Fair Fund), and tourism promotion and visitor impact services (Lodging Tax Fund).

The County's non-major capital projects funds consist of funds that receive SPET revenues to be expended on voter-approved capital projects. These are titled by the County as Specific Tax Funds, with each voter-approved project being accounted for in a separate fund.

The County's non-major debt service fund is used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the County, other than debt service payments facilitated through the TCBC. Currently, the debt service fund holds no assets or liabilities and has no activities.

*Proprietary Funds:*

The focus on proprietary fund measurement is on determination of operating income, changes in net assets, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition, such as investment earnings, are reported as non-operating.

Proprietary funds are used to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The County's two proprietary funds include the Integrated Solid Waste and Recycling Fund (ISWR Fund) and the TCBC. The ISWR Fund accounts for the County-wide solid waste disposal and recycling operations and the TCBC accounts for its operations as described in the blended component units section above.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

*Fiduciary Funds* (not included in the Government-wide statements):

The County's fiduciary funds consist of one agency fund. Agency funds account for assets held in a purely custodial capacity. Because agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations. The County has one agency fund; the Treasurer's Tax Fund. This fund is used to receive and distribute taxes and fees collected on behalf of other funds of the County and on behalf of other governmental units.

**Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied. The following provides a summary of the bases of accounting used by the County:

*Accrual*

The governmental activities and the business-type activities in the government-wide financial statements, the proprietary fund financial statements, the fiduciary funds financial statements and the discretely presented component unit financial statements are presented on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are intended to finance.

*Modified Accrual*

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service and compensated absences expenditures are recorded only when payment is due.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

**Financial Statement Amounts**

*Pooled Cash and Cash Equivalents*

Wherever possible, the County's cash accounts are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein. An individual fund's equity in the pooled cash accounts is available on demand and is considered to be a cash equivalent for purposes of these financial statements. Negative balances incurred in pooled cash at year-end are treated as interfund payables of the deficit account and interfund receivables in other funds with positive balances. Investments of the pool are reported at fair value.

*Cash and Cash Equivalents*

For the purposes of the Statement of Net Position, the term cash and cash equivalents includes all demand deposits, savings accounts, certificates of deposit or other short-term, highly liquid investments.

*Investments*

Investments are reported at fair value. Wyoming statute allows the County to invest in U.S. and state and local government securities and accounts of any bank and savings associations, which are federally insured. Stocks and bonds of private corporations as well as reverse repurchase agreements are prohibited investments for the County. All investments made during the year were made within these statutory limits.

*Receivables and Due from Other Governments*

Receivables consist of revenues earned as of year-end but received after year-end. All receivable balances are reported net of any allowance for uncollectible accounts. Allowances for uncollectible accounts are based upon historical trends and current data regarding the condition of specific debtors as of the date of issuance of the financial statements.

At June 30, 2015, the Fire/EMS special revenue fund's accounts receivable includes an estimated allowance for uncollectable accounts in the amount of \$45,874.

Due from other governments consists of amounts due to the County at year-end but remitted after year-end. The balance consists primarily of sales tax and other taxes due from the State of Wyoming, payments in lieu of taxes due from the federal government and reimbursements for grant expenditures due from the State of Wyoming, the federal government, or other agencies.

*Prepaid Expenses*

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.



TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

*Inventory*

Inventory is valued at cost using the first-in, first-out method (FIFO). In the governmental fund financial statements, expenditures are recorded as inventory is used (consumption method).

*Capital Assets*

Capital assets include land, buildings, improvements, infrastructure, equipment and vehicles. Capital assets are reported in the government-wide financial statements and the proprietary fund financial statements. The County defines capital assets as those assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than 2 years. All capital assets are valued at cost or estimated cost if actual cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life is not capitalized.

Capital assets of the County are depreciated using the straight-line method over the following estimated lives:

<u>Asset Category</u>	<u>Years</u>
Buildings and improvements	5 to 30
Infrastructure	5 to 60
Equipment and vehicles	3 to 25

In the governmental fund financial statements, the acquisition or construction of capital assets is accounted for as capital outlay expenditures.

*Deferred outflows/inflows of resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County has one item which qualifies for reporting in this category related to pensions.

In addition to the liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item which qualifies for reporting in this category. Revenues which are intended to finance operations of a future period are reported as a deferred inflow in both the governmental funds balance sheet and the entity-wide statement of net position.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

Property tax revenues are not recognized prior to the period which they are intended to finance, even if an enforceable lien is in place prior to the beginning of the intended period. Thus, property taxes received or receivable as of year-end, which are intended to finance the following fiscal year, are deferred in both the government-wide financial statements and fund financial statements.

*Pension Related Assets, Liabilities and Deferred Outflows of Resources*

For purposes of measuring the net pension asset and liability, deferred outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (the System) and additions to/deductions from the System's fiduciary net position have been determined on the same basis as they are reported by the System. 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.

*Unearned Revenues*

In the government-wide financial statements and the governmental fund and proprietary fund financial statements, unearned revenue is recognized when cash or other assets are received or recognized prior to completion of the earnings process. The unearned revenues are related to grant revenues and County fair deposits.

*Long-term Liabilities*

In the government-wide financial statements and proprietary fund financial statements, long-term debt and obligations are reported as liabilities in the Statement of Net Position. Bond premiums and discounts, when material, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the period incurred. The face amount of debt issued is reported as an other financing source. Issuance costs are reported as expenditures whether or not they are withheld from the actual debt proceeds received. Debt principal and interest payments are reported as expenditures in the period the payments are due.

*Compensated Absences*

It is the County's policy to permit employees to accumulate earned but unused vacation, sick, and comp time pay benefits. Vacation leave accumulates for all full-time permanent employees, depending upon years of service. Comp time accumulates for all full-time permanent employees, up to a maximum of 80 hours. Accumulated vacation leave and comp time is payable to the employee upon leaving employment of the County for any reason. Accumulated comp time can also be paid out at supervisor's discretion. An estimated liability for vacation leave and comp time is reported in the government-wide financial statements and the proprietary fund financial statements and the expense is allocated by function based on where the employee is assigned. No liability is reported for unpaid accumulated sick leave since sick leave credits are not paid to an employee upon termination of employment.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

In the governmental fund financial statements, no liability is reported for compensated absences. The expenditure is reported when vacation or comp time is taken or the liquidated balance is payable to the employee upon termination of employment or at supervisor's discretion for comp time. For governmental activities, compensated absences are generally liquidated by the General Fund.

*Interfund Balances and Transactions*

Interfund payables and receivables within governmental activities or within business-type activities are eliminated from the government-wide Statement of Net Position. Interfund payables and receivables between the governmental funds and the Treasurer's Tax Agency Fund have been reclassified in the government-wide Statement of Net Position in accordance with the requirements of GASB Statement No. 34.

Transfers are used to report flows of cash (or other assets) between funds without equivalent flows of assets in return or a requirement for repayment. In the government-wide Statement of Activities, transfers between governmental funds or between proprietary funds are eliminated. In the governmental fund financial statements, transfers are reported as other financing sources or uses.

*Equity Classifications*

Equity in the government-wide financial statements and proprietary fund financial statements is classified as net position and displayed in three components:

- Net investment in capital assets - Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any debt attributable to the acquisition, construction or improvement of these assets.
- Restricted net position - Consists of net position with constraints placed on its use, whether by 1) external groups such as creditors, grantors or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

*Fund Balance Classifications*

Governmental fund equity is classified as fund balance in the fund financial statements. Fund balance is further classified based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

*Nonspendable* - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County has classified prepaid expenses as nonspendable.

*Restricted* - This classification includes amounts for which constraints have been placed on the use of resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

*Committed* - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioners. These amounts cannot be used for any purpose unless the County Commissioners remove or change the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

*Assigned* - This classification includes amounts that are constrained by the County's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Commissioners. No other governing body or officials have this authority delegated to them. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

*Unassigned* - This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

*Revenues*

Property tax, sales tax, fees, licenses, fees-in-lieu of taxes, intergovernmental revenues, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the fiscal period they are intended to finance. All other revenue items are considered to be measurable and available only when the County receives cash. Grants are usually reimbursable grants and are thus recognized as revenue at the time the reimbursable expenditures are made.

*Expenses/Expenditures*

When an expense/expenditure is incurred for purposes for which both restricted and unrestricted resources are available, it is the County's general policy to use restricted resources first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed. For proprietary fund financial statements, operating expenses are those that result from providing services to customers.

*Accounting Estimates*

The preparation of financial statements 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 expenses during the reporting period. Actual amounts could differ from those estimates.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 1 - Summary of Significant Accounting Policies (continued)

**Property Tax Calendar**

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied on or about August 1 and are payable in two installments on September 1 and March 1. The County bills and collects its own property taxes as well as property taxes for all municipalities and other political subdivisions within the County. Collections and remittances of these taxes for other taxing entities are accounted for in the Treasurer's Tax Agency Fund. County property tax revenues are recognized when levied to the extent that they result in current receivables which means collected within the current period or expected to be collected within 60 days after the period end to be used to pay liabilities of the current period. Additional amounts levied but not expected to be collected within 60 days after period end are recorded as receivables, but the associated revenue is deferred.

Note 2 – Change in Accounting Principle

During 2015, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, which requires governmental entities to record their share of any unfunded liability associated with participation in a defined benefit plan and to record deferred outflows related to contributions made subsequent to the measurement date. The initial effect of the change on the County's governmental activities was an increase in the net pension liability of \$6,495,017, an increase in net pension asset of \$116,481, an increase in deferred outflows of resources related to pensions of \$922,616, and a decrease in net position of \$5,455,920. The initial effect of the change on the County's ISWR proprietary fund was an increase in the net pension liability of \$395,514, an increase in deferred outflows of resources related to pensions of \$36,405, and a decrease in net position of \$359,109. The initial effect on the change on the County's Library, Housing Authority, and Weed & Pest Component Units was an increase in the net pension liability of \$1,375,703, \$209,788, and \$409,021, respectively, an increase in deferred outflows of resources related to pensions of \$122,096, \$17,906, and \$37,481, respectively, and a decrease in net position of \$1,253,607, \$191,882, and \$371,540, respectively. At June 30, 2015, governmental activities net pension liability is \$8,326,649, net pension asset is \$42,967, the ISWR proprietary fund net pension liability is \$524,073, and the Library, Housing Authority, and Weed & Pest component units' net pension liability is \$1,647,440, \$228,744, and \$471,633, respectively. At June 30, 2015, governmental activities deferred outflows of resources related to pensions is \$2,071,369, the ISWR proprietary fund deferred outflows of resources related to pensions is \$92,588, and the Library, Housing Authority, and Weed & Pest component units deferred outflows of resources related to pensions is \$265,013, \$31,035, and \$73,504, respectively. For the year ended June 30, 2015, the effect of the change is an increase in governmental activities expenses of \$756,394, an increase in operating expense of the ISWR proprietary fund of \$72,376, and an increase in operating expense of the Library, Housing Authority, and Weed & Pest component units of \$128,820, \$5,827, and \$26,589, respectively.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 3 - Deposits and Investments

*Governmental activities:*

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Pooled cash and cash equivalents:				
Demand deposits	\$ 29,751,998	-	-	29,751,998
WYO-STAR	-	6,104,584	-	6,104,584
Government bonds	-	4,922,268	-	4,922,268
Certificates of deposit	10,042,053	-	-	10,042,053
Total pooled cash and cash equivalents	<u>39,794,051</u>	<u>11,026,852</u>	<u>-</u>	<u>50,820,903</u>
Cash and cash equivalents:				
Cash-on-hand	-	-	3,500	3,500
Demand deposits	403,540	-	-	403,540
Certificates of deposit	1,000	-	-	1,000
Total cash and cash equivalents	<u>404,540</u>	<u>-</u>	<u>3,500</u>	<u>408,040</u>
Total governmental activities	<u>\$ 40,198,591</u>	<u>11,026,852</u>	<u>3,500</u>	<u>51,228,943</u>

*Business-type activities:*

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Pooled cash and cash equivalents:				
Demand deposits	\$ 2,219,495	-	-	2,219,495
Total pooled cash and cash equivalents	<u>2,219,495</u>	<u>-</u>	<u>-</u>	<u>2,219,495</u>
Cash and cash equivalents:				
Demand deposits	467,425	-	-	467,425
Total cash and cash equivalents	<u>467,425</u>	<u>-</u>	<u>-</u>	<u>467,425</u>
Investments:				
Government bonds	-	493,272	-	493,272
Total investments	<u>-</u>	<u>493,272</u>	<u>-</u>	<u>493,272</u>
Total business-type activities	<u>\$ 2,686,920</u>	<u>493,272</u>	<u>-</u>	<u>3,180,192</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 3 - Deposits and Investments (continued)

*Fiduciary funds:*

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Pooled cash and cash equivalents:				
Demand deposits	\$ 2,533,283	-	-	2,533,283
Total pooled cash and cash equivalents	<u>2,533,283</u>	<u>-</u>	<u>-</u>	<u>2,533,283</u>
Cash and cash equivalents:				
Demand deposits	3,314,769	-	-	3,314,769
Total cash and cash equivalents	<u>3,314,769</u>	<u>-</u>	<u>-</u>	<u>3,314,769</u>
Total fiduciary funds	<u>\$ 5,848,052</u>	<u>-</u>	<u>-</u>	<u>5,848,052</u>

The State of Wyoming has established laws regarding the investment of public funds (Wyoming Statutes, 9-4). The County has adopted a "Statement of Investment Policy" which specifies the County's policies regarding the investment of County financial assets. The County's adopted policy refers to State laws and indicates the County will comply with State law.

*Deposits*

State law specifies the types of financial institutions in which the County can deposit monies. In addition, State law requires that all deposits in financial institutions be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of collateral or the furnishing of a surety bond. At June 30, 2015, all deposits of the County were fully collateralized or insured.

*Investments*

Wyoming statutes (W.S. 9-4-831) specifically identify the types of investments that may be held by the County and the conditions for making investment transactions. The County's investment policy states that it will comply with State law.

The County has investments in WYO-STAR, a government investment pool operated by the State of Wyoming Treasurer's Office. WYO-STAR is available for investments of funds administered by any local government entity within the State of Wyoming. WYO-STAR is not registered with the SEC as an investment company. WYO-STAR is authorized and regulated by the laws of the State of Wyoming. Deposits in WYO-STAR are not insured or otherwise guaranteed by the State of Wyoming, and participants share proportionally in any realized gains or losses on investments.

WYO-STAR operates and reports to participants on an amortized cost basis. The income, gains and losses, net of administration fees, of WYO-STAR are allocated monthly based on the participant's average balance in relation to the total balance of the pool. The fair value of the WYO-STAR investment pool is approximately equal to the value of the pooled shares.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 3 - Deposits and Investments (continued)

At June 30, 2015, the County had investments in US government-backed bonds. The County uses the specific identification method to assess interest rate risk.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>			
		<u>Less than 1</u>	<u>1 to 5</u>	<u>6 to 10</u>	<u>More than 10</u>
<i>Governmental activities:</i>					
Government bonds \$	4,922,268	-	4,922,268	-	-
WYO-STAR	6,104,584	6,104,584	-	-	-
Total	\$ 11,026,852	6,104,584	4,922,268	-	-
<i>Business-type activities:</i>					
Government bonds \$	493,272	-	493,272	-	-
Total	\$ 493,272	-	493,272	-	-

*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's policy for managing its exposure to fair value loss arising from increasing interest rates is to match the maturities of investments with anticipated cash flows.



TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 3 - Deposits and Investments (continued)

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's policy for managing its exposure to credit risk is limited as all investments are supported by US Government issued or insured securities or has been deposited in WYO-STAR. The County's investments subject to credit risk consist of the following:

Investment Type	Fair Value	Maturity	Rate	Rating
<i>Governmental activities:</i>				
WYO-STAR	\$ 6,104,584	Variable	Variable	Unrated
FNMA Bonds	500,275	11/15/2017	0.75%	AAA
FNMA Bonds	513,591	11/29/2017	1.03%	AA+
FNMA Bonds	500,470	5/15/2018	0.88%	AAA
FNMA Bonds	348,656	1/30/2020	1.25%	AAA
FHLMC Bonds	1,497,780	2/12/2020	1.25%	AAA
FHLMC Bonds	496,795	2/27/2020	1.00%	AAA
FHLMC Bonds	567,771	3/30/2020	1.00%	AAA
FHLMC Bonds	496,930	5/14/2020	1.00%	AA+
<i>Business-type activities:</i>				
FHLMC Bonds	\$ 493,272	6/19/2018	1.00%	AAA

*Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The County's policy for reducing this risk is to comply with State law.

*Custodial Credit Risk*

For an investment, 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 that are in the possession of an outside party. The County's policy for custodial risk is that all securities purchased by the County shall be properly designated as assets of the County and held in safekeeping by a third party custodial bank or third party custodial institution chartered by the United States Government or the State of Wyoming and no withdrawal of such securities shall be made from the safekeeping except by the County Treasurer. All securities transactions, including collateral for repurchase agreements, entered into by the County shall be conducted on a delivery-versus-payment basis. Securities will be held by a third party custodian designated by the County Treasurer and evidenced by safekeeping receipts. All investments are held in the name of the County by the investment broker.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 3 - Deposits and Investments (continued)

Component units:

The component units' deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Cash and cash equivalents:				
Cash-on-hand	\$ -	-	286	286
Demand deposits	4,781,296	-	-	4,781,296
Certificates of deposit	176,862	-	-	176,862
Total cash and cash equivalents	<u>4,958,158</u>	<u>-</u>	<u>286</u>	<u>4,958,444</u>
Investments:				
Endowment investment pool	-	5,401,581	-	5,401,581
Total investments	<u>-</u>	<u>5,401,581</u>	<u>-</u>	<u>5,401,581</u>
Total component units	<u>\$ 4,958,158</u>	<u>5,401,581</u>	<u>286</u>	<u>10,360,025</u>

*Deposits*

State law specifies the types of financial institutions in which the component units can deposit monies. In addition, State law requires that all deposits in financial institutions be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of collateral or the furnishing of a surety bond. At June 30, 2015, all deposits of component units were fully collateralized or insured.

*Investments*

Component units manage their investment risk as follows:

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The component units have no formal policies other than to follow the Wyoming State statutes, as previously discussed.

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The component units' policies for reducing exposure to credit risk are to comply with the Wyoming State statutes. At June 30, 2015, all investments held by the component units are in an investment pool administered by the Community Foundation of Jackson Hole (a non-profit organization) which is not rated.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 3 - Deposits and Investments (continued)

*Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The component units' policy for reducing this risk is to comply with Wyoming State statutes.

*Custodial Credit Risk*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the component units will not be able to recover the value of their investments or collateral securities that are in the possession of an outside party. The component units have no formal policies with respect to custodial credit risk. As of June 30, 2015, all of the component units' investments were in an investment pool administered by the Community Foundation of Jackson Hole.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 4 - Capital Assets

*Governmental activities:*

Changes to capital assets are as follows:

	<u>Balance</u> <u>6/30/14</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers/ Adjustments</u>	<u>Balance</u> <u>6/30/15</u>
Capital assets not being depreciated:					
Land	\$ 8,183,622	1,738,705	-	-	9,922,327
Rights of way	338,840	-	-	-	338,840
Construction in progress	5,112,978	6,639,711	(35,705)	(5,524,068)	6,192,916
Total capital assets not being depreciated	<u>13,635,440</u>	<u>8,378,416</u>	<u>(35,705)</u>	<u>(5,524,068)</u>	<u>16,454,083</u>
Capital assets being depreciated:					
Buildings and improvements	52,879,727	1,472,853	(11,050)	843,803	55,185,333
Infrastructure	47,202,186	109,989	-	4,475,062	51,787,237
Equipment and vehicles	16,102,543	1,794,979	(790,163)	205,203	17,312,562
Total capital assets being depreciated	<u>116,184,456</u>	<u>3,377,821</u>	<u>(801,213)</u>	<u>5,524,068</u>	<u>124,285,132</u>
Accumulated depreciation:					
Buildings and improvements	(20,278,352)	(1,665,795)	11,050	-	(21,933,097)
Infrastructure	(24,880,165)	(1,766,633)	-	-	(26,646,798)
Equipment and vehicles	(8,232,227)	(1,024,647)	767,570	-	(8,489,304)
Total accumulated depreciation	<u>(53,390,744)</u>	<u>(4,457,075)</u>	<u>778,620</u>	<u>-</u>	<u>(57,069,199)</u>
Total capital assets being depreciated, net	<u>62,793,712</u>	<u>(1,079,254)</u>	<u>(22,593)</u>	<u>5,524,068</u>	<u>67,215,933</u>
Total capital assets, net	<u>\$ 76,429,152</u>	<u>7,299,162</u>	<u>(58,298)</u>	<u>-</u>	<u>83,670,016</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 4 - Capital Assets (continued)

Depreciation expense was charged to functions of the County as follows:

Infrastructure	\$ 3,242,775
Public safety	764,593
Parks and recreation	345,786
Administration	78,226
Health and human services	18,324
Justice	<u>7,371</u>
 Total depreciation expense	 \$ <u><u>4,457,075</u></u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 4 - Capital Assets (continued)

*Business-type activities:*

Changes to capital assets are as follows:

	Balance 6/30/14	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/15
Capital assets not being depreciated:					
Land	\$ 126,320	-	-	-	126,320
Total capital assets not being depreciated	126,320	-	-	-	126,320
Capital assets being depreciated:					
Buildings and improvements	1,032,297	-	-	-	1,032,297
Equipment and vehicles	810,895	43,085	-	-	853,980
Total capital assets being depreciated	1,843,192	43,085	-	-	1,886,277
Accumulated depreciation:					
Buildings and improvements	(366,853)	(79,174)	-	-	(446,027)
Equipment and vehicles	(372,947)	(64,559)	-	-	(437,506)
Total accumulated depreciation	(739,800)	(143,733)	-	-	(883,533)
Total capital assets being depreciated, net	1,103,392	(100,648)	-	-	1,002,744
Total capital assets, net	\$ 1,229,712	(100,648)	-	-	1,129,064

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 4 - Capital Assets (continued)

*Component Units:*

Changes to capital assets are as follows:

	Balance 6/30/14	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/15
<u>County Library</u>					
Buildings and improvements	\$ 649,138	-	-	-	649,138
Equipment	385,551	20,567	-	-	406,118
Accumulated depreciation	(417,675)	(65,625)	-	-	(483,300)
Capital assets, net	\$ 617,014	(45,058)	-	-	571,956
<u>Weed and Pest</u>					
Construction in progress	\$ -	32,940	-	-	32,940
Land	702,409	-	-	-	702,409
Buildings and improvements	4,312,532	-	-	-	4,312,532
Equipment	660,046	-	-	-	660,046
Accumulated depreciation	(1,270,740)	(214,232)	-	-	(1,484,972)
Capital assets, net	\$ 4,404,247	(181,292)	-	-	4,222,955
<u>Housing Authority</u>					
Construction in progress	\$ 727,552	6,007,134	-	-	6,734,686
Land	12,308,293	-	-	-	12,308,293
Buildings and improvements	1,244,171	-	-	-	1,244,171
Equipment	22,025	-	-	-	22,025
Accumulated depreciation	(228,811)	(32,852)	-	-	(261,663)
Capital assets, net	\$ 14,073,230	5,974,282	-	-	20,047,512

Depreciation expense was charged to the component units as follows:

Weed and Pest	\$ 214,232
County Library	65,625
Housing Authority	<u>32,852</u>
Total depreciation expense	<u>\$ 312,709</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 5 – Accounts Payable and Accrued Liabilities

The County's accounts payable and accrued liabilities consist of the following:

*Governmental activities:*

Payables to contractors	\$ 1,839,033
Payroll-related liabilities	228,516
Payables to vendors	697,703
Self-insured health insurance liabilities	386,344
Retainage payable	273,002
Due to other governments	132,213
Accrued interest payable	<u>34,256</u>
 Total accounts payable and accrued liabilities	 \$ <u>3,591,067</u>

*Business-type activities:*

Payables to vendors	\$ 344,319
Payroll-related liabilities	5,650
Payables to contractors	15,565
Due to other governments	<u>1,660</u>
 Total accounts payable and accrued liabilities	 \$ <u>367,194</u>

The County operates a self-insured employee health and dental benefit plan accounted for within the general fund. The plan provides health benefits to eligible employees and their dependents which include employees of the primary government and component units. The County has entered into reinsurance contracts (stop-loss) for this plan at \$100,000/individual. At June 30, 2015, the plan had incurred claims payable and estimated claims incurred but not reported (IBNR) of \$386,344.

For the year ended June 30, 2015, changes to aggregate claims liabilities are as follows:

Claims Liabilities 6/30/14	Claims Incurred and Changes in Estimates	Claims Paid	Claims Liabilities 6/30/15
\$ <u>315,040</u>	<u>3,179,304</u>	<u>(3,108,000)</u>	<u>386,344</u>



TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 5 – Accounts Payable and Accrued Liabilities (continued)

For the year ended June 30, 2014, changes to aggregate claims liabilities were as follows:

Claims Liabilities 6/30/13	Claims Incurred and Changes in Estimates	Claims Paid	Claims Liabilities 6/30/14
\$ 497,993	3,062,047	(3,245,000)	315,040

*Component units:*

The component units' accounts payable and accrued liabilities consist of the following:

Payables to vendors	\$	874,411
Payroll-related liabilities		71,209
Security deposits		14,588
Accrued interest payable		5,878
Payables to contractors		66
 Total accounts payable and accrued liabilities	 \$	 <u>966,152</u>

Note 6 – Funds Held in Trust

The County's funds held in trust consist of the following:

Funds held by Planning and Development department	\$	1,436,714
Bonds held by County Clerk of District Court		189,586
Funds held by County Sheriff for jail inmates		22,363
 Total funds held in trust	 \$	 <u>1,648,663</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 7 - Long-Term Liabilities

*Governmental activities:*

The County is current on all debt payments and is in compliance with the significant terms of all debt agreements. Changes to long-term liabilities are as follows:

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15	Due Within One Year
Bonds	\$ 3,948,494	-	(600,000)	3,348,494	625,000
Notes payable	1,079,461	-	(147,578)	931,883	149,055
Compensated absences	714,214	371,391	(329,231)	756,374	332,805
Landfill closure liability	12,404,101	600,000	(94,426)	12,909,675	70,000
Total long-term liabilities	\$ 18,146,270	971,391	(1,171,235)	17,946,426	1,176,860

Bonds payable consist of the following:

\$4,995,000 Teton County Building Corporation  
Revenue Bonds dated October 2011. Payable in semi-  
annual installments ranging from \$185,000 to  
\$1,425,000 plus interest ranging from 1.10% to 2.40%,  
maturing July 2018. \$ 3,348,494

In October 2011, the County, as facilitated through the Teton County Building Corporation, refinanced the revenue bonds issued in 2003 with \$4,995,000 of revenue refunding bonds. The bond proceeds of the Series 2011 Bonds were applied towards refinancing the Series 2003 bonds. The bonds are secured by the assets leased to the County by the TCBC, and repayment of the bonds will be made through the lease payments made by the County to the TCBC.

The Series 2011 Bonds may be called on July 1, 2017 or on any date thereafter at par plus accrued interest through the date of redemption.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 7 - Long-Term Liabilities (continued)

Debt service requirements for bonds payable are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 625,000	65,794	690,794
2017	625,000	56,044	681,044
2018	675,000	44,387	719,387
2019	<u>1,423,494</u>	<u>17,100</u>	<u>1,440,594</u>
Total	<u>\$ 3,348,494</u>	<u>183,325</u>	<u>3,531,819</u>

All of the TCBC lease revenues are pledged as the repayment source for the bonds. The original bonds were issued for the purpose of financing the construction of multiple County buildings. Principal and interest on these bonds during 2015 amounted to approximately \$674,000 or 95% of the pledged revenue source.

Notes payable consist of the following:

\$1,500,000 loan from the Wyoming Business Council with interest at 1% due in annual installments of approximately \$159,000, matures December 2020. The loan was obtained for the construction of a parking lot and restrooms at Teton Village. \$ 931,883

Debt service requirements for notes payable are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 149,055	9,319	158,374
2017	150,546	7,828	158,374
2018	152,051	6,323	158,374
2019	153,572	4,802	158,374
2020	155,107	3,267	158,374
2021	<u>171,552</u>	<u>1,716</u>	<u>158,374</u>
Total	<u>\$ 931,883</u>	<u>33,255</u>	<u>950,244</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 7 - Long-Term Liabilities (continued)

Landfill Post-closure Liability

In previous years, the County operated a landfill. This landfill was closed and replaced with a solid waste transfer station where waste is consolidated into high-volume vehicles and transported to a landfill in a neighboring county. State and federal laws and regulations require that the County place and maintain a final cover on its closed landfill and perform ongoing maintenance and monitoring functions at the landfill site for 30 years after closure. In the Statement of Net Position, a liability is recorded based on the estimated future closure and post-closure costs that will be incurred under the current maintenance and monitoring requirements as established by the state and federal governments. Expense or gain is recorded based on changes in the estimated future closure, maintenance and monitoring liability. As of June 30, 2015, the estimated remaining closure and post-closure care liability is \$12,909,675.

The general fund has historically recorded the operating expenses related to these landfill closure and post-closure maintenance and monitoring activities. However, in fiscal year 2014, the County established a new capital projects fund intended to separately account for the closure and post-closure expenditures. This new fund, titled 2012 Landfill Closure Specific Tax Fund, receives restricted special purpose excise tax revenues as authorized by a November 2012 voter referendum. These revenues are specifically allocated to covering the cost of landfill closure and post closure activities as well as the cost of certain capital improvements to the solid waste transfer station located near the site of the landfill.

The State Department of Environmental Quality has communicated to the County that significant landfill site remediation activities are required based on the results returned from landfill site monitoring tests required to ensure that compliance with ground water quality standards are achieved. The County is engaged in ongoing efforts to carry-out the required remediation.

The actual cost of post-closure care may differ due to unexpected increases in the rate of inflation, changes in technology, or future changes in maintenance and monitoring laws and regulations. The estimate of post-closure care may also change to accommodate additional remediation activities that may be required based on the results of ongoing landfill site monitoring.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 7 - Long-Term Liabilities (continued)

Conduit debt:

The County has arranged conduit financing for a variety of projects within the County. These debt instruments are not obligations of the County. As such, no liability has been reported in the Statement of Net Position. Conduit debt consists of the following:

\$4,308,743 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due April 2025. The loan was obtained to finance the construction of the Wilson sewer project. \$ 2,416,669

\$2,853,676 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due December 2022. The loan was obtained to finance the expansion of the Teton Village Water and Sewer District wastewater treatment plant. 1,311,887

\$1,600,000 Development Revenue Bonds Series 2011 with interest at 4.03%, due August 2031. The bonds were issued to finance the construction of a building for Community Entry Services, Inc. 1,415,913

\$2,000,000 Development Revenue Bonds Series 2010 with interest at 2.92%, due November 2027. The bonds were issued to finance the construction of the Jackson Hole Community Counseling Center. 616,612

\$724,035 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due June 2022. The loan was obtained to finance the construction of a storm water collection and treatment facility within the Teton Village Improvement and Service District. 306,751

\$168,792 loan from the Wyoming State Loan and Investment Board with interest at 2.5%, due January 2026. The Loan was obtained to finance the construction of Phase II of the Teton Village Water and Sewer District wastewater treatment plant expansion project. 102,944

Total conduit debt \$ 6,170,776

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 7 - Long-Term Liabilities (continued)

*Business type activities:*

Changes to long-term liabilities are as follows:

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15	Due Within One Year
Compensated absences	\$ 36,973	44,367	(39,888)	41,452	25,000
Total long-term liabilities	\$ 36,973	44,367	(39,888)	41,452	25,000

*Component units:*

Changes to long-term liabilities are as follows:

	Balance 6/30/14	Additions	Reductions	Balance 6/30/15	Due Within One Year
<u>County Library</u>					
Compensated absences	\$ 97,000	53,000	(55,000)	95,143	95,143
Total County Library	97,000	53,000	(55,000)	95,143	95,143
<u>Weed and Pest</u>					
Notes payable	1,987,298	-	(102,623)	1,884,675	106,199
Compensated absences	57,350	10,601	-	67,951	67,951
Total Weed and Pest	2,044,648	10,601	(102,623)	1,952,626	174,150
<u>Housing Authority</u>					
Notes payable	-	2,408,626	-	2,408,626	63,000
Compensated absences	7,501	10,000	(10,000)	7,501	7,501
Total Housing Authority	7,501	2,418,626	(10,000)	2,416,127	70,501
Total long-term liabilities	\$ 2,149,149	2,482,227	(167,623)	4,463,896	339,794

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 7 - Long-Term Liabilities (continued)

Notes payable consist of the following:

\$2,000,000 Teton County Weed and Pest Control District note dated April 2013. Interest only payments during year one, at 4.875%. Years two and three payable in monthly installments of principal and interest, interest at 4.375%. Thereafter, monthly installments of principal and interest at prime rate, with a floor interest rate of 4.875%, maturing April 2023. \$ 1,884,675

\$3,000,000 Teton County Housing Authority loan from First Interstate Bank dated May 2014. Interest only payments during the first eighteen months at 2.72%. Thereafter, monthly installments of principal and interest at 4.73%, maturing May 2034. Note is secured by mortgage on real property. 2,406,343

\$420,000 Teton County Housing Authority loan from First Interstate bank dated April 2015. Interest only payments during the first six months at 2.72%. Thereafter, monthly installments of principal and interest at 4.06%, maturing April 2035. Note is secured by mortgage on real property. 2,283

\$ 4,293,301

Debt service requirements for notes payable are as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 169,199	169,617	338,816
2017	218,477	214,363	432,840
2018	226,601	198,787	425,388
2019	230,227	182,450	412,677
2020	241,095	165,306	406,401
2021-2023	<u>3,207,702</u>	<u>957,321</u>	<u>4,165,023</u>
Total	<u>\$ 4,293,301</u>	<u>1,887,844</u>	<u>6,181,145</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans

Defined Benefit Plans

The County participates in the Wyoming Retirement System (the "System"), a statewide cost-sharing multiple-employer public employee retirement system. The System is established and governed by the respective sections of Wyoming state statute. The statute provides for the administration of the System under the direction of the Wyoming State Retirement Board whose members are appointed by the Governor. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. A copy of the report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, Suite 500, Cheyenne, Wyoming 82002 or by calling 1-307-777-7691. Substantially all County employees are eligible to participate in following retirement plans offered by the System based upon eligibility and hiring status: 1) Public Employees Pension Plan; 2) Law Enforcement Pension Plan; 3) Paid Fireman's Pension Plan B; and 4) Wyoming Deferred Compensation Plan.

*Public Employees Pension Plan*

The Public Employees Pension Plan (PEPP) is a cost sharing multiple employer defined benefit, contributory retirement plan covering substantially all full-time employees of the County.

PEPP statutorily requires 15.87% of the participant's salary to be contributed to PEPP. Contributions consist of 8.25% of the participant's salary as employee contributions and 7.62% as employer contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion. Through legislation passed during the 2014 legislative session, two tiers of benefits were established for participants of this plan.

- Tier 1, PEPP allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 or 25 years of service but will result in a reduction of benefits based on the length of time remaining to age 60.
- Tier 2, PEPP allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 or more years of service but will result in a reduction of benefits based on the length of time remaining to age 65. All employees may also retire upon normal retirement on the bases that the sum of the member's age and service is at least 85.



TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through date of termination or, if they are vested, they may elect to remain in PEPP and be eligible for retirement benefits at age 50 (Tier 1 employees) and 60 (Tier 2 employees).

Contributions to PEPP for the year ended June 30, 2015 were \$1,354,444 for the County and \$253,544, \$29,517, and \$74,457 for the Library, Housing Authority, and Weed & Pest component units, respectively.

*Law Enforcement Pension Plan*

The Wyoming Law Enforcement Pension Plan (LEPP) is a cost sharing multiple employer defined benefit, contributory plan covering all law enforcement employees of the County.

The Plan statutorily requires participants to contribute 8.6% of their salary to LEPP and the employer is required to contribute 8.6% of each participant's salary.

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

Contributions to LEPP for the year ended June 30, 2015 were \$583,138.

*Paid Fireman's Pension Plan B*

The Wyoming Paid Firemen's Pension Plan (PFPP) is a cost sharing multiple employer defined benefit, contributory plan covering all firefighter employees of the County.

The Plan statutorily requires participants to contribute 9.245% of their salary to PFPP and the employer is required to contribute 12% of each participant's salary.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

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

Contributions to PFPP for the year ended June 30, 2015 were \$239,097.

*Wyoming Deferred Compensation Plan*

The Plan administered by the System is an IRS Section 457 Deferred Compensation Plan. This Plan is available as a supplemental plan to the defined benefit retirement plans. Contributions may be made into this Plan (subject to plan and Internal Revenue Code limitations) by employees and employer contributions may be made into this Plan at rates determined by the County. During 2015, employees did contribute to this Plan and the County elected not to make contributions to this Plan on behalf of participating employees.

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

*Governmental and Business-type Activities:*

At June 30, 2015, the County reported for the primary government a net pension liability of \$8,850,722, of which \$8,326,649 is related to governmental activities and \$524,073 is related to the County’s ISWR proprietary fund. At June 30, 2015, the County reported for the primary government a net pension asset of \$42,967, all of which is related to governmental activities.

	<u>Proportionate Share</u>	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
PEPP	0.466463%	\$ -	8,231,636
LEPP	2.101185%	-	619,086
PFPP - B	3.820583%	<u>42,967</u>	<u>-</u>
Total net pension asset / liability		<u>\$ 42,967</u>	<u>8,850,722</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

*Component Units:*

At June 30, 2015, the County reported for component units a net pension liability of \$2,347,817, of which \$1,647,440 is related to the Library, \$228,744 is related to the Housing Authority, and \$471,633 is related to the Weed & Pest.

<u>PEPP</u>	<u>Proportionate Share</u>	<u>Net Pension Liability</u>
Library	0.093356%	\$ 1,647,440
Housing Authority	0.012962%	228,744
Weed & Pest	0.026726%	471,633
 Total net pension liability		 \$ 2,347,817

The net pension liability and asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2014 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2014.

*Governmental and Business-type Activities:*

For the year ended June 30, 2015, the County recognized for the primary government pension expense of \$1,462,906. At June 30, 2015, the County reported for the primary government deferred outflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 1,016,797
Contributions subsequent to the measurement date	1,147,160
	\$ 2,163,957

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

Deferred outflows of resources related to pensions resulting from County contributions of \$1,147,160 made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Net Deferred Outflows of Resources
2016	\$ 254,199
2017	254,199
2018	254,199
2019	254,200
	\$ 1,016,797

*Component Units:*

For the year ended June 30, 2015, the County recognized for the Library, Housing Authority, and Weed & Pest component units pension expense of \$213,999, \$29,713, and \$61,264, respectively. At June 30, 2015, the County reported for the Library and Housing Authority component units deferred outflows of resources related to pensions from the following sources:

	Library Deferred Outflows of Resources	Housing Authority Deferred Outflows of Resources	Weed & Pest Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 135,076	18,755	36,528
Contributions subsequent to the measurement date	129,937	12,280	36,976
	\$ 265,013	31,035	73,504

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

Deferred outflows of resources related to pensions resulting from Library, Housing Authority, and Weed & Pest contributions of \$129,937, \$12,280, and \$36,976, respectively, made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Library Net Deferred Outflows of Resources	Housing Authority Net Deferred Outflows of Resources	Weed & Pest Net Deferred Outflows of Resources
2016	\$ 33,769	4,689	9,132
2017	33,769	4,689	9,132
2018	33,769	4,689	9,132
2019	33,769	4,688	9,132
	<u>\$ 135,076</u>	<u>18,755</u>	<u>36,528</u>

*Actuarial Assumptions*

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	PEPP	LEPP	PFPP
Projected salary increases, includes inflation	4.25% to 6.00%	4.25% to 8.00%	4.25% to 7.00%
Assumed inflation rate	3.25%	3.25%	3.25%
Investment Rate of Return	7.75%	7.75%	7.75%

Mortality rates were based on the RP-2000 Combined Mortality Table, fully generational, for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

*Discount Rate*

The discount rate used to measure the total pension liability for all plans was 7.75%. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Wyoming State Statutes. Based on those assumptions, the Systems' fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

<u>Asset Class</u>	<u>Allocation</u>	<u>30 Year Arithmetic Expected Real Return</u>	<u>Contribution to Total Fund Arithmetic Real Return</u>
Cash	3%	0.5%	0.01%
Fixed Income	15%	0.98%	0.15%
Equity	55%	6.66%	3.66%
Marketable Alternatives	16%	4.19%	0.65%
Private Markets	12%	7.13%	0.86%
Totals	100%		5.33%
Inflation			3.25%
Expected Arithmetic Rate of Return			8.58%

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 8 – Retirement Plans (continued)

*Governmental and Business-type Activities:*

	1% Decrease 6.75%	Discount Rate 7.75%	1% Increase 8.75%
<i>PEPP</i>			
Proportionate share of net pension liability	\$ 12,863,550	8,231,636	4,341,896

<i>LEPP</i>			
Proportionate share of net pension liability (asset)	\$ 2,161,654	619,086	(653,895)

<i>PFPP - B</i>			
Proportionate share of net pension liability (asset)	\$ 568,062	(42,967)	(552,147)

*Component Units:*

	1% Decrease 6.75%	Discount Rate 7.75%	1% Increase 8.75%
<i>PEPP - LB</i>			
Proportionate share of net pension liability	\$ 2,574,448	1,647,440	868,966

<i>PEPP - HA</i>			
Proportionate share of net pension liability	\$ 357,458	228,744	120,654

*Pension plan fiduciary net position*

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

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 9 - Net Position and Fund Equities

Implementation of GASB statements for participation in defined benefit plans, as previously noted, created a net position deficit. This is due to the recognition of the net pension liability which reduces unrestricted net position.

Net position of governmental activities includes certain amounts restricted by enabling legislation. As of June 30, 2015 net position restricted by enabling legislation totaled \$4,424,540, all of which related to energy mitigation fees collected by the County's planning and development office. These fees are required to be used on energy mitigation related capital projects.

During the fiscal year ended 2015, the County adopted resolution establishing three separate fund reserve policies: Operation Stabilization Reserve Policy (OSR), Special Revenue Fund Balance Policy (SRFB), and Emergency Reserve/Capital Projects Fund Policy (ERCP). The County Commissioners are the body authorized to establish such policies with administration of the policies by Teton County Clerk, Teton County Treasurer, and the Board of County Commissioner's Administrator. The Board of Commissioners may authorize the use of the reserves.

The OSR states the County will maintain a minimum of 2 ½ months of regular, on-going operating expenses (including transfers out) for the committed operation stabilization reserve. For purposes of this calculation, the total general fund operations expenses for the next fiscal year budget will be used. The County Clerk will calculate the OSR level during the annual budget process. Upon approval, the OSR may be used to allow time for the County to restructure its operations in a deliberate manner (as might be required in an economic downturn), but such use will only take place in the context of an adopted plan.

The SRFB states the County will maintain a minimum of 15% of prior year audited revenue excluding interfund transfer in special revenue funds. The minimum unassigned fund balance level will be calculated after the year-end audit. The SRFB excludes Parks and Recreation and ISWR funds, which maintain previously adopted policies.

The ERCP states the County will maintain a minimum of 20% of the total general fund revenues for the committed emergency capital reserve. For the purposes of this calculation, the total general fund revenues for the prior audited fiscal year will be utilized. The County Clerk will calculate the ERCP level after the year-end audit and prepare a budget amendment. If revenues decline, the ERCP amount will remain the same.



TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 10 – Operating Leases

*Governmental activities:*

The County leases office equipment under operating leases. Lease rental expenses under operating leases for the year ended June 30, 2015 was approximately \$57,900. Future minimum non-cancelable operating lease payments are approximately as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2016	\$ 54,200
2017	42,700
2018	25,400
2019	14,600
2020	<u>5,500</u>
	<u>\$ 142,400</u>

*Component units:*

Teton County Housing Authority leases office space to tenants. Lease rental revenues under operating leases for the year-ended June 30, 2015 were approximately \$170,000. Future minimum non-cancelable operating lease revenues are approximately as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2016	\$ 170,000
2017	122,000
2018	114,000
2019	<u>107,000</u>
	<u>\$ 513,000</u>

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 11 - Interfund Transfers

The County made the following interfund transfers:

<u>Purpose</u>	<u>Amount</u>	<u>Transfer in</u>	<u>Transfer out</u>
Capital purchases	\$ 3,200,000	Capital Projects Fund	General Fund
Operations and capital purchases	1,916,323	Non-Major Funds	General Fund
Operations and capital purchases	1,588,085	Parks and Rec Fund	General Fund
Program-specific funding	323,245	General Fund	Grants Fund
Operations	302,204	General Fund	Non-Major Funds
Operations	240,000	Parks and Rec Fund	Non-Major Funds
Operations	105,000	Non-Major Funds	Non-Major Funds
Operations	37,200	Building Corporation	General Fund

Note 12 – Related Party Transactions

During the year, the primary government contributed general appropriations of approximately \$2,904,000 to the Teton County Housing Authority. The primary government also paid for contract services of approximately \$7,000 to the Teton County Weed and Pest Control District.

Additionally, certain of the County’s component units pay monthly premiums to the County to participate in the County’s self-insured health insurance plan. During the year, the general fund received the following approximate amounts in health insurance premiums: \$561,000 from the Teton County Library Board, \$97,000 from the Teton County Weed and Pest Control District, and \$67,000 from the Teton County Housing Authority.

Related to the self-insured health insurance plan, the County funds administrative fees for component units and health-savings accounts of their participants. During the year, the general fund contributed the following approximate amounts on behalf of the component units: \$155,000 for the Teton County Library, \$25,000 for the Teton County Weed and Pest Control District and \$10,000 for the Teton County Housing Authority.

TETON COUNTY  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2015

Note 13 - Risk Management

The nature of the County's operations makes it susceptible to lawsuits, legal actions, and other judgments. The County is also subject to the risk of casualty and theft losses with respect to capital assets. The County mitigates its risk of material loss from these events through the purchase of liability and property insurance arranged through the Wyoming Association of Risk Management and the Wyoming Local Government Liability Pool. The County had no claim settlements over the past three years that exceeded its insurance coverage.

Note 14 – Commitments and Contingencies

*Governmental activities:*

The County has executed multiple contracts for the completion of the Highway 22 / West Broadway Pathways Project. The remaining expenditure commitment for services yet to be performed as of June 30, 2015 is approximately \$1,370,000. The total commitment amount is subject to adjustment for change orders and additional costs incurred by the contractors.

The County has a commitment with a consultant and contractor related to the landfill closure and redesign of the trash transfer station. The remaining expenditure commitment for services yet to be performed as of June 30, 2015 is approximately \$2,925,000.

*Business-type Activities:*

The Integrated Solid Waste and Recycling Fund has executed a multi-year contract for the provision of solid waste handling and transportation operations. The remaining expenditure commitment for services yet to be performed as of June 30, 2015 is approximately \$4,705,000 to be incurred over fiscal years 2016 through 2021. The total commitment amount is subject to adjustment for actual transport mileage incurred by the contractor.

*Component Units:*

The Housing Authority has executed multiple contracts for the design and construction of multiple phases of The Grove Affordable Housing Project. The remaining commitment for services yet to be performed as of June 30, 2015 is approximately \$9,848,000. The total commitment amount is subject to adjustment for change orders and additional costs incurred by the contractors.

Note 15 – Subsequent Events

On June 29, 2015, the Housing Authority entered into an agreement with First Interstate Bank for a construction loan of \$9,600,000 for phase two of The Grove Affordable Housing Project. Subsequent to June 30, 2015, approximately \$2,763,000 has been drawn to pay for design and construction services. Monthly interest payments at 3.06% are due until a balloon payment on August 1, 2017. Associated with the loan, the County pledged affordable housing fees in lieu collected monthly to First Interstate Bank. Subsequent to June 30, 2015, the County has transferred approximately \$1,220,000 in fees to the Housing Authority.

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## Required Supplementary Information

TETON COUNTY  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
<u>Taxes</u>				
Sales and use taxes	\$ 13,652,525	13,652,525	15,220,696	1,568,171
Property taxes	6,205,736	6,205,736	6,231,796	26,060
Payments in lieu of property tax	2,052,500	2,052,500	2,045,189	(7,311)
Gasoline tax	1,340,000	1,340,000	1,278,979	(61,021)
Lodging tax	307,736	307,736	342,210	34,474
Severance tax	210,000	210,000	213,021	3,021
Motor vehicle fees	620,000	620,000	729,555	109,555
Other taxes	10,000	10,000	11,191	1,191
Total taxes	<u>24,398,497</u>	<u>24,398,497</u>	<u>26,072,637</u>	<u>1,674,140</u>
<u>Other Revenues</u>				
Intergovernmental	732,200	815,305	833,316	18,011
Charges for services	1,875,863	1,953,720	1,881,804	(71,916)
Licenses and permits	1,694,095	3,516,224	4,151,015	634,791
Contributions	5,000	10,000	17,746	7,746
Miscellaneous	136,000	193,689	167,273	(26,416)
Total revenues	<u>28,841,655</u>	<u>30,887,435</u>	<u>33,123,791</u>	<u>2,236,356</u>
Expenditures:				
<u>Administration</u>				
General administration	4,192,910	4,357,051	2,832,828	1,524,223
County commissioners	902,284	934,034	821,986	112,048
County clerk	935,176	938,032	905,243	32,789
County treasurer	649,865	653,561	633,694	19,867
County assessor	540,297	556,797	466,925	89,872
Information systems	516,539	522,899	481,474	41,425
Facilities maintenance	1,045,118	1,056,867	992,924	63,943
Special projects	532,684	689,546	354,643	334,903
Total administration	<u>9,314,873</u>	<u>9,708,787</u>	<u>7,489,717</u>	<u>2,219,070</u>
<u>Community development</u>				
County planner	1,451,062	1,523,058	1,422,369	100,689
Community development	726,933	753,111	771,334	(18,223)
Special projects	7,200	7,200	4,500	2,700
Total community development	<u>2,185,195</u>	<u>2,283,369</u>	<u>2,198,203</u>	<u>85,166</u>

(continued)

TETON COUNTY  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>Health and human services</u>				
Public and environmental health	1,070,403	1,073,403	1,048,490	24,913
Human services	1,131,051	1,131,051	1,130,888	163
County coroner	128,604	150,710	145,947	4,763
Agricultural extension	178,152	178,232	169,538	8,694
WIC program	45,276	45,276	44,323	953
Health officer	7,230	7,230	6,930	300
Special projects	24,000	24,000	24,120	(120)
Total health and human services	<u>2,584,716</u>	<u>2,609,902</u>	<u>2,570,236</u>	<u>39,666</u>
<u>Justice</u>				
County attorney	977,426	1,003,626	980,338	23,288
Clerk of district court	742,749	743,549	634,866	108,683
Circuit court	42,822	42,822	40,230	2,592
Total justice	<u>1,762,997</u>	<u>1,789,997</u>	<u>1,655,434</u>	<u>134,563</u>
<u>Infrastructure</u>				
Road and bridge	1,523,163	1,693,703	1,601,189	92,514
County engineer	506,831	512,956	450,861	62,095
Pathways	1,309,917	1,981,211	327,184	1,654,027
Special projects	401,413	401,413	232,810	168,603
Total infrastructure	<u>3,741,324</u>	<u>4,589,283</u>	<u>2,612,044</u>	<u>1,977,239</u>
<u>Public safety</u>				
County sheriff	5,333,972	5,348,038	4,652,539	695,499
Board of prisoners and jail	1,612,171	1,612,171	1,350,621	261,550
Emergency management	268,437	268,458	217,888	50,570
Special projects	674,402	712,029	561,526	150,503
Total public safety	<u>7,888,982</u>	<u>7,940,696</u>	<u>6,782,574</u>	<u>1,158,122</u>
<u>Debt Service</u>				
Principal	600,000	600,000	600,000	-
Interest and fiscal charges	73,800	73,800	73,800	-
Total debt service	<u>673,800</u>	<u>673,800</u>	<u>673,800</u>	<u>-</u>
Total expenditures	<u>28,151,887</u>	<u>29,595,834</u>	<u>23,982,008</u>	<u>5,613,826</u>
Revenues over (under) expenditures	<u>689,768</u>	<u>1,291,601</u>	<u>9,141,783</u>	<u>7,850,182</u> (continued)

TETON COUNTY  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other financing sources (uses):				
Transfer from grants fund	292,056	322,056	323,245	1,189
Transfer from fire / EMS fund	244,460	244,460	152,954	(91,506)
Transfer from E911 fund	149,250	149,250	149,250	-
Transfer to fire / EMS fund	(1,591,521)	(1,591,521)	(1,495,323)	96,198
Transfer to parks and recreation fund	(1,708,268)	(1,708,268)	(1,588,085)	120,183
Transfer to building corporation	(37,200)	(37,200)	(37,200)	-
Transfer to housing authority fund	(421,000)	(421,000)	(421,000)	-
Transfer to capital projects fund	<u>(2,783,382)</u>	<u>(3,200,000)</u>	<u>(3,200,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(5,855,605)</u>	<u>(6,242,223)</u>	<u>(6,116,159)</u>	<u>126,064</u>
Change in fund balance	\$ <u>(5,165,837)</u>	<u>(4,950,622)</u>	3,025,624	<u>7,976,246</u>
Fund balance - July 1			<u>19,047,561</u>	
Fund balance - June 30			\$ <u>22,073,185</u>	



TETON COUNTY  
BUDGETARY COMPARISON SCHEDULE  
PARKS AND RECREATION FUND  
Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 632,886	639,440	606,219	(33,221)
Charges for services	3,129,935	3,141,052	2,891,331	(249,721)
Licenses and Permits	130,000	130,000	24,650	(105,350)
Contributions	49,700	49,700	29,090	(20,610)
Miscellaneous	6,500	13,851	26,000	12,149
	<u>3,949,021</u>	<u>3,974,043</u>	<u>3,577,290</u>	<u>(396,753)</u>
Expenditures:				
Parks and recreation	<u>5,897,309</u>	<u>5,914,490</u>	<u>5,375,002</u>	<u>539,488</u>
	<u>5,897,309</u>	<u>5,914,490</u>	<u>5,375,002</u>	<u>539,488</u>
Deficiency of revenues over expenditures	<u>(1,948,288)</u>	<u>(1,940,447)</u>	<u>(1,797,712)</u>	<u>142,735</u>
Other financing sources:				
Transfer from general fund	1,708,288	1,708,288	1,588,085	(120,203)
Transfer from lodging tax fund	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>-</u>
Total other financing sources	<u>1,948,288</u>	<u>1,948,288</u>	<u>1,828,085</u>	<u>(120,203)</u>
Change in fund balance	<u>\$ -</u>	<u>7,841</u>	30,373	<u>22,532</u>
Fund balance - July 1			<u>255,342</u>	
Fund balance - June 30			<u>\$ 285,715</u>	

TETON COUNTY  
BUDGETARY COMPARISON SCHEDULE  
GRANTS FUND  
Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 2,691,821	3,120,819	1,865,916	(1,254,903)
Total revenues	<u>2,691,821</u>	<u>3,120,819</u>	<u>1,865,916</u>	<u>(1,254,903)</u>
Expenditures:				
Administration	57,999	57,999	54,879	3,120
Community development	-	23,164	23,164	-
Health and human services	100,916	258,388	177,869	80,519
Infrastructure	1,804,877	1,796,273	1,004,773	791,500
Parks and recreation	-	-	28,617	(28,617)
Public safety	434,171	687,268	282,402	404,866
Total expenditures	<u>2,397,963</u>	<u>2,823,092</u>	<u>1,571,704</u>	<u>1,251,388</u>
Excess of revenues over expenditures	<u>293,858</u>	<u>297,727</u>	<u>294,212</u>	<u>(3,515)</u>
Other financing uses:				
Transfer to general fund	<u>(293,858)</u>	<u>(297,727)</u>	<u>(294,212)</u>	<u>3,515</u>
Total other financing uses	<u>(293,858)</u>	<u>(297,727)</u>	<u>(294,212)</u>	<u>3,515</u>
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - July 1			<u>8,516</u>	
Fund balance - June 30			<u>\$ 8,516</u>	

TETON COUNTY  
BUDGETARY COMPARISON SCHEDULE  
2012 LANDFILL CLOSURE SPECIFIC TAX FUND  
Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 11,005,385	11,005,385	8,510,262	(2,495,123)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>14,347</u>	<u>9,347</u>
Total revenues	<u>11,010,385</u>	<u>11,010,385</u>	<u>8,524,609</u>	<u>(2,485,776)</u>
Expenditures:				
Infrastructure	<u>77,000</u>	<u>774,100</u>	<u>460,184</u>	<u>313,916</u>
Total expenditures	<u>77,000</u>	<u>774,100</u>	<u>460,184</u>	<u>313,916</u>
Excess of revenues over expenditures	\$ <u>10,933,385</u>	<u>10,236,285</u>	8,064,425	<u>(2,171,860)</u>
Fund balance - July 1			<u>800,856</u>	
Fund balance - June 30			\$ <u>8,865,281</u>	

TETON COUNTY  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PRIMARY GOVERNMENT  
December 31, 2014

	<u>Public Employee Pension Plan</u>	<u>Law Enforcement Pension Plan</u>	<u>Paid Fireman's Pension Plan B</u>
Proportion of the net pension liability	0.466463%	2.101185%	3.820583%
Proportionate share of the net pension liability (asset)	\$ 8,231,636	619,086	(42,967)
Covered employee payroll	\$ 7,791,267	3,252,244	1,006,802
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	106%	19.04%	-4.27%
Plan fiduciary net position as a percentage of the total pension liability	79.08%	94.76%	100.98%

TETON COUNTY  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
COMPONENT UNITS  
December 31, 2014

	Library Public Employee Pension Plan	Housing Authority Public Employee Pension Plan	Weed & Pest Public Employee Pension Plan
Proportion of the net pension liability	0.093356%	0.012962%	0.026726%
Proportionate share of the net pension liability (asset) \$	1,647,440	228,744	471,633
Covered employee payroll \$	1,559,307	216,509	464,377
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	106%	106%	102%
Plan fiduciary net position as a percentage of the total pension liability	79.08%	79.08%	81.10%

TETON COUNTY  
SCHEDULE OF CONTRIBUTIONS  
PRIMARY GOVERNMENT  
Year Ended June 30, 2015

	<u>Public Employee Pension Plan</u>	<u>Law Enforcement Pension Plan</u>	<u>Paid Fireman's Pension Plan B</u>
Contractually required contribution	\$ 1,354,444	583,138	239,097
Contributions in relation to the contractually required contribution	<u>1,354,444</u>	<u>583,138</u>	<u>239,097</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 8,534,619	3,390,337	1,125,427
Contributions as a percentage of covered employee payroll	15.87%	17.20%	21.25%

TETON COUNTY  
SCHEDULE OF CONTRIBUTIONS  
COMPONENT UNITS  
Year Ended June 30, 2015

	Library Public Employee Pension Plan	Housing Authority Public Employee Pension Plan	Weed & Pest Public Employee Pension Plan
Contractually required contribution	\$ 253,544	29,517	74,457
Contributions in relation to the contractually required contribution	<u>253,544</u>	<u>29,517</u>	<u>74,457</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 1,597,631	185,992	469,168
Contributions as a percentage of covered employee payroll	15.87%	15.87%	15.87%

TETON COUNTY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2015

**Budget Presentation**

A Budgetary Comparison Schedule is presented for the General Fund and each major special revenue fund as required by generally accepted accounting principles (GAAP). Budgets for governmental funds are adopted on a GAAP basis except for instances in which capital assets are purchased through issuance of debt.

Annual appropriated budgets are adopted for the general fund and all special revenue funds as required by state law. All annual appropriations lapse at fiscal year-end. The Board of County Commissioners may authorize increases to or uses of fund balances. In the budget presentation, authorized increases to fund balance are shown as positive changes in fund balance and authorized decreases are shown as negative changes in fund balance.

**Budget Adoption and Monitoring**

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 prior to the third Monday in July to obtain public comments. The budget is adopted within 24 hours of the public hearing, or by the third Tuesday of July.

The total budget for any individual department may be amended only upon a motion made by the Board of County Commissioners. After the publication of notice, the Board of County Commissioners may by resolution transfer any unexpended appropriation balance or part thereof from one fund or department to another.

Formal budgetary integration is employed as a management control device during the year for all governmental funds. In the General fund, the legal level of expenditure control for budgetary purposes is the department level. Management may over-expend an object line item within a department without seeking a formal amendment from the Board of County Commissioners provided the total department budget is not over-expended.

In all governmental funds other than the General fund, the legal level of expenditure control for budgetary purposes is the total fund expenditures level. Management may over-expend an object line item within a fund without seeking a formal amendment from the Board of County Commissioners provided the total fund expenditures budget is not over-expended.

**Budgetary Compliance**

For the year ended June 30, 2015, the County was compliant with all budgets, with no departments or funds exceeding budgeted expenditures.

**Note to the Schedule of Contributions**

Generally accepted accounting standards require the presentation of 10 years of this required supplementary information. Transition provisions in the initial adoption of the accounting standard indicate that information should be presented for as many years as are available. The County determined that it is not practicable to provide information prior to 2014.



## Supplementary Information

TETON COUNTY  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
June 30, 2015

	Special Revenue Funds						
	Special Fire	Fire/EMS	Enhanced 911	Housing Authority	Roads	Lodging Tax	County Fair
Assets:							
Pooled cash and cash equivalents	\$ 1,441,474	778,897	905,257	1,048,935	2,103,849	410,486	837,086
Cash and cash equivalents	-	-	-	-	-	-	2,014
Accounts receivable	-	108,591	46,102	-	-	-	-
Taxes receivable	424,754	-	-	-	-	-	630,250
Due from other governments	68,076	-	-	-	83,714	155,997	18,539
Due from other funds	-	48,390	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	8,661
<b>Total assets</b>	<b>1,934,304</b>	<b>935,878</b>	<b>951,359</b>	<b>1,048,935</b>	<b>2,187,563</b>	<b>566,483</b>	<b>1,496,550</b>
Liabilities:							
Accounts payable and accrued liabilities	48,205	53,374	3,117	-	208,954	-	111,486
Due to other funds	-	14,595	-	-	-	-	-
Unearned revenue	-	395	-	-	-	-	56,867
<b>Total liabilities</b>	<b>48,205</b>	<b>68,364</b>	<b>3,117</b>	<b>-</b>	<b>208,954</b>	<b>-</b>	<b>168,353</b>
Deferred inflows of resources:							
Revenues for future periods	421,857	-	-	-	-	-	626,487
<b>Total deferred inflows of resources</b>	<b>421,857</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>626,487</b>
Fund balances:							
Nonspendable:							
Prepaid expenses	-	-	-	-	-	-	8,661
Restricted for:							
Capital projects	-	-	-	1,048,935	-	-	-
Infrastructure	-	-	-	-	1,978,609	-	-
Public safety	1,464,242	-	948,242	-	-	-	-
Community development	-	-	-	-	-	566,483	-
Committed for:							
Public safety	-	867,514	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	693,049
<b>Total fund balances</b>	<b>1,464,242</b>	<b>867,514</b>	<b>948,242</b>	<b>1,048,935</b>	<b>1,978,609</b>	<b>566,483</b>	<b>701,710</b>
<b>Total liabilities, deferred inflows of resources and fund balances \$</b>	<b>1,934,304</b>	<b>935,878</b>	<b>951,359</b>	<b>1,048,935</b>	<b>2,187,563</b>	<b>566,483</b>	<b>1,496,550</b>

TETON COUNTY  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
June 30, 2015

Capital Projects Fund								Total Non-major Governmental Funds
2006 Daycare Specific Tax Fund	2006 Trash Transfer Specific Tax Fund	2008 Pathways Specific Tax Fund	2010 Pathways Specific Tax Fund	2010 Wilson Specific Tax Fund	2010 Parks & Recreation Specific Tax Fund	2010 County Fair Specific Tax Fund	2012 Pathways Specific Tax Fund	
1,413,907	1,392,842	-	122,388	621,395	796,797	224,898	3,347,484	15,445,695
-	-	-	-	-	-	-	-	2,014
-	-	-	-	-	-	-	-	154,693
-	-	-	-	-	-	-	-	1,055,004
-	-	-	-	-	-	-	-	326,326
-	-	-	-	-	-	-	-	48,390
-	-	-	-	-	-	-	-	8,661
<u>1,413,907</u>	<u>1,392,842</u>	<u>-</u>	<u>122,388</u>	<u>621,395</u>	<u>796,797</u>	<u>224,898</u>	<u>3,347,484</u>	<u>17,040,783</u>
40,000	-	-	1,374	174,852	76,664	162,763	866,853	1,747,642
-	-	-	-	-	-	-	-	14,595
-	-	-	-	-	-	-	-	57,262
<u>40,000</u>	<u>-</u>	<u>-</u>	<u>1,374</u>	<u>174,852</u>	<u>76,664</u>	<u>162,763</u>	<u>866,853</u>	<u>1,819,499</u>
-	-	-	-	-	-	-	-	1,048,344
-	-	-	-	-	-	-	-	1,048,344
-	-	-	-	-	-	-	-	8,661
1,373,907	1,392,842	-	121,014	446,543	720,133	62,135	2,480,631	7,646,140
-	-	-	-	-	-	-	-	1,978,609
-	-	-	-	-	-	-	-	2,412,484
-	-	-	-	-	-	-	-	566,483
-	-	-	-	-	-	-	-	867,514
-	-	-	-	-	-	-	-	693,049
<u>1,373,907</u>	<u>1,392,842</u>	<u>-</u>	<u>121,014</u>	<u>446,543</u>	<u>720,133</u>	<u>62,135</u>	<u>2,480,631</u>	<u>14,172,940</u>
<u>1,413,907</u>	<u>1,392,842</u>	<u>-</u>	<u>122,388</u>	<u>621,395</u>	<u>796,797</u>	<u>224,898</u>	<u>3,347,484</u>	<u>17,040,783</u>

TETON COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2015

	Special Revenue Funds						
	Special Fire	Fire/EMS	Enhanced 911	Housing Authority	Roads	Lodging Tax	County Fair
Revenues:							
Taxes	\$ 440,561	-	-	-	618,930	1,026,629	697,205
Intergovernmental	32,000	-	-	-	242,571	-	-
Charges for services	414,487	1,471,839	293,716	1,116,542	-	-	451,428
Contributions	2,740	194,693	-	-	-	-	15,500
Miscellaneous	23,777	76,273	3,662	6,102	8,061	2,549	3,561
Total revenues	913,565	1,742,805	297,378	1,122,644	869,562	1,029,178	1,167,694
Expenditures:							
Community development	-	-	-	2,903,999	-	-	-
Infrastructure	-	-	-	-	1,097,797	530,847	-
Parks and recreation	-	-	-	-	-	169,189	1,013,592
Public safety	1,002,516	3,125,055	58,746	-	-	-	-
Total expenditures	1,002,516	3,125,055	58,746	2,903,999	1,097,797	700,036	1,013,592
Excess (deficiency) of revenues over expenditures	(88,951)	(1,382,250)	238,632	(1,781,355)	(228,235)	329,142	154,102
Other financing sources (uses):							
Transfers in (out)	-	1,447,369	(149,250)	421,000	-	(345,000)	-
Total other financing sources (uses)	-	1,447,369	(149,250)	421,000	-	(345,000)	-
Change in fund balance	(88,951)	65,119	89,382	(1,360,355)	(228,235)	(15,858)	154,102
Fund balance - July 1	1,553,193	802,395	858,860	2,409,290	2,206,844	582,341	547,608
Fund balance - June 30	\$ 1,464,242	867,514	948,242	1,048,935	1,978,609	566,483	701,710

TETON COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2015

Capital Projects Fund								Total Non-major Governmental Funds
2006 Daycare Specific Tax Fund	2006 Trash Transfer Specific Tax Fund	2008 Pathways Specific Tax Fund	2010 Pathways Specific Tax Fund	2010 Wilson Specific Tax Fund	2010 Parks & Recreation Specific Tax Fund	2010 County Fair Specific Tax Fund	2012 Pathways Specific Tax Fund	
-	-	-	-	-	-	-	3,594,812	6,378,137
-	-	-	-	-	-	-	-	274,571
-	-	-	-	-	-	-	-	3,748,012
-	-	-	-	-	-	-	-	212,933
5,922	5,687	681	517	3,002	3,551	3,184	10,574	157,103
5,922	5,687	681	517	3,002	3,551	3,184	3,605,386	10,770,756
80,000	-	-	-	-	-	-	-	2,983,999
-	-	544,362	6,939	-	-	950,205	1,830,476	4,960,626
-	-	-	-	362,332	171,166	-	-	1,716,279
-	-	-	-	-	-	-	-	4,186,317
80,000	-	544,362	6,939	362,332	171,166	950,205	1,830,476	13,847,221
(74,078)	5,687	(543,681)	(6,422)	(359,330)	(167,615)	(947,021)	1,774,910	(3,076,465)
-	-	-	-	-	-	-	-	1,374,119
-	-	-	-	-	-	-	-	1,374,119
(74,078)	5,687	(543,681)	(6,422)	(359,330)	(167,615)	(947,021)	1,774,910	(1,702,346)
1,447,985	1,387,155	543,681	127,436	805,873	887,748	1,009,156	705,721	15,875,286
1,373,907	1,392,842	-	121,014	446,543	720,133	62,135	2,480,631	14,172,940

TETON COUNTY  
COMBINING STATEMENT OF NET POSITION  
TETON COUNTY LIBRARY AND TETON COUNTY LIBRARY FOUNDATION  
June 30, 2015

	<u>Teton County Library</u>	<u>Teton County Library Foundation</u>	<u>Total Teton County Library</u>
Assets:			
Cash and cash equivalents	\$ 2,193,953	669,825	2,863,778
Investments	-	5,401,581	5,401,581
Taxes receivable	3,537,227	-	3,537,227
Other receivables	154	-	154
Due from other governments	1,002	-	1,002
Inventory	686	-	686
Capital assets	1,055,256	-	1,055,256
Accumulated depreciation	(483,300)	-	(483,300)
Total assets	<u>6,304,978</u>	<u>6,071,406</u>	<u>12,376,384</u>
Deferred outflows of resources:			
Pensions	<u>265,013</u>	<u>-</u>	<u>265,013</u>
Total deferred outflows of resources	<u>265,013</u>	<u>-</u>	<u>265,013</u>
Liabilities:			
Accounts payable and accrued liabilities	92,287	86,902	179,189
Long-term liabilities:			
Due within one year	95,143	-	95,143
Net pension liability	<u>1,647,440</u>	<u>-</u>	<u>1,647,440</u>
Total liabilities	<u>1,834,870</u>	<u>86,902</u>	<u>1,921,772</u>
Deferred inflows of resources:			
Revenues for future periods	<u>3,259,000</u>	<u>-</u>	<u>3,259,000</u>
Total deferred inflows of resources	<u>3,259,000</u>	<u>-</u>	<u>3,259,000</u>
Net position:			
Net investment in capital assets	571,956	-	571,956
Restricted for capital projects	154,640	-	154,640
Restricted for permanent endowment - non expendable	-	2,903,685	2,903,685
Unrestricted	<u>749,525</u>	<u>3,080,819</u>	<u>3,830,344</u>
Total net position	<u>\$ 1,476,121</u>	<u>5,984,504</u>	<u>7,460,625</u>

TETON COUNTY  
COMBINING STATEMENT OF ACTIVITIES  
TETON COUNTY LIBRARY AND TETON COUNTY LIBRARY FOUNDATION  
Year Ended June 30, 2015

	<u>Teton County Library</u>	<u>Teton County Library Foundation</u>	<u>Total Teton County Library</u>
Expenses	\$ 3,493,328	557,952	4,051,280
Program revenues:			
Charges for services	46,242	-	46,242
Operating grants and contributions	6,910	1,163,090	1,170,000
Total program revenues	53,152	1,163,090	1,216,242
Net (expenses) revenues	(3,440,176)	605,138	(2,835,038)
General revenues:			
Property taxes	3,468,553	-	3,468,553
Investment income	4,752	57,126	61,878
Miscellaneous	1,767	-	1,767
Total general revenues and special item	3,475,072	57,126	3,532,198
Change in net position	34,896	662,264	697,160
Net position – beginning, as restated	1,441,225	5,322,240	6,763,465
Net position – ending	\$ 1,476,121	5,984,504	7,460,625

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Teton County Court Supervised Treatment Program  
Required Financial Reporting

TETON COUNTY COURT SUPERVISED TREATMENT PROGRAM  
SCHEDULE OF FINANCIAL POSITION  
June 30, 2015

Assets:		
Accounts receivable		\$ <u>27,854</u>
Total assets		<u>27,854</u>
Liabilities:		
Payable to general fund pooled cash	10,275	
Accounts payable	<u>17,579</u>	
Total liabilities		<u>27,854</u>
Fund balance		<u>-</u>
Total liabilities and fund balance		\$ <u>27,854</u>

TETON COUNTY COURT SUPERVISED TREATMENT PROGRAM  
SCHEDULE OF ACTIVITIES AND FUNCTIONAL EXPENSES  
Year Ended June 30, 2015

Revenues:

State grants	\$ 95,569
Contributions from Teton County	14,335
Contributions from Town of Jackson	22,205
Client fees	<u>2,720</u>
 Total revenues	 <u>134,829</u>

Expenses:

Administrative	54,682
Treatment and supervision	77,238
Travel and training	<u>2,909</u>
 Total expenses	 <u>134,829</u>

Net change in fund balance \$ -

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## Governmental Audit Reports

TETON COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Contract Number	Expenditures
<u>U.S. Department of Agriculture (USDA)</u>			
Passed through Wyoming Department of Health: Special Supplemental Nutrition Program For WIC	10.557	None	\$ 44,056
Passed through Wyoming State Forestry Division: Snake River Ranch Wildfire Reduction & Mitigation	10.664	11-DG-11046000-619	2,000
Fire Training	10.664	13-DG-11020000-036	<u>30,000</u>
Total USDA			<u>76,056</u>
<u>U.S. Department of the Interior (DOI)</u>			
Passed through Wyoming Game and Fish Commission: South Park Boat Ramp	15.605	001956	581,554
Passed through Wyoming Department of State Parks: SHPO - Teton County Hotels/Motels Historic Context	15.904	56-14-02	<u>3,164</u>
Total DOJ			<u>584,718</u>
<u>U.S. Department of Justice (DOJ)</u>			
Passed through Volunteers of America Northern Rockies: Juvenile Justice Delinquency Prevention	16.540	2011-JF-FX-K006	7,867
Juvenile Justice Delinquency Prevention	16.540	2013-JF-FX-K006	17,786
Passed through Wyoming Department of Family Services: Title V Community Prevention	16.548	None	6,797
Passed through Wyoming Sheriff's Association: Enforce Underage Drinking Laws 2014	16.727	None	<u>2,901</u>
Total DOJ			<u>35,351</u>
<u>U.S. Department of Transportation (DOT)</u>			
Passed through Wyoming Department of Transportation: Highway Planning and Construction Cluster: Congestion Mitigation/Air Quality	20.205	CM13012	50,000
WYDOT ITP HPR2214	20.205	HPR2214	<u>20,000</u>
Total Highway Planning and Construction Cluster			<u>70,000</u>

TETON COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Contract Number	Expenditures
Highway Safety Cluster:			
Bureau of Justice Assistance - DUI/Speed	20.600	410 FY2014	9,956
Total Highway Safety Cluster			<u>9,956</u>
Passed through Wyoming Department of State Parks:			
Trail Grooming Grant	20.219	NRT#1422	22,840
Total DOT			<u>102,796</u>
<u>U.S. Department of Health and Human Services (HHS)</u>			
Passed through Wyoming Department of Family Services:			
Temporary Assistance For Needy Families Cluster:			
Temporary Assistance for Needy Families - HS (Climb) 2014	93.558	None	12,450
Temporary Assistance for Needy Families - HS (Climb) 2015	93.558	None	78,491
Temporary Assistance for Needy Families - PH 2015	93.558	None	45,924
Total Temporary Assistance for Needy Families Cluster			<u>136,865</u>
Passed through Wyoming Department of Health:			
All Hazards - 2014	93.069	None	1,540
All Hazards - 2015	93.069	None	68,688
All Hazards - CHO 2015	93.069	None	9,600
Community Services Block Cluster:			
WY Rural & Frontier Health CSBG Tripartite	93.569	CSBG.TTN1416	32,997
WY Rural & Frontier Health CSBG Tripartite	93.569	CSBG.TTN1516	29,943
Total Community Services Block Cluster			<u>62,940</u>
Total HHS			<u>279,633</u>
<u>U.S. Department of Homeland Security (DHS)</u>			
Passed through Wyoming Office of Homeland Security:			
Homeland Security Cluster:			
FY2012 Homeland Security (HSGP)	97.067	12-GPD-TET-SC-HSG12	9,486
FY2013 Fire/EMS Regional Response Team	97.067	13-GPD-RR8-RR-HRT13	95,971
FY2013 Homeland Security (HSGP)	97.067	13-GPD-TET-SC-HSG13	39,530
FY2013 Homeland Security (Coroner)	97.067	13-GPD-TET-LC-HLC13	2,756
FY2014 Homeland Security (Coroner)	97.067	14-GPD-TET-LC-HLC14	550
FY2013 Law Enforcement (LETPA) - SO	97.067	12-GPD-TET-LS-HLE12	9,091
FY2013 Law Enforcement (LETPA) - SO	97.067	13-GPD-TET-LS-HLE13	10,901
FY2014 Law Enforcement (LETPA) - SO	97.067	14-GPD-TET-LS-HLE14	10,576
FY2014 Homeland Security (HSGP)	97.067	14-GPD-TET-SC-HSG14	17,371
FY2014 Homeland Security (Bomb Team)	97.067	14-GPD-BT5-BM-HMB14	1,357
FY2014 Fire/EMS Regional Response Team	97.067	14-GPD-RR8-RR-HRT14	30
Total Homeland Security Cluster			<u>197,619</u>
FY2013 Hazard Mitigation Competitive Grant	97.047	13FEMA-TET-PD-PDMT13	19,029
FY2014 Emergency Management Performance Grant	97.042	14-GPD-TET-EM-GCF14	30,000
Total DHS			<u>246,648</u>
Total Expenditures of Federal Awards			<u>\$ 1,325,202</u>

TETON COUNTY  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2015

Note 1 – Purpose of the Schedule

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is required by the U.S. Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

Note 2 – Significant Accounting Policies

Basis of Accounting

The information in the Schedule is presented in accordance with OMB Circular A-133. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

CFDA Numbers

OMB Circular A-133 requires that the Schedule show the total expenditures for each of the entity's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Each program included in the CFDA is assigned a five-digit program identification number (CFDA number).

Major Programs

OMB Circular A-133 establishes the levels of expenditures or expenses and other criteria to be used in defining major programs. Major programs have been noted in the Schedule of Findings and Questioned Costs in accordance with those definitions.



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

To the Board of County Commissioners  
Teton County  
Jackson, Wyoming

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Teton County, Wyoming (the County) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 4, 2015. Our report includes a reference to other auditors who audited the financial statements of Teton County Weed and Pest Control District (a discretely presented component unit), and Teton County Building Corporation (a blended component unit), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control Over Financial Reporting**

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

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

or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

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

### **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.



JONES SIMKINS LLC

Logan, Utah

December 4, 2015



Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of County Commissioners  
Teton County  
Jackson, Wyoming

**Report on Compliance for Each Major Federal Program**

We have audited Teton County, Wyoming's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2015. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



JONES SIMKINS LLC  
Logan, Utah  
December 4, 2015

TETON COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2015

A. Summary of Auditors' Results

- |    |  |   |
|----|--|---|
| 1. | Type of Report issued:   | Unmodified  |
| 2. | Internal control over financial reporting:<br>Material weaknesses identified:                                      | No  |
|    | Significant deficiencies identified that were not considered to be material weaknesses:                            | No  |
| 3. | Non-compliance material to financial statements noted:   | No  |
| 4. | Internal control over major programs:<br>Material weaknesses identified:   | No  |
|    | Significant deficiencies identified that were not considered to be material weaknesses:                            | No  |
| 5. | Type of auditor's report issued on compliance for major programs:  | Unmodified  |
| 6. | Any audit findings disclosed that are required to be reported in accordance with section 510(d) of Circular A-133: | None  |
| 7. | Federal programs tested as major programs:   | Sport & Fish Restoration Program<br>CFDA # 15.605 |
| 8. | Dollar threshold used to distinguish between Type A and Type B programs:   | \$ 300,000  |
| 9. | Auditee qualification as high or low risk:   | Low   |

TETON COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2015

- B. Findings related to the financial statements required to be reported in accordance with *Government Auditing Standards*

None

- C. Findings and Questioned Costs Related to Federal Awards Required to be reported in Accordance with OMB Circular A-133

None

TETON COUNTY  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
(Client Submitted Document)  
Year Ended June 30, 2015

None required as there were no findings or questioned costs related to federal awards required to be reported in accordance with OMB Circular A-133 in the prior year.