

TETON COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Assets:		
Current assets:		
Pooled cash and cash equivalents	\$ 2,661,186	2,661,186
Accounts receivable	404,074	404,074
Due from other governments	28,928	28,928
Total current assets	<u>3,094,188</u>	<u>3,094,188</u>
Non-current assets:		
Capital assets	6,398,529	6,398,529
Accumulated depreciation	(1,345,861)	(1,345,861)
Total non-current assets	<u>5,052,668</u>	<u>5,052,668</u>
Total assets	<u>8,146,856</u>	<u>8,146,856</u>
Deferred outflows of resources		
Pensions	302,501	302,501
Total deferred outflows of resources	<u>302,501</u>	<u>302,501</u>
Liabilities:		
Current liabilities:		
Accounts payable and accrued liabilities	412,572	412,572
Unearned revenues	30,000	30,000
Long-term liabilities, due within one year	28,000	28,000
Total current liabilities	<u>470,572</u>	<u>470,572</u>
Long-term liabilities, due in more than one year	10,515	10,515
Net pension liability	972,217	972,217
Total non-current liabilities	<u>982,732</u>	<u>982,732</u>
Total liabilities	<u>1,453,304</u>	<u>1,453,304</u>
Deferred inflows of resources		
Pensions	24,416	24,416
Total deferred inflows of resources	<u>24,416</u>	<u>24,416</u>
Net position:		
Net investment in capital assets	5,052,668	5,052,668
Unrestricted	1,918,969	1,918,969
Total net position	<u>\$ 6,971,637</u>	<u>6,971,637</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, 2019

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Operating revenues:		
Charges for services	\$ 4,977,361	4,977,361
Materials sales	387,212	387,212
Miscellaneous	135,624	135,624
Total operating revenues	<u>5,500,197</u>	<u>5,500,197</u>
Operating expenses:		
Salaries and benefits	1,137,271	1,137,271
Current expenses	4,214,009	4,214,009
Depreciation	258,451	258,451
Total operating expenses	<u>5,609,731</u>	<u>5,609,731</u>
Operating loss	<u>(109,534)</u>	<u>(109,534)</u>
Non-operating income:		
Grants and contributions	132,589	132,589
Investment income	45,896	45,896
Total non-operating income	<u>178,485</u>	<u>178,485</u>
Change in net position	68,951	68,951
Net position - beginning	<u>6,902,686</u>	<u>6,902,686</u>
Net position - ending	<u>\$ 6,971,637</u>	<u>6,971,637</u>

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

TETON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2019

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Cash flows from operating activities:		
Receipts from customers and users	\$ 5,484,442	5,484,442
Payments to suppliers	(4,206,089)	(4,206,089)
Payments to employees	(1,024,843)	(1,024,843)
Net cash provided by operating activities	<u>253,510</u>	<u>253,510</u>
Cash flows from non-capital financing activities:		
Receipts from operating grants and contributions	<u>142,710</u>	<u>142,710</u>
Net cash provided by non-capital financing activities	<u>142,710</u>	<u>142,710</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	<u>(48,345)</u>	<u>(48,345)</u>
Net cash used in capital and related financing activities	<u>(48,345)</u>	<u>(48,345)</u>
Cash flows from investing activities:		
Interest income received	<u>45,896</u>	<u>45,896</u>
Net cash provided by investing activities	<u>45,896</u>	<u>45,896</u>
Net increase in cash and cash equivalents	393,771	393,771
Cash and cash equivalents - beginning	<u>2,267,415</u>	<u>2,267,415</u>
Cash and cash equivalents - ending	<u>\$ 2,661,186</u>	<u>2,661,186</u>

(continued)

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

(continued)

TETON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2019

	<u>Integrated Solid Waste and Recycling Fund</u>	<u>Total Proprietary Funds</u>
Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	\$ <u>(109,534)</u>	<u>(109,534)</u>
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	258,451	258,451
Non-cash compensation	1,918	1,918
Pension accrual	107,096	107,096
Net change in assets and liabilities:		
Accounts receivable	(15,755)	(15,755)
Accounts payable and accrued liabilities	<u>11,334</u>	<u>11,334</u>
Total adjustments	<u>363,044</u>	<u>363,044</u>
Net cash provided by operating activities	\$ <u><u>253,510</u></u>	<u><u>253,510</u></u>

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

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

Note 6 – Long-Term Liabilities (continued)

Debt service requirements for notes payable are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 155,000	3,267	158,267
2021	171,658	1,716	173,374
Total	<u>\$ 326,658</u>	<u>4,983</u>	<u>331,641</u>

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, 2019, the estimated remaining closure and post-closure care liability is \$3,241,910.

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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

Note 12 – 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 13 – Commitments and Contingencies

Governmental activities:

The County has executed multiple contracts for the completion of various projects including but not limited to: South Park Loop Pathway Connector, Cattleman's Bridge, Hoback Bridge, and Fish Creek Road. The remaining expenditure commitment for services yet to be performed on these contracts as of June 30, 2019 is approximately \$1,845,000. The total commitment amount is subject to adjustment for change orders and additional costs incurred by the contractors.

The County has executed a multi-year contract for various professional services related to the landfill closure. The remaining expenditure commitment for services yet to be performed as of June 30, 2019 is approximately \$3,242,000.

Business-type Activities:

The Integrated Solid Waste and Recycling Fund has executed several multi-year contracts for the provision of solid waste handling and transportation operations. The total commitment amount is subject to adjustment for actual services performed and transport mileage incurred by the contractor.