

TETON COUNTY, WYOMING



FINANCIAL STATEMENTS

June 30, 2017

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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, 2017, 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, 9 percent, and 11 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design 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, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedule of proportionate share of the net pension liability, and the schedule of contributions, 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 *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 11, 2017 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 11, 2017

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, 2017.

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 \$184.4 million exceeded liabilities and deferred inflows of \$45.6 million, which resulted in total net position of \$138.8 million, the majority of which (68.8%) is the County's net investment in capital assets totaling \$95.5 million. (*See the Statement of Net Position in the Audited Financial Statements*)
- Total assets and deferred outflows of the primary government increased approximately \$9.8 million from June 30, 2016 to June 30, 2017. Total assets and deferred outflows increased primarily as a result of an increase in pooled cash and cash equivalents and additions to capital assets, which increased by approximately \$3.6 and \$7.6 million, respectively, and a decrease in deferred outflows of resources related to pensions of approximately \$0.8 million. Pooled cash and cash equivalents increased as a result of changes in net position from general operations due to a higher than expected revenues related to charges for services provided by the County, specifically affordable housing fees, and continued conservative utilization of budgeted amounts resulting in expenditures utilizing approximately 92% of the operational budget. Major capital asset additions include the ongoing construction of the Southpark pathway system in the amount of \$1.2 million, Hoback Bridge in the amount of \$1.1 million, and the Mercill Daycare in the amount of \$1.8 million, all of which are classified as construction in process. The County also made additional improvements to the Transfer Station Scale House in the amount of \$.5 million, which is also classified as construction in process, and other significant capital improvements and purchases including purchases of land, road and bridge infrastructure improvements, equipment for public safety departments, vehicle fleet additions, and pathway systems.
- Total liabilities and deferred inflows increased \$1.6 million during 2017. An increase of \$1.1 million to the County's portion of the net pension liability is the primary cause for the overall increase.
- Of the \$43.3 million in net position that is not invested in capital assets, \$12.5 million was unrestricted and \$30.8 million was restricted for future capital projects, infrastructure expenditures, public safety services and community development services. The current year increase of \$0.7 million in unrestricted net position is primarily associated with the excess of revenues over expenses. (*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 \$2.1 million or 6.2% over the prior year, from \$34.1 million in 2016 to \$36.2 million in 2017. Sales and use tax revenues increased \$0.9 million due to improvements in the local retail and tourism economy, and property taxes increased \$1 million as a result of increases in property values. All other general fund tax revenues were generally consistent with the prior year, reflecting an aggregate increase of \$0.3 million compared to 2016. 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, 2017, remained consistent with the prior year at 9.154 mills, leaving a tax margin of 2.846 mills or \$3.8 million that was not assessed on the total assessed valuation of \$1.35 billion.
- Total general fund expenditures increased \$1.8 million between 2017 and 2016 due mostly to increases in health insurance and retirement costs of approximately \$0.8 million and increases in sheriff department salaries and the County's energy mitigation plan of \$0.2 million and \$0.2 million, respectively. Other general fund functional expenditures remained fairly consistent with prior year levels. For the year ended June 30, 2017, revenues exceeded expenditures by \$10 million.
- After net interfund transfers out of \$10.6 million, the general fund's total fund balance decreased by \$0.5 million in 2017. 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 Teton 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/Teton County Regional 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
Specific Tax
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
2010 Pathways Specific Tax
2010 Wilson Specific Tax
2010 Parks and Recreation Specific Tax
2012 Pathways Specific Tax
2014 Pathways Specific Tax
2014 Fire/EMS Specific Tax
2017 Pathways Specific Tax
2017 Fire/EMS Specific Tax

The General Fund is always classified as a major fund. The size of the Parks and Recreation Special Revenue Fund, the Specific Tax 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 Teton 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 \$2.1 million with a decrease in 2017 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 \$10 million. The liability decreased \$.7 million due to closure activities.
- Other long-term liabilities include employee compensated absences and notes payable which bring the total long-term liabilities to \$26.9 million.

FINANCIAL ANALYSIS

As previously noted, *net position* serves as a useful indicator of Teton County's financial condition. Total primary government assets and deferred outflows exceeded total primary government liabilities and deferred inflows by approximately \$138.8 million, the majority of which is reflected in the net investment in capital assets totaling \$95.4 million. (See also the *Statement of Net Position in the Audited Financial Statements*)

The table below summarizes the County's assets, liabilities, deferred inflows and net position as of June 30, 2017 and 2016:

SUMMARY SCHEDULE OF NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current assets	\$ 76,834,601	73,243,756	3,802,198	4,262,261	80,636,799	77,506,017
Capital assets	95,083,196	88,246,737	2,467,029	1,719,124	97,550,225	89,965,861
Total assets	171,917,797	161,490,493	6,269,227	5,981,385	178,187,024	167,471,878
Deferred outflows of resources	6,013,325	6,789,395	174,065	230,757	6,187,390	7,020,152
Current liabilities	7,925,279	7,843,893	400,200	681,461	8,325,479	8,525,354
Non-current liabilities	26,271,687	25,576,854	642,205	660,645	26,913,892	26,237,499
Total liabilities	34,196,966	33,420,747	1,042,405	1,342,106	35,239,371	34,762,853
Deferred inflows of resources	10,348,464	9,169,589	3,089	13,752	10,351,553	9,183,341
Net investment in capital assets	92,984,702	85,523,243	2,467,029	1,719,124	95,451,731	87,242,367
Restricted	30,824,320	31,448,478	-	-	30,824,320	31,448,478
Unrestricted	9,576,670	8,717,831	2,930,769	3,137,160	12,507,439	11,854,991
Total net position	\$ 133,385,692	125,689,552	5,397,798	4,856,284	138,783,490	130,545,836

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.

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.

TETON COUNTY, WYOMING
Management's Discussion and Analysis
Year Ended June 30, 2017

SUMMARY SCHEDULE OF CHANGES IN NET POSITION

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues:						
Program revenues:						
Charges for services	\$ 13,501,318	12,294,142	5,148,641	4,588,021	18,649,959	16,882,163
Operating grants and contributions	2,799,926	2,407,009	102,561	88,955	2,902,487	2,495,964
Capital grants and contributions	4,133,538	2,665,446	-	-	4,133,538	2,665,446
General revenues:						
Taxes	43,795,229	40,303,769	-	-	43,795,229	40,303,769
Investment income	191,282	252,470	22,229	34,841	213,511	287,311
Other income	(136,034)	80,494	(31,160)	19,090	(167,194)	99,584
Total revenues	<u>64,285,259</u>	<u>58,003,330</u>	<u>5,242,271</u>	<u>4,730,907</u>	<u>69,527,530</u>	<u>62,734,237</u>
Expenses:						
Administration	18,593,813	7,930,673	-	-	18,593,813	7,930,673
Community development	3,843,777	6,364,288	-	-	3,843,777	6,364,288
Health and human services	3,502,190	3,106,865	-	-	3,502,190	3,106,865
Justice	1,085,159	1,988,090	-	-	1,085,159	1,988,090
Infrastructure	8,150,444	4,730,175	-	-	8,150,444	4,730,175
Parks and recreation	7,631,223	6,214,138	-	-	7,631,223	6,214,138
Public safety	13,669,675	13,044,769	-	-	13,669,675	13,044,769
Interest and fiscal charges	58,404	70,520	-	-	58,404	70,520
Solid waste and recycling	-	-	4,720,180	4,462,316	4,720,180	4,462,316
Building Corporation	-	-	35,011	40,045	35,011	40,045
Total expenses	<u>56,534,685</u>	<u>43,449,518</u>	<u>4,755,191</u>	<u>4,502,361</u>	<u>61,289,876</u>	<u>47,951,879</u>
Change in net position before transfers	7,750,574	14,553,812	487,080	228,546	8,237,654	14,782,358
Transfers in (out)	<u>(54,434)</u>	<u>(539,206)</u>	<u>54,434</u>	<u>539,206</u>	<u>-</u>	<u>-</u>
Change in net position	7,696,140	14,014,606	541,514	767,752	8,237,654	14,782,358
Net position - beginning	<u>125,689,552</u>	<u>111,674,946</u>	<u>4,856,284</u>	<u>4,088,532</u>	<u>130,545,836</u>	<u>115,763,478</u>
Net position - ending	<u>\$ 133,385,692</u>	<u>125,689,552</u>	<u>5,397,798</u>	<u>4,856,284</u>	<u>138,783,490</u>	<u>130,545,836</u>

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

	2017 Final Budget	2017 Actual	Variance	Variance as a % of Budget
Revenues	\$ 34,967,489	\$ 36,232,202	1,264,713	3.6%
Expenditures	28,662,883	26,187,275	2,475,608	8.6%
Excess of revenues over expenditures	6,304,606	10,044,927	3,740,321	
Transfers from other funds	829,955	556,281	(273,674)	
Transfers to other funds	(11,208,139)	(11,143,232)	64,907	
Change in fund balance	<u>\$ (4,073,578)</u>	(542,024)	<u>\$ 3,531,554</u>	
Fund balance – beginning		<u>\$ 22,299,586</u>		
Fund balance – ending		<u>\$ 21,757,562</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. The County has 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 (*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 \$.8 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 for 2017 expected a 3% increase compared to the prior year actual figures, but the actual sales and use tax revenue increased 5.5% compared to the prior year.

Administration expenditures were \$1.1 million below budget, mostly due to the County including approximately \$0.8 million in the budget for unexpected expenditures and contingencies that was not required to be utilized in 2017.

Public safety expenditures were \$0.4 million below budget, due to lower than expected salaries and benefits costs for both sheriff and jail operations.

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 and sales tax 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 2017, 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
- Housing Authority
- 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.

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Basic Financial Statements

TETON COUNTY
STATEMENT OF NET POSITION
June 30, 2017

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets:				
Pooled cash and cash equivalents	\$ 60,844,138	2,349,633	63,193,771	-
Cash and cash equivalents	659,224	487,151	1,146,375	6,785,453
Investments	-	493,589	493,589	5,702,123
Accounts receivable	260,245	445,662	705,907	190,822
Taxes receivable	10,079,226	-	10,079,226	2,992,654
Other receivables	225	-	225	-
Due from other governments	4,818,712	18,437	4,837,149	719,901
Prepaid expenses	45,331	7,726	53,057	65,065
Inventory	-	-	-	260,389
Other assets	127,500	-	127,500	-
Capital assets	152,812,621	3,634,293	156,446,914	27,059,279
Accumulated depreciation	(57,729,425)	(1,167,264)	(58,896,689)	(3,294,030)
Total assets	171,917,797	6,269,227	178,187,024	40,481,656
Deferred outflows of resources:				
Pensions	6,013,325	174,065	6,187,390	867,993
Total deferred outflows of resources	6,013,325	174,065	6,187,390	867,993
Liabilities:				
Accounts payable and accrued liabilities	2,944,302	375,200	3,319,502	863,051
Unearned revenue	41,335	-	41,335	-
Funds held in trust	2,052,642	-	2,052,642	-
Long-term liabilities:				
Due within one year	2,887,000	25,000	2,912,000	376,702
Due in more than one year	10,614,934	8,908	10,623,842	4,133,393
Net pension liability	15,656,753	633,297	16,290,050	3,167,184
Total liabilities	34,196,966	1,042,405	35,239,371	8,540,330
Deferred inflows of resources:				
Revenues for future periods	10,133,585	-	10,133,585	2,737,247
Pensions	214,879	3,089	217,968	183,777
Total deferred inflows of resources	10,348,464	3,089	10,351,553	2,921,024
Net position:				
Net investment in capital assets	92,984,702	2,467,029	95,451,731	19,406,463
Restricted for capital projects	25,305,089	-	25,305,089	106,034
Restricted for infrastructure	2,506,234	-	2,506,234	-
Restricted for public safety	2,570,464	-	2,570,464	-
Restricted for community development	402,861	-	402,861	-
Restricted for other purposes	39,672	-	39,672	-
Restricted for permanent endowment - nonexpendable	-	-	-	3,227,916
Unrestricted	9,576,670	2,930,769	12,507,439	7,147,882
Total net position	\$ 133,385,692	5,397,798	138,783,490	29,888,295

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

TETON COUNTY
STATEMENT OF ACTIVITIES
Year Ended June 30, 2017

	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	
Primary government:								
Governmental activities								
Administration	\$ 18,593,813	635,085	3,557	83,983	(17,871,188)	-	(17,871,188)	-
Community development	3,843,777	5,070,699	1,561,843	669,083	3,457,848	-	3,457,848	-
Health and human services	3,502,190	402,055	398,509	-	(2,701,626)	-	(2,701,626)	-
Justice	1,085,159	372,226	67,864	-	(645,069)	-	(645,069)	-
Infrastructure	8,150,444	133,049	123,416	3,075,603	(4,818,376)	-	(4,818,376)	-
Parks and recreation	7,631,223	3,952,103	65,595	45,156	(3,568,369)	-	(3,568,369)	-
Public safety	13,669,675	2,936,101	579,142	259,713	(9,894,719)	-	(9,894,719)	-
Debt service: interest and fiscal charge:	58,404	-	-	-	(58,404)	-	(58,404)	-
Total governmental activities	<u>56,534,685</u>	<u>13,501,318</u>	<u>2,799,926</u>	<u>4,133,538</u>	<u>(36,099,903)</u>	<u>-</u>	<u>(36,099,903)</u>	<u>-</u>
Business-type activities								
Integrated solid waste and recycling	4,720,180	5,148,641	102,561	-	-	531,022	531,022	-
Teton County Building Corporation	35,011	-	-	-	-	(35,011)	(35,011)	-
Total business-type activities	<u>4,755,191</u>	<u>5,148,641</u>	<u>102,561</u>	<u>-</u>	<u>-</u>	<u>496,011</u>	<u>496,011</u>	<u>-</u>
Total primary government	<u>\$ 61,289,876</u>	<u>18,649,959</u>	<u>2,902,487</u>	<u>4,133,538</u>	<u>(36,099,903)</u>	<u>496,011</u>	<u>(35,603,892)</u>	<u>-</u>
Component units:								
Teton County Library	\$ 4,310,979	53,462	467,127	-	-	-	-	(3,790,390)
Teton County Weed and Pest Control	1,929,642	348,980	107,423	-	-	-	-	(1,473,239)
Jackson Teton County Regional Housing Authority	11,335,464	7,944,848	-	-	-	-	-	(3,390,616)
Jackson Hole Travel and Tourism Board	3,784,313	-	-	-	-	-	-	(3,784,313)
Total component units	<u>\$ 21,360,398</u>	<u>8,347,290</u>	<u>574,550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,438,558)</u>
General revenues:								
Sales and use taxes					\$ 27,638,289	-	27,638,289	3,873,458
Property taxes					12,377,655	-	12,377,655	5,092,648
Other taxes					3,779,285	-	3,779,285	-
County appropriations					-	-	-	239,870
Investment income					191,282	22,229	213,511	773,287
Loss on disposal of assets					(326,918)	(40,431)	(367,349)	(151,171)
Miscellaneous					190,884	9,271	200,155	26,660
Transfers					(54,434)	54,434	-	-
Total general revenues					<u>43,796,043</u>	<u>45,503</u>	<u>43,841,546</u>	<u>9,854,752</u>
Change in net position					7,696,140	541,514	8,237,654	(2,583,806)
Net position—beginning, as restated					125,689,552	4,856,284	130,545,836	32,472,101
Net position—ending					<u>\$ 133,385,692</u>	<u>5,397,798</u>	<u>138,783,490</u>	<u>29,888,295</u>

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

TETON COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	General	Parks and Recreation Special Revenue	Specific Tax Fund	Capital Projects	2012 Landfill Closure Specific Tax Fund	Non-major Funds	Total Governmental Funds
Assets:							
Pooled cash and cash equivalents	\$ 20,432,209	961,381	-	13,267,389	11,982,594	14,200,565	60,844,138
Cash and cash equivalents	649,542	1,400	-	-	-	8,282	659,224
Interfund receivable - pooled cash	96,181	-	-	-	-	-	96,181
Accounts receivable	28,473	48,198	-	-	-	183,574	260,245
Taxes receivable	8,915,074	-	-	-	-	1,164,152	10,079,226
Other receivables	225	-	-	-	-	-	225
Due from other governments	3,845,584	139,566	-	-	-	833,562	4,818,712
Due from other funds	-	-	-	-	-	1,297,968	1,297,968
Prepaid expenses	-	-	-	-	-	45,331	45,331
Other assets	127,500	-	-	-	-	-	127,500
Total assets	34,094,788	1,150,545	-	13,267,389	11,982,594	17,733,434	78,228,750
Liabilities:							
Interfund payable - pooled cash	-	-	-	-	-	96,181	96,181
Accounts payable and accrued liabilities	1,305,642	262,219	-	275,017	219,123	858,106	2,920,107
Due to other funds	-	-	-	-	-	1,297,968	1,297,968
Unearned revenue	600	-	-	-	-	40,735	41,335
Funds held in trust	2,052,642	-	-	-	-	-	2,052,642
Total liabilities	3,358,884	262,219	-	275,017	219,123	2,292,990	6,408,233
Deferred inflows of resources:							
Revenues for future periods	8,978,342	-	-	-	-	1,155,243	10,133,585
Total deferred inflows of resources	8,978,342	-	-	-	-	1,155,243	10,133,585
Fund balances:							
Nonspendable:							
Prepaid expenses	-	-	-	-	-	45,331	45,331
Restricted for:							
Capital projects	5,225,360	-	-	35,000	11,763,471	8,281,258	25,305,089
Infrastructure	-	-	-	-	-	2,506,234	2,506,234
Public safety	-	-	-	-	-	2,570,464	2,570,464
Community development	-	-	-	-	-	402,861	402,861
Other purposes	31,156	-	-	-	-	8,516	39,672
Committed for:							
Capital projects	-	-	-	12,957,372	-	-	12,957,372
Operations stabilization	6,724,601	-	-	-	-	-	6,724,601
Public safety	-	-	-	-	-	1,063,754	1,063,754
Parks and recreation	-	888,326	-	-	-	704,751	1,593,077
Assigned for:							
Capital projects	1,981,384	-	-	-	-	-	1,981,384
Unassigned	7,795,061	-	-	-	-	(1,297,968)	6,497,093
Total fund balances	21,757,562	888,326	-	12,992,372	11,763,471	14,285,201	61,686,932
Total liabilities, deferred inflows of resources and fund balances	\$ 34,094,788	1,150,545	-	13,267,389	11,982,594	17,733,434	78,228,750

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, 2017

Total fund balances of governmental funds		\$ 61,686,932
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p> <p>The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions are not reported in the funds.</p>		
Net pension liability	(15,656,753)	
Deferred outflow of resources - pensions	6,013,325	
Deferred inflow of resources - pensions	<u>(214,879)</u>	(9,858,307)
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Capital assets	152,812,621	
Accumulated depreciation	<u>(57,729,425)</u>	95,083,196
<p>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.</p>		
Long-term liabilities, due within one year	(2,887,000)	
Long-term liabilities, due in more than one year	(10,614,934)	
Accrued interest payable	<u>(24,195)</u>	<u>(13,526,129)</u>
Net position of governmental activities		\$ <u><u>133,385,692</u></u>

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, 2017

	General	Parks and Recreation Special Revenue	Specific Tax Fund	Capital Projects	2012 Landfill Closure Specific Tax Fund	Non-major Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 29,971,844	-	8,719,546	-	-	5,103,839	43,795,229
Intergovernmental	628,305	26,581	-	24,900	-	4,814,584	5,494,370
Charges for services	2,032,038	3,363,819	-	-	-	4,601,036	9,996,893
Licenses and permits	3,359,943	144,482	-	-	-	-	3,504,425
Contributions	-	37,832	-	35,000	36,481	1,329,781	1,439,094
Miscellaneous	240,072	11,879	-	36,026	36,519	93,620	418,116
Total revenues	36,232,202	3,584,593	8,719,546	95,926	73,000	15,942,860	64,648,127
Expenditures:							
Administration	8,301,741	-	8,719,546	879,780	-	22,451	17,923,518
Community development	2,586,882	-	-	167,527	-	2,230,589	4,984,998
Health and human services	2,787,886	-	-	111,738	-	161,657	3,061,281
Justice	1,856,799	-	-	30,000	-	-	1,886,799
Infrastructure	2,490,263	-	-	1,933,365	1,360,316	6,498,283	12,282,227
Parks and recreation	76,932	5,724,224	-	-	-	1,426,043	7,227,199
Public safety	7,405,726	-	-	750,200	-	6,823,097	14,979,023
Debt service:							
Principal	625,000	-	-	-	-	-	625,000
Interest and fiscal charges	56,046	-	-	-	-	-	56,046
Total expenditures	26,187,275	5,724,224	8,719,546	3,872,610	1,360,316	17,162,120	63,026,091
Excess (deficiency) of revenues over expenditures	10,044,927	(2,139,631)	-	(3,776,684)	(1,287,316)	(1,219,260)	1,622,036
Other financing sources (uses):							
Transfers in (out)	(10,586,951)	2,280,064	-	7,367,907	-	884,546	(54,434)
Total other financing sources (uses)	(10,586,951)	2,280,064	-	7,367,907	-	884,546	(54,434)
Change in fund balance	(542,024)	140,433	-	3,591,223	(1,287,316)	(334,714)	1,567,602
Fund balance - July 1	22,299,586	747,893	-	9,401,149	13,050,787	14,619,915	60,119,330
Fund balance - June 30	\$ 21,757,562	888,326	-	12,992,372	11,763,471	14,285,201	61,686,932

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, 2017

Net change in fund balances - governmental funds \$ 1,567,602

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 these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlays	12,106,887	
Depreciation expense	<u>(4,907,561)</u>	
		7,199,326

The net effect of various miscellaneous transactions involving capital assets (i.e., sales of capital assets) is to decrease net position. (362,868)

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

Change in deferred outflow of resources related to pensions	(776,070)	
Change in deferred inflow of resources related to pensions	18,514	
Change in net pension liability	<u>(1,447,593)</u>	
		(2,205,149)

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	775,548	
Change in accrued interest payable	5,468	
Change in landfill closure liability	712,716	
Change in compensated absences liability	<u>3,497</u>	
		<u>1,497,229</u>

Change in net position of governmental activities \$ 7,696,140

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

TETON COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2017

	<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	\$ 2,349,633	-	2,349,633
Cash and cash equivalents	-	487,151	487,151
Investments	-	493,589	493,589
Accounts receivable	445,662	-	445,662
Due from other governments	18,437	-	18,437
Prepaid expenses	-	7,726	7,726
	<hr/>	<hr/>	<hr/>
Total current assets	2,813,732	988,466	3,802,198
Non-current assets:			
Capital assets	3,634,293	-	3,634,293
Accumulated depreciation	(1,167,264)	-	(1,167,264)
	<hr/>	<hr/>	<hr/>
Total non-current assets	2,467,029	-	2,467,029
	<hr/>	<hr/>	<hr/>
Total assets	5,280,761	988,466	6,269,227
Deferred outflows of resources			
Pensions	174,065	-	174,065
	<hr/>	<hr/>	<hr/>
Total deferred outflows of resources	174,065	-	174,065
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	375,200	-	375,200
Long-term liabilities, due within one year	25,000	-	25,000
	<hr/>	<hr/>	<hr/>
Total current liabilities	400,200	-	400,200
Long-term liabilities, due in more than one year	8,908	-	8,908
Net pension liability	633,297	-	633,297
	<hr/>	<hr/>	<hr/>
Total non-current liabilities	642,205	-	642,205
	<hr/>	<hr/>	<hr/>
Total liabilities	1,042,405	-	1,042,405
Deferred inflows of resources			
Pensions	3,089	-	3,089
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	3,089	-	3,089
Net position:			
Net investment in capital assets	2,467,029	-	2,467,029
Unrestricted	1,942,303	988,466	2,930,769
	<hr/>	<hr/>	<hr/>
Total net position	\$ 4,409,332	988,466	5,397,798
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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, 2017

	Integrated Solid Waste and Recycling Fund	Teton County Building Corporation	Total Proprietary Funds
Operating revenues:			
Charges for services	\$ 4,647,157	-	4,647,157
Materials sales	501,484	-	501,484
Miscellaneous	9,271	-	9,271
Total operating revenues	<u>5,157,912</u>	<u>-</u>	<u>5,157,912</u>
Operating expenses:			
Salaries and benefits	958,360	-	958,360
Current expenses	3,630,096	35,011	3,665,107
Depreciation	131,724	-	131,724
Total operating expenses	<u>4,720,180</u>	<u>35,011</u>	<u>4,755,191</u>
Operating income (loss)	<u>437,732</u>	<u>(35,011)</u>	<u>402,721</u>
Non-operating income:			
Grants and contributions	102,561	-	102,561
Investment income	20,053	2,176	22,229
Loss on disposal of assets	(40,431)	-	(40,431)
Total non-operating income	<u>82,183</u>	<u>2,176</u>	<u>84,359</u>
Income (loss) before transfers	519,915	(32,835)	487,080
Transfers in	-	54,434	54,434
Change in net position	519,915	21,599	541,514
Net position - beginning	<u>3,889,417</u>	<u>966,867</u>	<u>4,856,284</u>
Net position - ending	<u>\$ 4,409,332</u>	<u>988,466</u>	<u>5,397,798</u>

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

TETON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2017

	<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	\$ 5,076,317	-	5,076,317
Payments to suppliers	(3,912,548)	(38,320)	(3,950,868)
Payments to employees	(929,580)	-	(929,580)
Net cash provided by (used in) operating activities	<u>234,189</u>	<u>(38,320)</u>	<u>195,869</u>
Cash flows from non-capital financing activities:			
Transfers from other funds	-	54,434	54,434
Receipts from operating grants and contributions	88,965	-	88,965
Net cash provided by non-capital financing activities	<u>88,965</u>	<u>54,434</u>	<u>143,399</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(920,060)	-	(920,060)
Net cash used in capital and related financing activities	<u>(920,060)</u>	<u>-</u>	<u>(920,060)</u>
Cash flows from investing activities:			
Interest income received	20,053	6,161	26,214
Net cash provided by investing activities	<u>20,053</u>	<u>6,161</u>	<u>26,214</u>
Net increase (decrease) in cash and cash equivalents	(576,853)	22,275	(554,578)
Cash and cash equivalents - beginning	<u>2,926,486</u>	<u>464,876</u>	<u>3,391,362</u>
Cash and cash equivalents - ending	<u>\$ 2,349,633</u>	<u>487,151</u>	<u>2,836,784</u>

(continued)

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

(continued)

TETON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2017

	<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>437,732</u>	<u>(35,011)</u>	<u>402,721</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	131,724	-	131,724
Non-cash compensation expense	(1,688)	-	(1,688)
Pension accrual	29,277	-	29,277
Net change in assets and liabilities:			
Accounts receivable	(81,595)	-	(81,595)
Prepaid expenses	-	(3,309)	(3,309)
Accounts payable and accrued liabilities	<u>(281,261)</u>	<u>-</u>	<u>(281,261)</u>
Total adjustments	<u>(203,543)</u>	<u>(3,309)</u>	<u>(206,852)</u>
Net cash provided by (used in) operating activities	\$ <u><u>234,189</u></u>	<u><u>(38,320)</u></u>	<u><u>195,869</u></u>

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

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2017

	<u>Treasurer's Tax Agency Fund</u>
Assets:	
Pooled cash and cash equivalents	\$ 2,334,565
Cash and cash equivalents	<u>6,199,421</u>
Total assets	<u><u>8,533,986</u></u>
Liabilities:	
Due to other taxing units	<u>8,533,986</u>
Total liabilities	<u><u>\$ 8,533,986</u></u>

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

TETON COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2017

	Teton County Library	Teton County Weed and Pest Control	Jackson Teton County Regional Housing Authority	Jackson Hole Travel and Tourism Board	Total
Assets:					
Cash and cash equivalents	\$ 3,340,403	521,238	1,283,804	1,640,008	6,785,453
Investments	5,702,123	-	-	-	5,702,123
Accounts receivable	-	61,826	128,996	-	190,822
Taxes receivable	2,982,456	10,198	-	-	2,992,654
Due from other governments	5,963	-	-	713,938	719,901
Prepaid expenses	47,121	11,332	-	6,612	65,065
Inventory	837	137,094	122,458	-	260,389
Capital assets	1,808,211	5,681,052	19,570,016	-	27,059,279
Accumulated depreciation	(1,041,716)	(1,750,936)	(501,378)	-	(3,294,030)
Total assets	12,845,398	4,671,804	20,603,896	2,360,558	40,481,656
Deferred outflows of resources:					
Pensions	640,489	227,504	-	-	867,993
Total deferred outflows of resources	640,489	227,504	-	-	867,993
Liabilities:					
Accounts payable and accrued liabilities	59,888	23,797	463,761	315,605	863,051
Long-term liabilities:					
Due within one year	82,574	174,627	119,501	-	376,702
Due in more than one year	-	1,402,043	2,731,350	-	4,133,393
Net pension liability	2,367,308	721,423	78,453	-	3,167,184
Total liabilities	2,509,770	2,321,890	3,393,065	315,605	8,540,330
Deferred inflows of resources:					
Revenues for future periods	2,737,247	-	-	-	2,737,247
Pensions	63,461	20,411	99,905	-	183,777
Total deferred inflows of resources	2,800,708	20,411	99,905	-	2,921,024
Net position:					
Net investment in capital assets	766,495	2,414,680	16,225,288	-	19,406,463
Restricted for capital projects	106,034	-	-	-	106,034
Restricted for permanent endowment - non expendable	3,227,916	-	-	-	3,227,916
Unrestricted	4,074,964	142,327	885,638	2,044,953	7,147,882
Total net position	\$ 8,175,409	2,557,007	17,110,926	2,044,953	29,888,295

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

TETON COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
Year Ended June 30, 2017

	Teton County Library	Teton County Weed and Pest Control	Jackson Teton County Regional Housing Authority	Jackson Hole Travel and Tourism Board	Total
Expenses	\$ 4,310,979	1,929,642	11,335,464	3,784,313	21,360,398
Program revenues:					
Charges for services	53,462	348,980	7,944,848	-	8,347,290
Operating grants and contributions	467,127	107,423	-	-	574,550
Total program revenues	520,589	456,403	7,944,848	-	8,921,840
Net expenses	(3,790,390)	(1,473,239)	(3,390,616)	(3,784,313)	(12,438,558)
General revenues:					
Sales and use taxes	-	-	-	3,873,458	3,873,458
Property taxes	3,583,294	1,509,354	-	-	5,092,648
County appropriations	-	-	239,870	-	239,870
Interest and investment income	756,839	391	14,213	1,844	773,287
Gain (loss) on disposal of assets	-	14,601	(165,772)	-	(151,171)
Miscellaneous	1,300	25,360	-	-	26,660
Total general revenues	4,341,433	1,549,706	88,311	3,875,302	9,854,752
Change in net position	551,043	76,467	(3,302,305)	90,989	(2,583,806)
Net position – beginning, as restated	7,624,366	2,480,540	20,413,231	1,953,964	32,472,101
Net position – ending	\$ 8,175,409	2,557,007	17,110,926	2,044,953	29,888,295

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

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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. Each of the County's blended component units and discretely presented component units have a June 30 fiscal year-end.

Blended Component Units

The Jackson / Teton County Public Facilities Joint Powers Board (the JPB) 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 JPB 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 JPB. Consequently, the JPB 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 JPB had no activity during the year ended June 30, 2017.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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 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. 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 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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

The Jackson/Teton County Regional Housing Authority (the Regional 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. Three board members, appointed by the County Commissioners and the Town of Jackson, govern the Regional Housing Authority. Decisions regarding new housing projects are to be made under the direction and authorization of the County Commissioners and the Jackson Town Council. The Regional Housing Authority receives substantially all of its financial support from Teton County (11/12), while the remaining portion is provided by the Town of Jackson (1/12), indicating its fiscal dependency on the County. The Regional 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, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Basic Financial 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. 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 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.

Government-Wide Statements

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: net investment in capital assets; restricted net position; and unrestricted net position.

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, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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 specific 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, Specific Tax 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, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

The Specific Tax Fund is a special revenue fund established to account for specific taxes imposed and collected by the County but distributed directly to other governmental entities.

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), grant funded operations and capital projects (Grants Fund), 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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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 leasing activities as described in the blended component units section above.

Fiduciary Funds

The County's fiduciary funds are not included in the government-wide financial statements and consist of one agency fund. Agency funds account for assets held in a purely custodial capacity. Given that 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.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transaction or events for recognition in the financial statements. The following provides a summary of the measurement focus and basis of accounting used by the County.

Economic Resources Measurement Focus and Accrual Basis of Accounting

The governmental activities and 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 reported using the economic resources measurement focus and 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

The governmental funds' financial statements are reporting using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period 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 (the availability period) of the end of the current fiscal period. An exception to this policy is expenditure-drive grant revenues, which generally are considered to be available if the eligible expenditures have been made. 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. General capital asset acquisitions are reported as expenditures in governments funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, motor vehicle taxes, other taxes, and interest income associated with the current fiscal period that are susceptible to accrual, and received in the availability period (within 60 days of year-end), are recognized as revenues of the fiscal period they are intended to finance. All taxes and internally dedicated resources are reported as general revenues. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. Program revenues, which include charges to customers and contributions for operational or capital requirements, are recorded as revenue when earned and the amount is received within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered measurable and available only when cash is received by the government.

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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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 expenses in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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).

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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

Deferred Outflows and 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 following items qualify for reporting in this category.

- Pension plan contributions made by the County prior to the County's fiscal year end, but subsequent to the pension measurement date of December 31, 2016.
- The net difference between projected and actual earnings on pension plan investments.
- Pension related differences between expected and actual experience and changes in pension assumptions and proportionate share.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

In addition to 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 following items qualify for reporting in this category.

- Property taxes for future periods are reported in both the governmental funds balance sheet and the entity-wide statement of net position. 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 recorded as deferred inflows.
- Pension related differences between expected and actual experience and changes in pension assumptions and proportionate share.

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

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. Prepaid insurance costs are recorded as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt.

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 and sick 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.

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

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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 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 bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of these assets.
- Restricted net position – Consists of net position with constraints placed on their 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 do not meet the definition of “restricted” or “net investment in capital assets.”

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

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 inventory assets 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.
- *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 removes or changes 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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Net position flow assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance flow assumptions

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Estimates

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

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 1 – Summary of Significant Accounting Policies (continued)

Property Tax Calendar

The County assesses all taxable property other than centrally assessed property, which is assessed by the State of Wyoming, by January 1 of each year. 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 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. State law allows anyone to pay the delinquent taxes on a property and obtain an enforceable lien on that property. Therefore, the County's delinquent property taxes are insignificant.

Note 2 – Change in Accounting Principle

During 2017, the Library Board changed its method of applying GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, related to the application of the Library Board's capitalization threshold to a group of assets. GASB statement No. 34 allows for capitalization of a group of immaterial assets (for example, a collection of library books) when the exclusion of the group of assets would eliminate a significant portion of a governmental entity's capital assets. As such, the Library Board has determined that its collection of library books should be capitalized to more clearly disclose all capital assets of the Library Board. The initial effect of the change on the Library Board's activities was an increase in capital assets, net of accumulated depreciation, of \$271,800, and an increase in net position of \$271,800.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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	\$ 25,718,958	-	-	25,718,958
WYO-STAR	-	15,223,698	-	15,223,698
Government bonds	-	9,840,348	-	9,840,348
Certificates of deposit	10,061,134	-	-	10,061,134
Total pooled cash and cash equivalents	<u>35,780,092</u>	<u>25,064,046</u>	<u>-</u>	<u>60,844,138</u>
Cash and cash equivalents:				
Cash-on-hand	-	-	3,500	3,500
Demand deposits	654,724	-	-	654,724
Certificates of deposit	1,000	-	-	1,000
Total cash and cash equivalents	<u>655,724</u>	<u>-</u>	<u>3,500</u>	<u>659,224</u>
Total governmental activities	<u>\$ 36,435,816</u>	<u>25,064,046</u>	<u>3,500</u>	<u>61,503,362</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 3 – Deposits and Investments (continued)

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	\$ 2,349,633	-	-	2,349,633
Total pooled cash and cash equivalents	2,349,633	-	-	2,349,633
Cash and cash equivalents:				
Demand deposits	487,151	-	-	487,151
Total cash and cash equivalents	487,151	-	-	487,151
Investments:				
Government bonds	-	493,589	-	493,589
Total investments	-	493,589	-	493,589
Total business-type activities	\$ 2,836,784	493,589	-	3,330,373

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	\$ 2,334,565	-	-	2,334,565
Total pooled cash and cash equivalents	2,334,565	-	-	2,334,565
Cash and cash equivalents:				
Demand deposits	3,505,258	-	-	3,505,258
WYO-STAR	-	2,694,163	-	2,694,163
Total cash and cash equivalents	3,505,258	2,694,163	-	6,199,421
Total fiduciary funds	\$ 5,839,823	2,694,163	-	8,533,986

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 3 – Deposits and Investments (continued)

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, 2017, all deposits of the County were fully collateralized or insured.

Investments

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. As such, amounts held with WYO-STAR of \$17,917,861 are carried at amortized cost and are considered cash and cash equivalents.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 3 – Deposits and Investments (continued)

At June 30, 2017, the County had additional investments in various US government-backed bonds as follows:

<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 \$	<u>9,840,348</u>	<u>1,996,505</u>	<u>7,843,843</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 9,840,348</u>	<u>1,996,505</u>	<u>7,843,843</u>	<u>-</u>	<u>-</u>
<i>Business-type activities:</i>					
Government bonds \$	<u>493,589</u>	<u>-</u>	<u>493,589</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 493,589</u>	<u>-</u>	<u>493,589</u>	<u>-</u>	<u>-</u>

Fair Value

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

The County's governmental activities and business-type activities have the following recurring fair value measurements as of June 30, 2017:

- Government bonds of \$9,840,348 and \$493,589, respectively, are valued using quoted market prices (Level 1 inputs).

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 uses the specific identification method to assess interest rate risk. 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, 2017

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:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rate</u>	<u>Rating</u>
<i>Governmental activities:</i>				
WYO-STAR	\$ 15,223,698	Variable	Variable	Unrated
FHLMC Bonds	1,996,505	11/16/2017	0.80%	AAA
FNMA Bonds	999,740	10/29/2018	1.00%	AAA
FAMC Bonds	997,510	8/1/2018	1.12%	Unrated
FNMA Bonds	977,750	1/27/2020	1.00%	AAA
FHLMC Bonds	747,705	11/27/2020	1.25%	AAA
FHLBS Bonds	728,145	8/25/2021	1.44%	AAA
FHLMC Bonds	564,169	3/30/2021	1.13%	AA+
FNMA Bonds	498,540	2/26/2020	1.25%	AAA
FHLBS Bonds	498,100	3/15/2021	1.25%	AAA
FHLMC Bonds	497,385	6/9/2021	1.50%	AAA
FHLMC Bonds	496,110	5/25/2021	1.25%	AAA
FHLMC Bonds	492,395	5/25/2021 1	1.13%	AAA
FHLMC Bonds	346,294	4/28/2021	1.25%	AA+
<i>Business-type activities:</i>				
FNMA Bonds	\$ 493,589	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.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 3 – Deposits and Investments (continued)

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.

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	\$ -	-	364	364
Demand deposits	6,730,059	-	-	6,730,059
Certificates of deposit	55,030	-	-	55,030
Total cash and cash equivalents	<u>6,785,089</u>	<u>-</u>	<u>364</u>	<u>6,785,453</u>
Investments:				
Endowment investment pool	-	5,702,123	-	5,702,123
Total investments	<u>-</u>	<u>5,702,123</u>	<u>-</u>	<u>5,702,123</u>
Total component units	<u>\$ 6,785,089</u>	<u>5,702,123</u>	<u>364</u>	<u>12,487,576</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, 2017, all deposits of component units were fully collateralized or insured.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 3 – Deposits and Investments (continued)

Investments

Component units' investment policies state that each will comply with State law.

Fair Value

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

As of June 30, 2017, all of the component units' investments of \$5,702,123 are in an investment pool administered by the Community Foundation of Jackson Hole. The fair value of these investments is measured at net asset value per share or its equivalent on a recurring basis. The investments held in this pool may require a redemption notice of up to 60 days but are fully redeemable with advance notice on a quarterly basis. As of June 30, 2017, none of the investments held in the pool were subject to redemption restrictions.

Interest Rate Risk

Component units have no formal policies other than to follow the Wyoming State statutes, as previously discussed.

Credit Risk

Component units' policies for reducing exposure to credit risk are to comply with the Wyoming State statutes. At June 30, 2017, 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.

Concentration of Credit Risk

Component units' policy for reducing this risk is to comply with Wyoming State statutes.

Custodial Credit Risk

Component units have no formal policies with respect to custodial credit risk. As of June 30, 2017, all of the component units' investments are in an investment pool administered by the Community Foundation of Jackson Hole.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 4 – Capital Assets

Governmental activities:

Capital asset activity is as follows:

	Balance 7/1/16	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/17
Capital assets not being depreciated:					
Land	\$ 10,014,679	1,297,968	-	-	11,312,647
Rights of way	357,740	-	-	-	357,740
Construction in progress	8,654,967	7,640,228	(271,509)	(2,990,669)	13,033,017
 Total capital assets not being depreciated	 19,027,386	 8,938,196	 (271,509)	 (2,990,669)	 24,703,404
Capital assets being depreciated:					
Buildings and improvements	55,909,074	243,617	-	1,415,649	57,568,340
Infrastructure	56,455,862	1,283,371	(7,194,755)	1,575,020	52,119,498
Equipment and vehicles	18,061,088	1,665,266	(1,304,975)	-	18,421,379
 Total capital assets being depreciated	 130,426,024	 3,192,254	 (8,499,730)	 2,990,669	 128,109,217
Accumulated depreciation:					
Buildings and improvements	(23,641,467)	(1,791,171)	-	-	(25,432,638)
Infrastructure	(28,463,701)	(2,044,007)	7,124,292	-	(23,383,416)
Equipment and vehicles	(9,101,505)	(1,072,383)	1,260,517	-	(8,913,371)
 Total accumulated depreciation	 (61,206,673)	 (4,907,561)	 8,384,809	 -	 (57,729,425)
 Total capital assets being depreciated, net	 69,219,351	 (1,715,307)	 (114,921)	 2,990,669	 70,379,792
 Total capital assets, net	 \$ 88,246,737	 7,222,889	 (386,430)	 -	 95,083,196

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 4 – Capital Assets (continued)

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

Infrastructure	\$ 3,169,532
Parks and recreation	443,464
Community development	417,766
Public safety	371,216
Health and human services	229,787
Justice	225,669
Administration	<u>50,127</u>
 Total depreciation expense	 <u>\$ 4,907,561</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 4 – Capital Assets (continued)

Business-type activities:

Capital asset activity is as follows:

	Balance 7/1/16	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/17
Capital assets not being depreciated:					
Land	\$ 126,320	-	-	-	126,320
Construction in progress	519,172	910,129	-	-	1,429,301
Total capital assets not being depreciated	645,492	910,129	-	-	1,555,621
Capital assets being depreciated:					
Buildings and improvements	1,152,297	-	-	-	1,152,297
Equipment and vehicles	983,563	9,931	(67,119)	-	926,375
Total capital assets being depreciated	2,135,860	9,931	(67,119)	-	2,078,672
Accumulated depreciation:					
Buildings and improvements	(531,201)	(85,175)	-	-	(616,376)
Equipment and vehicles	(531,027)	(46,550)	26,689	-	(550,888)
Total accumulated depreciation	(1,062,228)	(131,725)	26,689	-	(1,167,264)
Total capital assets being depreciated, net	1,073,632	(121,794)	(40,430)	-	911,408
Total capital assets, net	\$ 1,719,124	788,335	(40,430)	-	2,467,029

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 4 – Capital Assets (continued)

Component Units:

Changes to capital assets are as follows:

	Balance 7/1/16	Additions	Disposals	Transfers/ Adjustments	Balance 6/30/17
<u>County Library</u>					
Buildings and improvements \$	649,138	-	-	-	649,138
Equipment	435,073	42,362	-	-	477,435
Library books and media	548,460	133,178	-	-	681,638
Accumulated depreciation	(829,816)	(211,900)	-	-	(1,041,716)
Capital assets, net	\$ 802,855	(36,360)	-	-	766,495
<u>Weed and Pest</u>					
Land \$	702,409	-	-	-	702,409
Buildings and improvements	4,322,044	-	-	-	4,322,044
Equipment	635,871	67,028	(46,300)	-	656,599
Accumulated depreciation	(1,583,501)	(213,735)	46,300	-	(1,750,936)
Capital assets, net	\$ 4,076,823	(146,707)	-	-	3,930,116
<u>Housing Authority</u>					
Land \$	12,308,293	1,159,018	(2,138,479)	-	11,328,832
Construction in progress	53,003	-	-	-	53,003
Buildings and improvements	8,166,156	-	-	-	8,166,156
Equipment	22,025	-	-	-	22,025
Accumulated depreciation	(381,521)	(119,857)	-	-	(501,378)
Capital assets, net	\$ 20,167,956	1,039,161	(2,138,479)	-	19,068,638

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 4 – Capital Assets (continued)

Component Units:

Depreciation expense was charged to the component units as follows:

Weed and Pest	\$ 213,735
County Library	211,900
Housing Authority	<u>119,857</u>
Total depreciation expense	<u>\$ 545,492</u>

Note 5 – Accounts Payable and Accrued Liabilities

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

Governmental activities:

Payables to vendors	\$ 635,565
Due to other governments	443,089
Payables to contractors	819,676
Payroll-related liabilities	450,680
Self-insured health insurance liabilities	571,098
Accrued interest payable	<u>24,194</u>
Total accounts payable and accrued liabilities	<u>\$ 2,944,302</u>

Business-type activities:

Payables to vendors	\$ 241,577
Payables to contractors	120,694
Payroll-related liabilities	12,740
Due to other governments	<u>189</u>
Total accounts payable and accrued liabilities	<u>\$ 375,200</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 5 – Accounts Payable and Accrued Liabilities (continued)

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, 2017, the plan had incurred claims payable and estimated claims incurred but not reported (IBNR) of \$571,098.

For the year ended June 30, 2017, changes to aggregate claims liabilities are as follows:

Claims Liabilities 6/30/16	Claims Incurred and Changes in Estimates	Claims Paid	Claims Liabilities 6/30/17
\$ 303,901	3,708,197	(3,441,000)	571,098

For the year ended **June 30, 2016**, changes to aggregate claims liabilities were as follows:

Claims Liabilities 6/30/15	Claims Incurred and Changes in Estimates	Claims Paid	Claims Liabilities 6/30/16
\$ 386,344	2,788,557	(2,871,000)	303,901

Component units:

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

Payables to vendors	\$	734,948
Payroll-related liabilities		74,960
Security deposits		48,104
Accrued interest payable		5,039
 Total accounts payable and accrued liabilities	 \$	 863,051

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 6 – Funds Held in Trust

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

Funds held by Planning and Development department	\$ 1,571,355
Bonds held by County Clerk of District Court	272,671
Funds held by County Sheriff for jail inmates	<u>208,616</u>
 Total funds held in trust	 \$ <u><u>2,052,642</u></u>

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 <u>7/1/16</u>	Additions	Reductions	Balance <u>6/30/17</u>	Due Within <u>One Year</u>
Bonds	\$ 2,723,494	-	(625,000)	2,098,494	675,000
Notes payable	782,828	-	(150,547)	632,281	152,000
Compensated absences	818,205	403,000	(406,497)	814,708	360,000
Landfill closure liability	<u>10,669,167</u>	<u>-</u>	<u>(712,716)</u>	<u>9,956,451</u>	<u>1,700,000</u>
 Total long-term liabilities	 \$ <u><u>14,993,694</u></u>	 <u>403,000</u>	 <u>(1,894,760)</u>	 <u>13,501,934</u>	 <u>2,887,000</u>

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 1.75% to 2.40%, maturing July 2018.	\$ <u><u>2,098,494</u></u>
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TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 7 – Long-Term Liabilities (continued)

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.

Debt service requirements for bonds payable are as follows:

Year ending June 30	Principal	Interest	Total
2018	675,000	44,387	719,387
2019	1,423,494	17,100	1,440,594
Total	\$ 2,098,494	61,487	2,159,981

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 2017 amounted to approximately \$685,000 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.

\$ 632,281

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 7 – Long-Term Liabilities (continued)

Debt service requirements for notes payable are as follows:

Year ending June 30	Principal	Interest	Total
2018	\$ 152,051	6,323	158,374
2019	153,572	4,802	158,374
2020	155,107	3,267	158,374
2021	171,551	1,716	173,267
Total	\$ 632,281	16,108	648,389

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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, 2017, the estimated remaining closure and post-closure care liability is \$9,956,451.

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, 2017

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.	\$ 1,980,051
\$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.	1,292,235
\$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.	1,007,457
\$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.	224,056
\$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.	<u>86,223</u>
Total conduit debt	\$ <u><u>4,590,022</u></u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 7 – Long-Term Liabilities (continued)

Business type activities:

Changes to long-term liabilities are as follows:

	Balance 7/1/16	Additions	Reductions	Balance 6/30/17	Due Within One Year
Compensated absences	\$ 35,596	31,000	(32,688)	33,908	25,000
Total long-term liabilities	\$ 35,596	31,000	(32,688)	33,908	25,000

Component units:

Changes to long-term liabilities are as follows:

	Balance 7/1/16	Additions	Reductions	Balance 6/30/17	Due Within One Year
<u>County Library</u>					
Compensated absences	\$ 82,574	11,500	(11,500)	82,574	82,574
Total County Library	82,574	11,500	(11,500)	82,574	82,574
<u>Weed and Pest</u>					
Notes payable	1,778,487	-	(263,051)	1,515,436	113,393
Compensated absences	54,544	6,690	-	61,234	61,234
Total Weed and Pest	1,833,031	6,690	(263,051)	1,576,670	174,627
<u>Housing Authority</u>					
Notes payable	8,930,701	-	(6,087,351)	2,843,350	112,000
Compensated absences	7,501	10,000	(10,000)	7,501	7,501
Total Housing Authority	8,938,202	10,000	(6,097,351)	2,850,851	119,501
Total long-term liabilities	\$ 10,853,807	28,190	(6,371,902)	4,510,095	376,702

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 7 – Long-Term Liabilities (continued)

Notes payable consist of the following:

\$3,000,000 Teton County Housing Authority loan from First Interstate Bank dated May 2015. 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 real property. \$ 2,843,350

\$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. 1,515,436
\$ 4,358,786

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 7 – 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>
2018	\$ 224,986	211,128	436,114
2019	228,523	200,800	429,323
2020	239,631	189,964	429,595
2021	251,662	178,596	430,258
2022	264,101	166,670	430,771
2023	<u>3,149,883</u>	<u>728,893</u>	<u>3,878,776</u>
Total	<u>\$ 4,358,786</u>	<u>1,676,051</u>	<u>6,034,837</u>

Note 8 – Retirement 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 (PEPP); 2) Law Enforcement Pension Plan (LEPP); 3) Paid Fireman's Pension Plan B; and 4) Wyoming Deferred Compensation Plan (WDCP).

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

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 16.62% of the participant's salary to be contributed to PEPP. Contributions consist of 8.25% of the participant's salary as employee contributions and 8.37% 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.

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 PEPP 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 unreduced retirement benefits at age 60 (Tier 1 employees) or 65 (Tier 2 employees).

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

Contributions to PEPP for the year ended June 30, 2017 were \$1,592,361 for the County and \$294,378, \$0, and \$85,999 for the Library, Regional Housing Authority, and Weed & Pest component units, respectively.

Law Enforcement Pension Plan

LEPP is a cost sharing multiple employer defined benefit, contributory retirement plan covering all law enforcement employees of the County.

LEPP 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, 2017 were \$667,728.

Paid Fireman's Pension Plan B

PFPP is a cost sharing multiple employer defined benefit, contributory retirement plan covering paid firemen of the County who were employed after July 1, 1981.

PFPP 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.

PFPP 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 is 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 without interest.

Contributions to PFPP for the year ended June 30, 2017 were \$339,266.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

Wyoming Deferred Compensation Plan

WDCP administered by the System is an IRS Section 457 Deferred Compensation Plan. WDCP is available as a supplemental plan to the defined benefit retirement plans. Contributions may be made into WDCP (subject to plan and Internal Revenue Code limitations) by employees and employer contributions may be made into WDCP at rates determined by the County.

Upon qualifying for distributions, benefits are paid out in lump sums, or as periodic benefit payments, at the option of the participant based on individual account balances and WDCP provisions. WDCP's account balances are fully vested to the participants at the time of deposit. Investments in WDCP are individually directed by WDCP participants among WRS approved investment options of varying degrees of risk and earnings potential. Participants may transfer their funds between these options daily. Investments of WDCP are valued daily. In addition to employee contributions, WDCP also accepts employer contributions on behalf of the employees, provided such contribution when added to the employees' deferred contribution does not exceed the maximum deferral permitted by the IRS.

During 2017, employees contributed to WDCP but the County elected not to make contributions to WDCP on behalf of participating employees.

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

Governmental and Business-type Activities:

At June 30, 2017, the County reported an entity-wide net pension liability of \$16,290,050, of which \$15,656,753 is related to governmental activities and \$633,297 is related to the County's ISWR proprietary fund.

	Measured at:		December 31,	
	December 31, 2016		2015	
	Net			
	Pension	Proportionate	Proportionate	Change
	Liability	Share	Share	
PEPP	\$ 12,665,934	0.523927%	0.501527%	0.022400%
LEPP	1,831,385	2.425935%	2.271553%	0.154382%
PFPP - B	<u>1,792,731</u>	5.680151%	4.809564%	0.870587%
Total net pension liability	<u>\$ 16,290,050</u>			

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

Component Units:

At June 30, 2017, the County reported for component units a net pension liability of \$3,167,184, of which \$2,367,308 is related to the Library, \$78,453 is related to the Regional Housing Authority, and \$721,423 is related to the Weed & Pest.

	Measured at:		December 31,	
	December 31, 2016		2015	
<u>PEPP</u>	Net Pension Liability	Proportionate Share	Proportionate Share	Change
Library	\$ 2,367,308	0.097924%	0.093980%	0.003944%
Housing Authority	78,453	0.003245%	0.010695%	-0.007450%
Weed & Pest	721,423	0.029842%	0.027434%	0.002408%
Total net pension liability	\$ 3,167,184			

The net pension liability was measured at December 31, **2016**, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017. 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 **2016**.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

Governmental and Business-type Activities:

For the year ended June 30, 2017, the County recognized for the primary government pension expense of \$3,229,023. At June 30, 2017, the County reported for the primary government deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 29,977	411,681
Net difference between projected and actual earnings on pension plan investments	3,668,869	-
Changes in assumptions	872,081	74,521
Contributions subsequent to the measurement date	1,278,914	-
Change in proportionate share	<u>605,782</u>	<u>-</u>
	<u>\$ 6,455,623</u>	<u>486,202</u>

Deferred outflows of resources related to pensions resulting from County contributions of \$1,278,914 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 and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2018	\$ 1,529,092
2019	1,524,208
2020	1,170,159
2021	175,682
Thereafter	<u>291,366</u>
	<u>\$ 4,690,507</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

Component Units:

For the year ended June 30, 2017, the County recognized for the Library, Regional Housing Authority, and Weed & Pest component units pension expense of \$370,533, \$12,279, and \$76,469, respectively. At June 30, 2017, the County reported for the Library, Regional Housing Authority, and Weed and Pest component units net deferred outflows (inflows) of resources related to pensions from the following sources:

	Library	HA	WP
	Net Deferred	Net Deferred	Net Deferred
	Outflows	Outflows	Outflows
	(Inflows) of	(Inflows) of	(Inflows) of
	Resources	Resources	Resources
	<u> </u>	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ (63,461)	(2,103)	(19,339)
Net difference between projected and actual earnings on pension plan investments	437,918	14,513	133,453
Contributions subsequent to the measurement date	147,675	-	42,445
Change in proportionate share	<u>54,896</u>	<u>(112,315)</u>	<u>50,534</u>
	<u>\$ 577,028</u>	<u>(99,905)</u>	<u>207,093</u>

Deferred outflows of resources related to pensions resulting from Library, Regional Housing Authority, and Weed & Pest contributions of \$147,675, \$0, and \$42,445, respectively, made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Library Net Deferred Outflows of Resources	HA Net Deferred Outflows of Resources	WP Net Deferred Outflows of Resources
2018	\$ 147,843	(38,161)	52,223
2019	149,052	(37,302)	52,658
2020	125,499	(24,673)	47,492
2021	6,959	231	12,275
	<u>\$ 429,353</u>	<u>(99,905)</u>	<u>164,648</u>

Actuarial Assumptions

The total pension liability based on the January 1, 2017 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, 2017

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 Wyoming State Retirement Board’s funding policy, which establishes the contractually required rates under Wyoming state statutes. Based on those assumptions, the System’s 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.

The assumed asset allocation of the plans’ portfolio, the long-term expected rate of return for each asset class, and the expected rate of return is presented arithmetically and geometrically below over a 20-year time frame.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Arithmetic Real Return</u>	<u>Arithmetic Nominal Return</u>	<u>Geometric Real Return</u>	<u>Geometric Nominal Return</u>
Tactical Cash	0.0%	-0.20%	2.3%	-0.2%	2.3%
Fixed Income	20.0%	2.0%	4.5%	1.4%	3.9%
Equity	45.0%	7.7%	10.2%	5.7%	8.2%
Marketable Alternatives	17.5%	3.7%	6.2%	3.0%	5.5%
Private Markets	17.5%	7.1%	9.6%	5.1%	7.6%
Total	100%	5.77%	8.27%	4.28%	6.78%

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, 2017

Note 8 – Retirement Plans (continued)

Governmental and Business-type Activities:

	1% Decrease 6.75%	Discount Rate 7.75%	1% Increase 8.75%
	<hr/>	<hr/>	<hr/>
<i>PEPP</i>			
Proportionate share of net pension liability	18,192,511	12,665,934	8,024,136
<i>LEPP</i>			
Proportionate share of net pension liability	3,802,917	1,831,385	203,290
<i>PFPP - B</i>			
Proportionate share of net pension liability	3,112,505	1,792,731	701,239
<i>Component Units:</i>			
	1% Decrease 6.75%	Discount Rate 7.75%	1% Increase 8.75%
	<hr/>	<hr/>	<hr/>
<i>PEPP - LB</i>			
Proportionate share of net pension liability	3,400,245	2,367,308	1,499,740
<i>PEPP - HA</i>			
Proportionate share of net pension liability	112,684	78,453	49,701
<i>PEPP - WP</i>			
Proportionate share of net pension liability	1,036,205	721,423	457,037

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 8 – Retirement Plans (continued)

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.

Note 9 – Net Position and Fund Equities

Net position of governmental activities includes certain amounts restricted by enabling legislation. As of June 30, 2017 net position restricted by enabling legislation totaled \$5,004,542, 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 projects.

The County has adopted a 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 requires the County to 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. As of June 30, 2017, the County had committed approximately \$6.7 million which exceeds the stabilization requirement estimated to be approximately \$5 million at June 30, 2017.

The SRFB requires the County to maintain a minimum of 15% of prior year audited revenue excluding interfund transfer in special revenue funds. The SRFB excludes Parks and Recreation and ISWR funds, which maintain previously adopted policies. At June 30, 2017, the minimum fund balance requirement is approximately \$2.1 million compared to approximately \$10.3 million in restricted, committed, or assigned fund balances in special revenue funds at June 30, 2017.

The ERCP requires the County to 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 calculates the ERCP level after the year-end audit and prepares a budget amendment. If revenues decline, the ERCP amount will remain the same. At June 30, 2017, the County committed approximately \$13 million in its capital projects fund exceeding the minimum fund balance requirement of approximately \$9 million.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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, 2017 was approximately \$64,000. Future minimum non-cancelable operating lease payments are approximately as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2018	\$ 64,000
2019	50,200
2020	38,400
2021	24,600
2022	<u>9,000</u>
	<u>\$ 186,200</u>

Component Units:

The Jackson/Teton County Regional Housing Authority acts as lessor and leases office space and residential units to tenants. Lease rental revenues under operating leases for the year ended June 30, 2017 were approximately \$520,000. Future minimum non-cancelable operating lease revenues are approximately as follows:

<u>Year ending June 30</u>	<u>Amount</u>
2018	\$ 155,000
2019	139,000
2020	43,000
2021	<u>29,000</u>
	<u>\$ 366,000</u>

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

Note 11 – Interfund Receivables, Payables, and Transfers

At June 30, 2017, the General Fund has a receivable due from the Grants Fund of \$96,181. This interfund amount represents a short-term advance from the General Fund to the Grants Fund from the County’s cash and investment pool. This advance is expected to be repaid in fiscal year 2018.

The County made the following interfund transfers:

<u>Purpose</u>	<u>Amount</u>	<u>Transfer in</u>	<u>Transfer out</u>
Capital purchases	\$ 7,670,239	Capital Projects Fund	General Fund
Operations and capital purchases	\$ 480,170	Non-Major Funds	General Fund
Operations and capital purchases	\$ 1,476,734	Parks and Rec Fund	General Fund
Program-specific funding	\$ 370,979	General Fund	Grants Fund
Operations and capital purchases	\$ 1,646,956	General Fund	Non-Major Funds
Operations and capital purchases	\$ 508,397	Parks and Rec Fund	Non-Major Funds
Capital purchases	\$ 294,933	Parks and Rec Fund	Capital Projects Fund
Operations	\$ 1,774,242	Non-Major Funds	Non-Major Funds
Capital purchases	\$ 7,400	Non-Major Funds	Capital Projects Fund
Operations	\$ 54,434	Building Corporation	General Fund

Note 12 – Related Party Transactions

During the year, the primary government contributed general appropriations of approximately \$240,000 to the Jackson/Teton County Regional 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 approximately \$454,000 in health insurance premiums from the Teton County Library Board.

TETON COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2017

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 various projects including but not limited to: the South Park Loop Pathway Connector, Cattleman's Bridge, Hoback Bridge, and the Children's Learning Center. The remaining expenditure commitment for services yet to be performed on these contracts as of June 30, 2017 is approximately \$2,106,000. The total commitment amount is subject to adjustment for change orders and additional costs incurred by the contractors.

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 remaining expenditure commitment for services yet to be performed as of June 30, 2017 is approximately \$2,034,000 to be incurred over fiscal years 2018 through 2019. The total commitment amount is subject to adjustment for actual transport mileage incurred by the contractor.

The Integrated Solid Waste and Recycling Fund 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, 2017 is approximately \$2,463,000.

The Integrated Solid Waste and Recycling Fund has executed a multi-year contract for construction services related to the improvements to the Recycling Center. The remaining expenditure commitment for services yet to be performed as of June 30, 2017 is approximately \$218,000.

Required Supplementary Information

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
<u>Taxes</u>				
Sales and use taxes	\$ 16,054,643	16,054,643	16,887,328	832,685
Property taxes	7,882,333	7,882,333	7,926,136	43,803
Payments in lieu of property tax	2,164,000	2,164,000	2,369,980	205,980
Gasoline tax	1,290,000	1,290,000	1,278,525	(11,475)
Lodging tax	385,000	385,000	411,969	26,969
Severance tax	210,000	210,000	210,604	604
Motor vehicle fees	693,000	693,000	872,397	179,397
Other taxes	11,000	11,000	14,905	3,905
Total taxes	28,689,976	28,689,976	29,971,844	1,281,868
<u>Other Revenues</u>				
Intergovernmental	444,203	580,984	628,305	47,321
Charges for services	2,149,641	2,211,865	2,032,038	(179,827)
Licenses and permits	2,515,711	3,222,014	3,359,943	137,929
Miscellaneous	136,000	262,650	240,072	(22,578)
Total revenues	33,935,531	34,967,489	36,232,202	1,264,713
Expenditures:				
<u>Administration</u>				
General administration	3,990,673	4,002,689	3,257,839	744,850
County commissioners	1,162,046	1,164,412	992,578	171,834
County clerk	1,118,616	1,144,913	1,025,814	119,099
County treasurer	718,393	719,568	701,670	17,898
County assessor	610,072	610,072	546,838	63,234
Information systems	518,569	523,156	380,160	142,996
Facilities maintenance	1,105,790	1,136,716	1,133,625	3,091
Special projects	138,400	223,400	263,217	(39,817)
Total administration	9,362,559	9,524,926	8,301,741	1,223,185
<u>Community development</u>				
County planner	1,644,542	1,748,487	1,609,261	139,226
Community development	185,385	935,714	977,621	(41,907)
Total community development	1,829,927	2,684,201	2,586,882	97,319

(continued)

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<u>Health and human services</u>				
Public and environmental health	1,418,759	1,447,323	1,327,710	119,613
Human services	1,181,124	1,181,124	1,145,219	35,905
County coroner	197,712	198,696	153,329	45,367
Agricultural extension	201,131	201,131	126,468	74,663
WIC program	45,088	45,088	27,957	17,131
Health officer	6,930	7,203	7,203	-
Total health and human services	<u>3,050,744</u>	<u>3,080,565</u>	<u>2,787,886</u>	<u>292,679</u>
<u>Justice</u>				
County attorney	1,237,889	1,242,889	1,196,970	45,919
Clerk of district court	581,964	597,444	528,067	69,377
Court supervised treatment program	176,025	176,025	128,574	47,451
Justice court	4,300	4,300	3,188	1,112
Total justice	<u>2,000,178</u>	<u>2,020,658</u>	<u>1,856,799</u>	<u>163,859</u>
<u>Infrastructure</u>				
Road and bridge	1,619,281	1,993,074	1,811,736	181,338
County engineer	622,243	622,243	519,132	103,111
Pathways	173,173	173,173	159,395	13,778
Total infrastructure	<u>2,414,697</u>	<u>2,788,490</u>	<u>2,490,263</u>	<u>298,227</u>
<u>Parks and recreation</u>				
Parks and recreation	-	76,932	76,932	-
Total parks and recreation	<u>-</u>	<u>76,932</u>	<u>76,932</u>	<u>-</u>
<u>Public safety</u>				
County sheriff	5,612,365	5,675,435	5,464,629	210,806
Board of prisoners and jail	1,804,038	1,734,222	1,584,741	149,481
Emergency management	315,693	315,693	274,915	40,778
Special projects	80,715	80,715	81,441	(726)
Total public safety	<u>7,812,811</u>	<u>7,806,065</u>	<u>7,405,726</u>	<u>400,339</u>
<u>Debt Service</u>				
Principal	625,000	625,000	625,000	-
Interest and fiscal charges	56,046	56,046	56,046	-
Total debt service	<u>681,046</u>	<u>681,046</u>	<u>681,046</u>	<u>-</u>
Total expenditures	<u>27,151,962</u>	<u>28,662,883</u>	<u>26,187,275</u>	<u>2,475,608</u>
Revenues over (under) expenditures	<u>6,783,569</u>	<u>6,304,606</u>	<u>10,044,927</u>	<u>3,740,321</u>

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Other financing sources (uses):				
Transfer from grants fund	428,756	475,947	370,979	(104,968)
Transfer from fire / EMS fund	354,008	354,008	185,302	(168,706)
Transfer to fire / EMS fund	(1,557,849)	(1,557,849)	(1,461,655)	96,194
Transfer to parks and recreation fund	(1,476,734)	(1,476,734)	(1,476,734)	-
Transfer to building corporation	(54,434)	(54,434)	(54,434)	-
Transfer to housing authority fund	(480,170)	(480,170)	(480,170)	-
Transfer to capital projects fund	(7,067,146)	(7,638,952)	(7,670,239)	(31,287)
Total other financing sources (uses)	<u>(9,853,569)</u>	<u>(10,378,184)</u>	<u>(10,586,951)</u>	<u>(208,767)</u>
Change in fund balance	\$ <u>(3,070,000)</u>	<u>(4,073,578)</u>	(542,024)	<u>3,531,554</u>
Fund balance - July 1			<u>22,299,586</u>	
Fund balance - June 30			\$ <u>21,757,562</u>	

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
PARKS AND RECREATION FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 33,901	33,901	26,581	(7,320)
Charges for services	5,413,493	5,461,245	3,363,819	(2,097,426)
Licenses and permits	124,364	135,117	144,482	9,365
Contributions	15,500	32,851	37,832	4,981
Miscellaneous	<u>1,000</u>	<u>10,072</u>	<u>11,879</u>	<u>1,807</u>
Total revenues	<u>5,588,258</u>	<u>5,673,186</u>	<u>3,584,593</u>	<u>(2,088,593)</u>
Expenditures:				
Parks and recreation	<u>10,269,250</u>	<u>10,319,558</u>	<u>5,724,224</u>	<u>4,595,334</u>
Total expenditures	<u>10,269,250</u>	<u>10,319,558</u>	<u>5,724,224</u>	<u>4,595,334</u>
Deficiency of revenues over expenditures	<u>(4,680,992)</u>	<u>(4,646,372)</u>	<u>(2,139,631)</u>	<u>2,506,741</u>
Other financing sources:				
Transfer from lodging tax fund	542,895	542,895	508,397	(34,498)
Transfer from general fund	<u>4,138,097</u>	<u>4,138,097</u>	<u>1,771,667</u>	<u>(2,366,430)</u>
Total other financing sources	<u>4,680,992</u>	<u>4,680,992</u>	<u>2,280,064</u>	<u>(2,400,928)</u>
Change in fund balance	<u>\$ -</u>	<u>34,620</u>	140,433	<u>105,813</u>
Fund balance - July 1			<u>747,893</u>	
Fund balance - June 30			<u>\$ 888,326</u>	

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
SPECIFIC TAX FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Sales and use taxes	\$ <u>6,000,000</u>	<u>6,000,000</u>	<u>8,719,546</u>	<u>2,719,546</u>
Total revenues	<u>6,000,000</u>	<u>6,000,000</u>	<u>8,719,546</u>	<u>2,719,546</u>
Expenditures:				
Administration	<u>6,000,000</u>	<u>6,000,000</u>	<u>8,719,546</u>	<u>(2,719,546)</u>
Total expenditures	<u>6,000,000</u>	<u>6,000,000</u>	<u>8,719,546</u>	<u>(2,719,546)</u>
Excess of revenues over expenditures	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - July 1			<u>-</u>	
Fund balance - June 30			<u><u>\$ -</u></u>	

TETON COUNTY
BUDGETARY COMPARISON SCHEDULE
2012 LANDFILL CLOSURE SPECIFIC TAX FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Contributions	\$	-	36,481	36,481
Miscellaneous	40,000	40,000	36,519	(3,481)
Total revenues	40,000	40,000	73,000	33,000
Expenditures:				
Infrastructure	5,397,425	5,397,425	1,360,316	4,037,109
Total expenditures	5,397,425	5,397,425	1,360,316	4,037,109
Deficiency of revenues over expenditures	\$ (5,357,425)	(5,357,425)	(1,287,316)	4,070,109
Fund balance - July 1			13,050,787	
Fund balance - June 30			\$ 11,763,471	

TETON COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PRIMARY GOVERNMENT

	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
<u>Public Employee Pension Plan:</u>			
Proportion of the net pension liability	0.523927%	0.501527%	0.466463%
Proportionate share of the net pension liability	\$ 12,665,934	11,682,315	8,231,636
Covered employee payroll	\$ 9,341,120	8,956,486	7,791,267
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	135.59%	130.43%	106.00%
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%
<u>Law Enforcement Pension Plan:</u>			
Proportion of the net pension liability	2.425935%	2.271553%	2.101185%
Proportionate share of the net pension liability	\$ 1,831,385	1,706,389	619,086
Covered employee payroll	\$ 3,754,842	3,416,409	3,252,244
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	48.77%	49.95%	19.04%
Plan fiduciary net position as a percentage of the total pension liability	88.11%	87.49%	94.76%
<u>Paid Fireman's Pension Plan B:</u>			
Proportion of the net pension liability	5.680151%	4.809564%	3.820583%
Proportionate share of the net pension liability (asset)	\$ 1,792,731	1,470,505	(42,967)
Covered employee payroll	\$ 1,499,019	1,249,835	1,006,802
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	119.59%	117.66%	-4.27%
Plan fiduciary net position as a percentage of the total pension liability	79.33%	79.33%	100.98%

TETON COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
COMPONENT UNITS

	<u>December 31,</u> <u>2016</u>	<u>December 31,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>
<u>Public Employee Pension Plan - Library:</u>			
Proportion of the net pension liability	0.097924%	0.093980%	0.093356%
Proportionate share of the net pension liability	\$ 2,367,308	2,189,121	1,647,440
Covered employee payroll	\$ 1,745,889	1,678,813	1,559,307
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	135.59%	130.40%	105.65%
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%
<u>Public Employee Pension Plan - Housing Authority:</u>			
Proportion of the net pension liability	0.003245%	0.010695%	0.012962%
Proportionate share of the net pension liability	\$ 78,453	249,127	228,744
Covered employee payroll	\$ 57,859	190,144	216,509
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	135.59%	131.02%	105.65%
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%
<u>Public Employee Pension Plan - Weed & Pest:</u>			
Proportion of the net pension liability	0.029842%	0.027434%	0.026726%
Proportionate share of the net pension liability	\$ 721,423	639,026	471,633
Covered employee payroll	\$ 533,753	489,243	464,377
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	135.16%	130.62%	101.56%
Plan fiduciary net position as a percentage of the total pension liability	73.42%	73.40%	79.08%

TETON COUNTY
SCHEDULE OF CONTRIBUTIONS
PRIMARY GOVERNMENT

	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
<u>Public Employee Pension Plan:</u>			
Contractually required contribution	\$ 1,592,361	1,492,813	1,354,444
Contributions in relation to the contractually required contribution	<u>1,592,361</u>	<u>1,492,813</u>	<u>1,354,444</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 9,580,993	8,982,028	8,534,619
Contributions as a percentage of covered employee payroll	16.62%	16.62%	15.87%
<u>Law Enforcement Pension Plan:</u>			
Contractually required contribution	\$ 667,728	654,629	583,138
Contributions in relation to the contractually required contribution	<u>667,728</u>	<u>654,629</u>	<u>583,138</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 3,882,140	3,805,983	3,390,337
Contributions as a percentage of covered employee payroll	17.20%	17.20%	17.20%
<u>Paid Fireman's Pension Plan B:</u>			
Contractually required contribution	\$ 339,266	333,826	239,097
Contributions in relation to the contractually required contribution	<u>339,266</u>	<u>333,826</u>	<u>239,097</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 1,596,922	1,571,316	1,125,427
Contributions as a percentage of covered employee payroll	21.25%	21.25%	21.25%

TETON COUNTY
SCHEDULE OF CONTRIBUTIONS
COMPONENT UNITS

	Year Ended June 30, 2017	Year Ended June 30, 2016	Year Ended June 30, 2015
<u>Public Employee Pension Plan - Library:</u>			
Contractually required contribution	\$ 294,378	306,136	253,544
Contributions in relation to the contractually required contribution	<u>294,378</u>	<u>306,136</u>	<u>253,544</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 1,771,227	1,841,974	1,597,631
Contributions as a percentage of covered employee payroll	16.62%	16.62%	15.87%
<u>Public Employee Pension Plan - Housing Authority:</u>			
Contractually required contribution	\$ -	30,500	29,517
Contributions in relation to the contractually required contribution	<u>-</u>	<u>30,500</u>	<u>29,517</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ -	183,514	185,992
Contributions as a percentage of covered employee payroll	16.62%	16.62%	15.87%
<u>Public Employee Pension Plan - Weed & Pest:</u>			
Contractually required contribution	\$ 85,999	87,745	74,457
Contributions in relation to the contractually required contribution	<u>85,999</u>	<u>87,745</u>	<u>74,457</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 517,443	527,948	469,168
Contributions as a percentage of covered employee payroll	16.62%	16.62%	15.87%

TETON COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2017

Note 1 – 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.

Note 2 – Budget Adoption and Monitoring

The budget is required to be prepared in a format acceptable to the Wyoming Department of Audit, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. 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 County expends funds only as authorized by the approved budget unless a departure from the budget is authorized by the Board of County Commissioners. State statute requires that County boards or officials shall not incur expenditures or encumbrances in excess of total appropriations of the County's general fund budget as adopted or subsequently amended. Only the Board of County Commissioners at a properly advertised public hearing can make increases in total fund appropriations. The final budget information presented is after all approved amendments.

Note 3 – Compliance Related Matters

The Specific Tax fund exceeded budgeted expenditures.

Note 4 – Schedules of the Proportionate Share of the Net Pension Liability and Contributions

Generally accepted accounting standards require the presentation of 10 years of the County's proportionate share of the net pension liability and the County's annual contributions. Transition provisions in 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 December 31, 2014.

Supplementary Information

TETON COUNTY
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2017

Special Revenue Funds

	Special Fire	Grants	Fire/EMS	Enhanced 911	Housing Authority	Roads	Lodging Tax	County Fair
Assets:								
Pooled cash and cash equivalents	\$ 482,409	-	1,020,221	945,289	3,035,443	2,447,901	187,705	742,267
Cash and cash equivalents	-	-	-	-	-	-	-	8,282
Accounts receivable	-	-	127,630	51,546	4,398	-	-	-
Taxes receivable	488,038	-	-	-	-	-	-	676,114
Due from other governments	31,113	459,808	-	-	-	101,125	232,442	9,074
Due from other funds	1,297,968	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	45,331
Total assets	2,299,528	459,808	1,147,851	996,835	3,039,841	2,549,026	420,147	1,481,068
Liabilities:								
Interfund payable - pooled cash	-	96,181	-	-	-	-	-	-
Accounts payable and accrued liabilities	21,029	355,111	84,097	220,870	12,027	42,792	17,286	19,008
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	40,735
Total liabilities	21,029	451,292	84,097	220,870	12,027	42,792	17,286	59,743
Deferred inflows of resources:								
Revenues for future periods	484,000	-	-	-	-	-	-	671,243
Total deferred inflows of resources	484,000	-	-	-	-	-	-	671,243
Fund balances:								
Nonspendable:								
Prepaid expenses	-	-	-	-	-	-	-	45,331
Restricted for:								
Capital projects	-	-	-	-	3,027,814	-	-	-
Infrastructure	-	-	-	-	-	2,506,234	-	-
Public safety	1,794,499	-	-	775,965	-	-	-	-
Community development	-	-	-	-	-	-	402,861	-
Other purposes	-	8,516	-	-	-	-	-	-
Committed for:								
Public safety	-	-	1,063,754	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	704,751
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	1,794,499	8,516	1,063,754	775,965	3,027,814	2,506,234	402,861	750,082
Total liabilities, deferred inflows of resources and fund balances	\$ 2,299,528	459,808	1,147,851	996,835	3,039,841	2,549,026	420,147	1,481,068

TETON COUNTY
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2017

Capital Projects Funds										Total Non-major Governmental Funds
2006 Daycare Specific Tax Fund	2006 Trash Transfer Specific Tax Fund	2010 Pathways Specific Tax Fund	2010 Wilson Specific Tax Fund	2010 Parks & Recreation Specific Tax Fund	2012 Pathways Specific Tax Fund	2014 Pathways Specific Tax Fund	2014 Fire/EMS Specific Tax Fund	2017 Pathways Specific Tax Fund	2017 Fire/EMS Specific Tax Fund	
-	-	61,090	303,442	403,680	-	697,691	2,373,262	1,500,165	-	14,200,565
-	-	-	-	-	-	-	-	-	-	8,282
-	-	-	-	-	-	-	-	-	-	183,574
-	-	-	-	-	-	-	-	-	-	1,164,152
-	-	-	-	-	-	-	-	-	-	833,562
-	-	-	-	-	-	-	-	-	-	1,297,968
-	-	-	-	-	-	-	-	-	-	45,331
<u>-</u>	<u>-</u>	<u>61,090</u>	<u>303,442</u>	<u>403,680</u>	<u>-</u>	<u>697,691</u>	<u>2,373,262</u>	<u>1,500,165</u>	<u>-</u>	<u>17,733,434</u>
-	-	-	-	-	-	-	-	-	-	96,181
-	-	10,420	682	-	-	71,709	3,075	-	-	858,106
-	-	-	-	-	-	-	-	-	1,297,968	1,297,968
-	-	-	-	-	-	-	-	-	-	40,735
<u>-</u>	<u>-</u>	<u>10,420</u>	<u>682</u>	<u>-</u>	<u>-</u>	<u>71,709</u>	<u>3,075</u>	<u>-</u>	<u>1,297,968</u>	<u>2,292,990</u>
-	-	-	-	-	-	-	-	-	-	1,155,243
-	-	-	-	-	-	-	-	-	-	1,155,243
-	-	-	-	-	-	-	-	-	-	45,331
-	-	50,670	302,760	403,680	-	625,982	2,370,187	1,500,165	-	8,281,258
-	-	-	-	-	-	-	-	-	-	2,506,234
-	-	-	-	-	-	-	-	-	-	2,570,464
-	-	-	-	-	-	-	-	-	-	402,861
-	-	-	-	-	-	-	-	-	-	8,516
-	-	-	-	-	-	-	-	-	-	1,063,754
-	-	-	-	-	-	-	-	-	-	704,751
-	-	-	-	-	-	-	-	-	(1,297,968)	(1,297,968)
<u>-</u>	<u>-</u>	<u>50,670</u>	<u>302,760</u>	<u>403,680</u>	<u>-</u>	<u>625,982</u>	<u>2,370,187</u>	<u>1,500,165</u>	<u>(1,297,968)</u>	<u>14,285,201</u>
<u>-</u>	<u>-</u>	<u>61,090</u>	<u>303,442</u>	<u>403,680</u>	<u>-</u>	<u>697,691</u>	<u>2,373,262</u>	<u>1,500,165</u>	<u>-</u>	<u>17,733,434</u>

TETON COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2017

	Special Revenue Funds							
	Special Fire	Grants	Fire/EMS	Enhanced 911	Housing Authority	Roads	Lodging Tax	County Fair
Revenues:								
Taxes	\$ 513,577	-	-	-	-	627,375	1,235,906	695,565
Intergovernmental	-	2,986,381	13,386	-	-	1,814,817	-	-
Charges for services	279,553	-	1,760,139	309,191	1,808,350	-	-	443,803
Contributions	30,000	-	152,013	-	1,146,586	-	-	1,182
Miscellaneous	7,151	-	17,311	2,803	7,319	35,721	1,548	5,529
Total revenues	<u>830,281</u>	<u>2,986,381</u>	<u>1,942,849</u>	<u>311,994</u>	<u>2,962,255</u>	<u>2,477,913</u>	<u>1,237,454</u>	<u>1,146,079</u>
Expenditures:								
Administration	-	-	-	-	-	-	22,451	-
Community development	-	669,083	-	-	592,933	-	-	-
Health and human services	-	161,657	-	-	-	-	-	-
Infrastructure	-	1,199,404	-	-	-	2,573,852	510,392	-
Parks and recreation	-	45,156	-	-	-	-	183,000	1,119,019
Public safety	629,210	540,102	3,777,734	578,083	-	-	-	-
Total expenditures	<u>629,210</u>	<u>2,615,402</u>	<u>3,777,734</u>	<u>578,083</u>	<u>592,933</u>	<u>2,573,852</u>	<u>715,843</u>	<u>1,119,019</u>
Excess (deficiency) of revenues over expenditures	<u>201,071</u>	<u>370,979</u>	<u>(1,834,885)</u>	<u>(266,089)</u>	<u>2,369,322</u>	<u>(95,939)</u>	<u>521,611</u>	<u>27,060</u>
Other financing sources (uses):								
Transfers in (out)	-	(370,979)	1,557,994	-	480,170	-	(782,639)	-
Total other financing sources (uses)	<u>-</u>	<u>(370,979)</u>	<u>1,557,994</u>	<u>-</u>	<u>480,170</u>	<u>-</u>	<u>(782,639)</u>	<u>-</u>
Change in fund balance	201,071	-	(276,891)	(266,089)	2,849,492	(95,939)	(261,028)	27,060
Fund balance - July 1	1,593,428	8,516	1,340,645	1,042,054	178,322	2,602,173	663,889	723,022
Fund balance - June 30	<u>\$ 1,794,499</u>	<u>8,516</u>	<u>1,063,754</u>	<u>775,965</u>	<u>3,027,814</u>	<u>2,506,234</u>	<u>402,861</u>	<u>750,082</u>

TETON COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2017

Capital Projects Funds										Total Non-major Governmental Funds
2006 Daycare Specific Tax Fund	2006 Trash Transfer Specific Tax Fund	2010 Pathways Specific Tax Fund	2010 Wilson Specific Tax Fund	2010 Parks & Recreation Specific Tax Fund	2012 Pathways Specific Tax Fund	2014 Pathways Specific Tax Fund	2014 Fire/EMS Specific Tax Fund	2017 Pathways Specific Tax Fund	2017 Fire/EMS Specific Tax Fund	
-	-	-	-	-	-	1,638,698	392,718	-	-	5,103,839
-	-	-	-	-	-	-	-	-	-	4,814,584
-	-	-	-	-	-	-	-	-	-	4,601,036
-	-	-	-	-	-	-	-	-	-	1,329,781
611	48	203	919	1,218	588	5,799	6,687	165	-	93,620
611	48	203	919	1,218	588	1,644,497	399,405	165	-	15,942,860
-	-	-	-	-	-	-	-	-	-	22,451
968,573	-	-	-	-	-	-	-	-	-	2,230,589
-	-	-	-	-	-	-	-	-	-	161,657
-	177,761	53,532	-	-	653,073	1,192,462	137,807	-	-	6,498,283
-	-	-	23,157	55,711	-	-	-	-	-	1,426,043
-	-	-	-	-	-	-	-	-	1,297,968	6,823,097
968,573	177,761	53,532	23,157	55,711	653,073	1,192,462	137,807	-	1,297,968	17,162,120
(967,962)	(177,713)	(53,329)	(22,238)	(54,493)	(652,485)	452,035	261,598	165	(1,297,968)	(1,219,260)
-	-	-	-	-	-	(1,500,000)	-	1,500,000	-	884,546
-	-	-	-	-	-	(1,500,000)	-	1,500,000	-	884,546
(967,962)	(177,713)	(53,329)	(22,238)	(54,493)	(652,485)	(1,047,965)	261,598	1,500,165	(1,297,968)	(334,714)
967,962	177,713	103,999	324,998	458,173	652,485	1,673,947	2,108,589	-	-	14,619,915
-	-	50,670	302,760	403,680	-	625,982	2,370,187	1,500,165	(1,297,968)	14,285,201

TETON COUNTY
COMBINING STATEMENT OF NET POSITION
TETON COUNTY LIBRARY AND TETON COUNTY LIBRARY FOUNDATION
June 30, 2017

	<u>Teton County Library</u>	<u>Teton County Library Foundation</u>	<u>Total Teton County Library</u>
Assets:			
Cash and cash equivalents	\$ 2,575,081	765,322	3,340,403
Investments	-	5,702,123	5,702,123
Taxes receivable	2,982,456	-	2,982,456
Due from other governments	5,963	-	5,963
Inventory	837	-	837
Prepaid expenses	47,121	-	47,121
Capital assets	1,808,211	-	1,808,211
Accumulated depreciation	(1,041,716)	-	(1,041,716)
Total assets	<u>6,377,953</u>	<u>6,467,445</u>	<u>12,845,398</u>
Deferred Outflows of resources:			
Pensions	640,489	-	640,489
Total deferred outflows of resources	<u>640,489</u>	<u>-</u>	<u>640,489</u>
Liabilities:			
Accounts payable and accrued liabilities	46,833	13,055	59,888
Long-term liabilities:			
Due within one year	82,574	-	82,574
Net pension liability	2,367,308	-	2,367,308
Total liabilities	<u>2,496,715</u>	<u>13,055</u>	<u>2,509,770</u>
Deferred inflows of resources:			
Pensions	63,461	-	63,461
Revenues for future periods	2,737,247	-	2,737,247
Total deferred inflows of resources	<u>2,800,708</u>	<u>-</u>	<u>2,800,708</u>
Net position:			
Net investment in capital assets	766,495	-	766,495
Restricted for capital projects	106,034	-	106,034
Restricted for permanent endowment - non expendable	-	3,227,916	3,227,916
Unrestricted	848,490	3,226,474	4,074,964
Total net position	<u>\$ 1,721,019</u>	<u>6,454,390</u>	<u>8,175,409</u>

TETON COUNTY
COMBINING STATEMENT OF ACTIVITIES
TETON COUNTY LIBRARY AND TETON COUNTY LIBRARY FOUNDATION
Year Ended June 30, 2017

	<u>Teton County Library</u>	<u>Teton County Library Foundation</u>	<u>Total Teton County Library</u>
Expenses	\$ 3,724,121	586,858	4,310,979
Program revenues:			
Charges for services	53,462	-	53,462
Operating grants and contributions	-	467,127	467,127
Total program revenues	<u>53,462</u>	<u>467,127</u>	<u>520,589</u>
Net (expenses) revenues	<u>(3,670,659)</u>	<u>(119,731)</u>	<u>(3,790,390)</u>
General revenues (expenses):			
Property taxes	3,583,294	-	3,583,294
Interest and investment income (loss)	5,596	751,243	756,839
Miscellaneous	1,300	-	1,300
Inter-entity contributions	-	-	-
Total general revenues (expenses)	<u>3,590,190</u>	<u>751,243</u>	<u>4,341,433</u>
Change in net position	(80,469)	631,512	551,043
Net position – beginning, as restated	<u>1,801,488</u>	<u>5,822,878</u>	<u>7,624,366</u>
Net position – ending	<u>\$ 1,721,019</u>	<u>6,454,390</u>	<u>8,175,409</u>

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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, 2017

Assets:		
Accounts receivable		\$ <u>29,002</u>
Total assets		<u>29,002</u>
Liabilities:		
Payable to general fund pooled cash		24,514
Accounts payable		<u>4,488</u>
Total liabilities		<u>29,002</u>
Fund balance		<u>-</u>
Total liabilities and fund balance		\$ <u>29,002</u>

TETON COUNTY COURT SUPERVISED TREATMENT PROGRAM
SCHEDULE OF ACTIVITIES AND FUNCTIONAL EXPENSES
Year Ended June 30, 2017

Revenues:

State grants	\$ 67,864
Program participant fees	3,840
Contributions from Teton County	49,252
Contributions from Town of Jackson	<u>35,544</u>
 Total revenues	 <u>156,500</u>

Expenses:

Administrative	98,534
Treatment and supervision	44,524
Travel and training	<u>13,442</u>
 Total expenses	 <u>156,500</u>

Net change in fund balance	\$ <u><u>-</u></u>
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Governmental Audit Reports

TETON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Contract Number	Expenditures
<u>U.S. Department of Agriculture (USDA)</u>			
Direct Program:			
Schools and Roads Cluster:			
Secure Rural Schools - Title I	10.665	None	993,793
Passed through Wyoming Department of Health:			
Special Supplemental Nutrition Program For WIC	10.557	None	25,720
Passed through Wyoming State Forestry Division:			
Cooperative Forestry Assistance - SFA Fire Training	10.664	13-DG-1104-6000-614, 15-DG- 1105-2000-039	239,443
Total USDA			<u>1,258,956</u>
<u>U.S. Department of Transportation (DOT)</u>			
Passed through Wyoming Department of Transportation:			
Highway Safety Cluster:			
BJA-Selective Traffic Enforcement	20.616	DUI 405D	9,634
Total Highway Safety Cluster			<u>9,634</u>
Total DOT			<u>9,634</u>
<u>U.S. Department of Health and Human Services (HHS)</u>			
Passed through Wyoming Department of Family Services:			
Family Planning Services	93.217	None	3,600
Temporary Assistance For Needy Families Cluster:			
Temp Assistance for Needy Families - Climb	93.558	None	89,400
Temp Assistance for Needy Families - Pub Hlth	93.558	None	46,950
Total Temporary Assistance for Needy Families Cluster			<u>136,350</u>
Passed through Wyoming Department of Health:			
All Hazards (PH Emer Preparedness)	93.069	None	89,604
PH-All Hazards Ebola	93.069	None	1,837
County Health Officer	93.069	None	9,600
Community Services Block Cluster:			
WY Rural & Frontier Health CSBG Tripartite FY16	93.569	CSBG.TTN.1615	43,207
Total Community Services Block Cluster			<u>43,207</u>
Total HHS			<u>284,198</u>

TETON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA No.	Contract Number	Expenditures
<u>U.S. Department of Homeland Security (DHS)</u>			
Passed through Wyoming Office of Homeland Security:			
Homeland Security Cluster:			
FY2015 Homeland Security (HSG)	97.067	15-GPD-TET-SC-HSG15	18,516
RERT Call out	97.067	None	13,386
FY 2015 HRT	97.067	15-GPD-RR8-RR-HRT15	<u>4,508</u>
Total Homeland Security Cluster			<u>36,410</u>
 FY 2017 EMPG	 97.047	 16-GPD-TET-EM-GCF16	 <u>60,216</u>
 Total DHS			 <u>96,626</u>
 Total Expenditures of Federal Awards			 <u>\$ 1,649,414</u>

TETON COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2017

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 provided in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 – Significant Accounting Policies

Basis of Accounting

The information in the Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

CFDA Numbers

Title 2 U.S. *Code of Federal Regulations* Part 200 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

Title 2 U.S. *Code of Federal Regulations* Part 200 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.

Indirect Costs

The County has not elected to use the 10% de minimis indirect cost rate.

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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, 2017, 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 11, 2017. 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 11, 2017



Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

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 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, 2017. 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 federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 circumstance.

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, 2017.

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 the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jones Simkins LLC

JONES SIMKINS LLC

Logan, Utah

December 11, 2017

TETON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

A. Summary of Auditors' Results

1.	Type of Report issued:	Unmodified
2.	Internal control over financial reporting: Material weaknesses identified:	No
	Significant deficiencies identified that were not considered to be material weaknesses:	None reported
3.	Non-compliance material to financial statements noted:	No
4.	Internal control over major programs: Material weaknesses identified:	No
	Significant deficiencies identified that were not considered to be material weaknesses:	None reported
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 2 CFR 200.516(a):	None
7.	Federal programs tested as major programs:	Schools and Roads Cluster CFDA # 10.665
8.	Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
9.	Auditee qualification as high or low risk:	Low

TETON COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2017

- 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 the Uniform Guidance.

None

TETON COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Client Submitted Document)
Year Ended June 30, 2017

None required as there were no findings or questioned costs related to federal awards required to be reported in accordance with Uniform Guidance in the prior year.

TETON COUNTY
CORRECTIVE ACTION PLAN
(Client Submitted Document)
Year Ended June 30, 2017

No corrective action plan required as there were no findings related to the financial statements required to be reported in accordance with *Government Auditing Standards*.