

**CAMPBELL COUNTY, WYOMING**

**FINANCIAL REPORT**

**FOR THE FISCAL  
YEAR ENDED JUNE 30, 2013**

# CAMPBELL COUNTY, WYOMING

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## **INDEPENDENT AUDITOR'S REPORT**

County Commissioners  
**Campbell County, Wyoming**  
Gillette, Wyoming

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Campbell County, Wyoming** as of and for the year ended June 30, 2013, 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 presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Campbell County, Wyoming**, as of June 30, 2013, 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 on pages 4 through 9 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 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 combining, individual major and individual nonmajor fund financial statements, and the schedule of state financial assistance, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining, individual major and individual nonmajor fund financial statements and the schedules of state financial assistance and of expenditures of federal awards 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. In our opinion, the combining, individual major and individual nonmajor fund financial statements and the schedules of state financial assistance and of expenditures of federal awards 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 January 6, 2014, on our consideration of **Campbell County, Wyoming's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 **Campbell County, Wyoming's** internal control over financial reporting and compliance.

*BRANNETT, WEBER + HERMSTAD, LLP*

Gillette, Wyoming  
January 6, 2014

## Campbell County, Wyoming

### MANAGEMENT'S DISCUSSION AND ANALYSIS

Year ending June 30, 2013

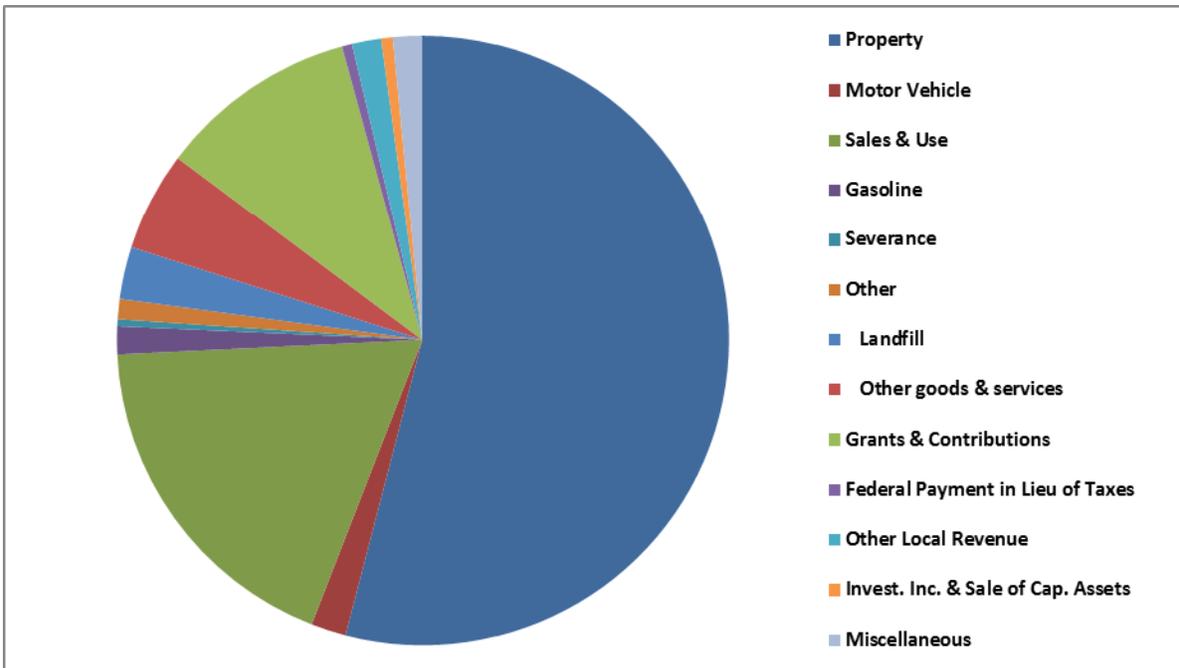
- (a) Included within the Basic Financial Statements are the Government-Wide Financial Statements and the Fund Financial Statements. The Fund Financial Statements are broken out by Fund, while the Government-Wide Financial Statements combine all Funds.
- (b) The following information is taken from the Government-Wide Financial Statement (comparisons are with FY 2011-12; and please note the previously referred to Statement of Net Assets is now called the Statement of Net Position, with other changes noted).
  - (1) Total assets were \$444,173,958 (increase of \$27,876,720 or 6.69%), with \$196,516,347 in capital assets, and \$247,657,611 in other assets.
  - (2) Total liabilities were \$26,718,433 (decrease of \$54,012,541 or 66.90%), with \$12,404,379 representing long term liabilities and \$14,314,054 representing other liabilities. This significant decrease is due to the change in reporting of Property Taxes Receivable and Advance Payments Received on Grants which are now segregated into a new section titled "Deferred Inflows of Resources"
  - (3) Total deferred inflows of resources were \$61,695,146.
  - (4) Total net position (changed from the previously referred net assets) was \$355,760,379 (increase of \$20,194,115 or 6.02%), with \$196,362,619 invested in capital assets, net, \$83,826,463 in restricted amounts, and \$75,571,297 in unrestricted amounts.
  - (5) Program revenues totaled \$21,388,764 (increase of \$3,281,325 or 18.12%), comprised of \$9,668,357 from Charges for Services, \$6,857,168 from Operating Grants and Contributions, and \$4,863,239 from Capital Grants and Contributions.
  - (6) General revenues totaled \$98,461,845 (increase of \$4,211,644 or 4.47%), with general purpose property taxes providing \$64,529,745, and other revenues providing \$33,932,100.
  - (7) Total revenues from all sources equaled \$119,850,609. Please refer to Table One and Figure 1 below.

**Table One:**

**CAMPBELL COUNTY WYOMING REVENUES FY 2013**

		<u>Actual Revenues</u>	
Taxes:	Property	\$64,776,172	54.05%
	Motor Vehicle	\$2,224,895	1.86%
	Sales & Use	\$21,966,171	18.33%
	Gasoline	\$1,768,508	1.48%
	Severance	\$444,593	0.37%
	Other	\$1,287,054	1.07%
	Other:	Landfill	\$3,311,881
Other goods & services		\$6,356,476	5.30%
Grants & Contributions		\$12,634,683	10.54%
Federal Payment in Lieu of Taxes		\$643,268	0.54%
Other Local Revenue		\$1,853,595	1.55%
Invest. Inc. & Sale of Cap. Assets		\$730,095	0.61%
Miscellaneous		<u>\$1,853,218</u>	1.55%
<b>Total Revenues</b>		<b>\$119,850,609</b>	<b>100.00%</b>

**Figure 1 – Campbell County Actual Revenue FY 2013**



- (8) The County's Governmental Activities have been identified by function. The following expenses relate to the five specific functions. General Government cost \$25,075,062; Public Safety cost \$22,033,282; Public Works cost \$31,135,233; Health, Welfare, Culture & Recreation cost \$21,404,639; and Debt Service cost \$8,278.
- (9) Total expenses were \$99,656,494 for the Government wide Financial Statements.
- (10) Total expenditures were \$111,953,206 for the Fund Financial Statements. Please refer to Table Two and Figure 2 below.

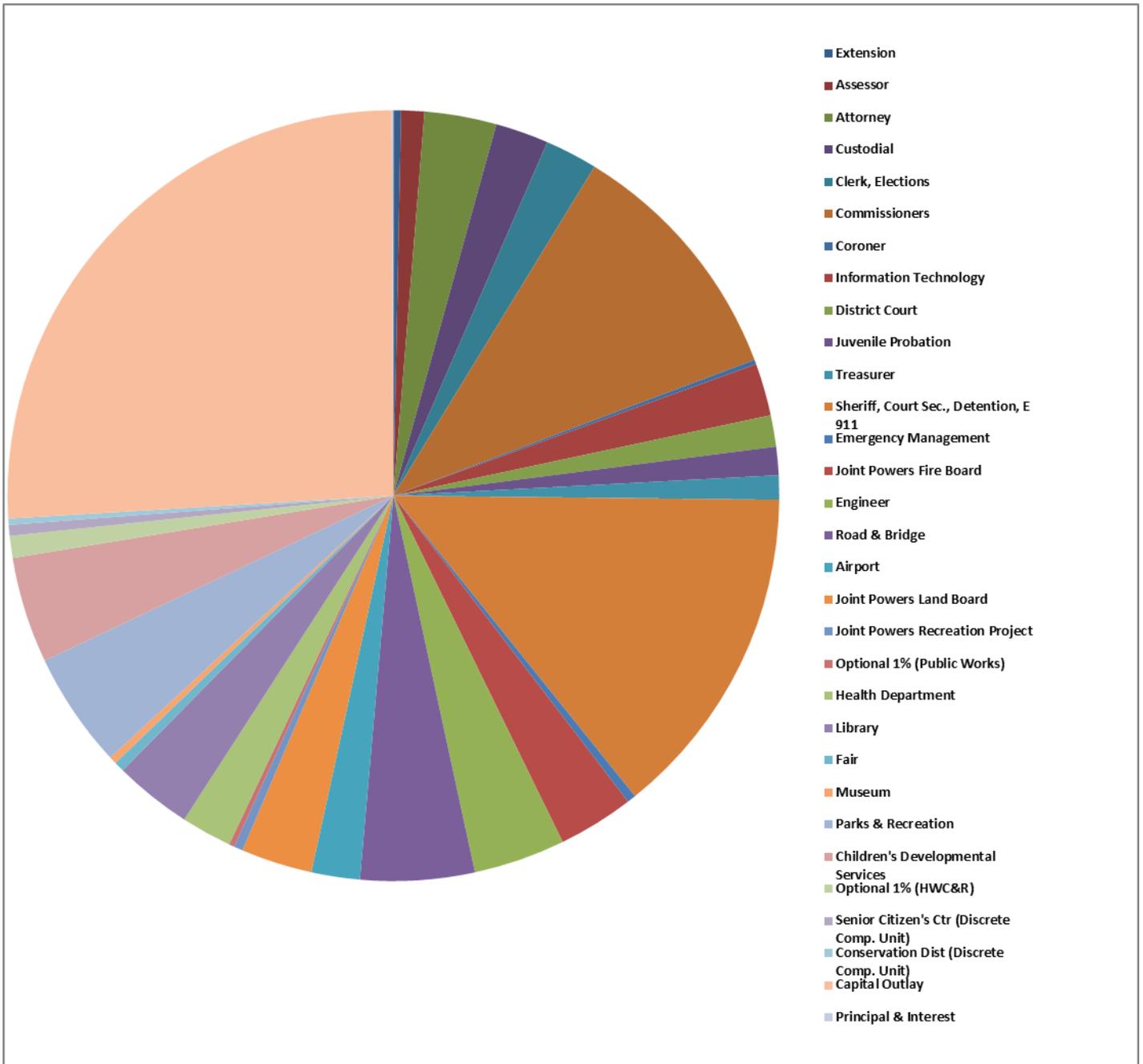
**Table Two:**

**CAMPBELL COUNTY WYOMING EXPENDITURES FY 2013**

		<u>Actual Expenditures</u>	
General Government	Extension	\$358,153	0.32%
	Assessor	\$1,083,180	0.97%
	Attorney	\$3,377,148	3.02%
	Custodial	\$2,492,191	2.23%
	Clerk, Elections	\$2,457,449	2.20%
	Commissioners	\$11,802,916	10.54%
	Coroner	\$216,506	0.19%
	Information Technology	\$2,451,490	2.19%
	District Court	\$1,473,141	1.32%
	Juvenile Probation	\$1,331,659	1.19%
	Treasurer	\$1,133,370	1.01%
	Public Safety	Sheriff, Court Sec., Detention, E 911	\$15,742,028
Emergency Management		\$410,371	0.37%
Joint Powers Fire Board		\$3,554,127	3.17%
Public Works	Engineer	\$4,296,198	3.84%
	Road & Bridge	\$5,346,124	4.78%
	Airport	\$2,273,512	2.03%
	Joint Powers Land Board	\$3,339,607	2.98%
	Joint Powers Recreation Project	\$418,652	0.37%
	Optional 1% (Public Works)	\$253,485	0.23%
Health, Welfare, Culture & Recreation	Health Department	\$2,373,462	2.12%
	Library	\$3,645,431	3.26%
	Fair	\$479,771	0.43%
	Museum	\$343,410	0.31%
	Parks & Recreation	\$5,430,337	4.85%
	Children's Developmental Services	\$4,984,009	4.45%
	Optional 1% (HWC&R)	\$1,029,930	0.92%
	Senior Citizen's Ctr. (Discrete Comp. Unit)	\$510,700	0.46%

	Conservation Dist. (Discrete Comp. Unit)	\$294,676	0.26%
Capital	Capital Outlay	\$28,975,381	25.88%
Debt Service	Principal & Interest	<u>\$74,792</u>	0.07%
	<b>Total Expenditures</b>	<b>\$111,953,206</b>	<b>100.00%</b>

**Figure 2 - Campbell County Actual Expenditures FY 2013**



- (11) Excess before contributions to term and permanent endowments or permanent fund principal, special and extraordinary items was \$20,194,115 (increase of \$1,428,633).
- (12) The County did not have contributions.
- (13) The County did not have special and extraordinary items.
- (14) The County did not have transfers in the Government-Wide Financial Statement.
- (15) Change in net position was \$20,194,115 (increase of \$1,428,633).
- (16) Ending net position (June 30, 2013) was \$355,760,379 (increase of \$20,194,115).
- (c) The County's overall financial position continues to be very strong, with a stabilizing net position and moderate increase in revenue. Assessed valuation, upon which property taxes are based, along with sales and use tax, decreased slightly. This is a reflection of current economic conditions.
- (d) The County has two major funds: Capital Replacement and General Fund.

The Capital Replacement Fund was established in 1991 by the Board of Commissioners to provide a reserve to replace equipment or fixed assets of the County. The Fund has steadily grown over time and the Board of Commissioners has continued to significantly invest in this Fund over the past few years. The Fund had a balance of \$66,845,484 (increase of \$4,467,642 or 7.16%) as of June 30, 2013.

The General Fund is the primary fund of county government. It can be used for any county purpose. Its fund balance was \$82,562,051 (increase of \$5,754,654 or 7.49%) as of June 30, 2013.

- (e) Within the General Fund, amounts reported as the original and final budgeted amounts in the budgetary statements reflect appropriation in the first complete appropriated budget and the final appropriation amounts, including all supplemental appropriations. Variances between final budget and actual revenues or expenditures were notable in five items: Sales and Use tax revenue (\$1,557,605 under); Intergovernmental revenue (\$5,641,170 under); Commissioners expenditures (\$15,673,150 under); Recreation Project Joint Powers Board expenditures (\$2,881,348 under); and Capital Outlay expenditures (\$33,188,421 under).

The Sales and Use tax revenue differentials are due to decreased tax collections within the fiscal year.

The Intergovernmental revenue differential is due to grant applications not receiving funding within the fiscal year.

The Commissioners under expenditure was due to the fully funding several large projects in one fiscal year and not completing these projects until subsequent years; and this budget also contains several contingency accounts that were not fully spent.

The Recreation Project Joint Powers Board under expenditures was due to the early retirement of bonds, and re-financing of remaining debt for the facility. June principal and interest payments were included in the retirement and re-financing.

Capital Outlay expenditures were lower than the budgeted amounts due to the completion of several large construction projects, carried over from the previous fiscal year, in FY 2011-12, and funding for construction projects in the next fiscal year (2013/14) and beyond.

- (f) Campbell County generally funds all capital projects from cash on hand. It has only nominal debt; and the County exercised an early call in June 2013 on the bonded debt for the Recreation Center/Sports Facility. The balance of Capital projects are all planned to be financed with current cash flow.
- (g) The County has elected to use the depreciation method for infrastructure reporting under GASB Statement 34 and capital asset activity is outlined under Note 3. Item C. on page 31 and 32.
- (h) The fiscal year, ending June 30, 2013, was evidence the economic activity in Campbell County continues to be stable, with a slight decrease in both the assessed valuation and sales tax collections.
- (I) Not applicable. Comparisons made this year.
- (j) No other analysis is needed to provide an objective and easily readable analysis of the County's financial activities.
- (k) No component units have separately issued financial statements.

CAMPBELL COUNTY, WYOMING

STATEMENT OF NET POSITION

June 30, 2013

	Primary Government		Discretely Presented Component Units					
	Governmental Activities	Weed and Pest Board	Joint Powers Fire Board	Joint Powers Public Land Board	Conservation District	Senior Citizens' Center	CARE Board	Recreation Project Joint Powers Board
<b>ASSETS</b>								
Cash	\$ 6,082,998	\$ 123,506	\$ 242,960	\$ 360,260	\$ 8,795	\$ 529,068	\$ 16,802	\$ -
Cash with fiscal agent	-	-	-	-	-	-	-	39,738
Investments	170,193,154	10,160	-	8,380,288	98,688	416,924	-	3,911,662
Property taxes receivable	62,379,325	590,945	-	-	-	-	-	-
Other taxes receivable	1,151,646	-	-	-	-	-	-	-
Other accounts receivable	1,081,463	36,882	-	69,828	768	-	-	-
Interest receivable	-	-	-	158	-	-	-	-
Due from other governments	4,205,057	4,612	994,786	229,918	-	67,462	16,916	-
Inventories	2,563,968	120,034	-	-	-	18,091	-	-
Other assets	-	6,309	115,016	854	118	21,596	-	-
Capital assets:								
Non-depreciable capital assets	41,116,642	-	1,233,316	1,623,631	-	172,416	-	3,063,559
Depreciable capital assets, net	155,399,705	85,040	18,625,284	47,346,360	-	712,382	-	52,030,435
<b>Total assets</b>	<b>\$ 444,173,958</b>	<b>\$ 977,488</b>	<b>\$ 21,211,362</b>	<b>\$ 58,011,297</b>	<b>\$ 108,369</b>	<b>\$ 1,937,939</b>	<b>\$ 33,718</b>	<b>\$ 59,045,394</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 5,182,403	\$ 56,934	\$ 139,310	\$ 203,693	\$ 1,889	\$ 15,608	\$ 30,546	\$ -
Contracts and retainage payable	4,566,777	-	-	163,798	-	-	-	-
Estimated claims payable	972,000	-	-	-	-	-	-	-
Accrued liabilities	3,523,525	35,452	376,500	315,866	5,698	61,652	-	13,232
Noncurrent liabilities:								
Due within one year	69,349	-	-	-	-	-	-	1,730,900
Due within more than one year	12,404,379	-	-	-	-	-	-	8,161,547
<b>Total liabilities</b>	<b>\$ 26,718,433</b>	<b>\$ 92,386</b>	<b>\$ 515,810</b>	<b>\$ 683,357</b>	<b>\$ 7,587</b>	<b>\$ 77,260</b>	<b>\$ 30,546</b>	<b>\$ 9,905,679</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Property taxes receivable	\$ 61,437,000	\$ 583,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advance payments received on grants	258,146	-	-	157,500	-	-	-	-
Ticket revenue received prior to event	-	-	-	14,322	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>\$ 61,695,146</b>	<b>\$ 583,740</b>	<b>\$ -</b>	<b>\$ 171,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET POSITION</b>								
Net investment in capital assets	\$ 196,362,619	\$ 85,040	\$ 19,858,600	\$ 48,969,991	\$ -	\$ 884,798	\$ -	\$ 45,201,547
Restricted for:								
Passenger facility projects	127,664	-	-	-	-	-	-	-
Enhanced 911 services	508,149	-	-	-	-	-	-	-
Capital projects	82,766,740	-	-	-	-	-	-	-
Road construction	423,910	-	-	-	-	-	-	-
Children's series	-	-	-	43,430	-	-	-	-
Wyoming Center repairs and maintenance	-	-	-	2,985,038	-	-	-	-
Debt service	-	-	-	-	-	-	-	3,938,168
Unrestricted	75,571,297	216,322	836,952	5,157,659	100,782	975,881	3,172	-
<b>Total net position</b>	<b>\$ 355,760,379</b>	<b>\$ 301,362</b>	<b>\$ 20,695,552</b>	<b>\$ 57,156,118</b>	<b>\$ 100,782</b>	<b>\$ 1,860,679</b>	<b>\$ 3,172</b>	<b>\$ 49,139,715</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2013

	Program Revenues				Net (Expense)/Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	
					Governmental Activities	Discretely Presented Component Units
<b>Primary Government</b>						
Governmental Activities:						
General government	\$ 25,075,062	\$ 1,332,198	\$ 737,449	\$ 2,311,504	\$ (20,693,911)	\$ -
Public safety	22,033,282	539,144	643,207	131,358	(20,719,573)	-
Public works	31,135,233	4,278,749	1,760,006	2,420,377	(22,676,101)	-
Health, welfare, culture and recreation	21,404,639	3,518,266	3,716,506	-	(14,169,867)	-
Debt service:						
Interest on long term debt	8,278	-	-	-	(8,278)	-
Total governmental activities/ primary government	\$ 99,656,494	\$ 9,668,357	\$ 6,857,168	\$ 4,863,239	\$ (78,267,730)	\$ -
<b>Component Units:</b>						
Weed and Pest Board	\$ 960,681	\$ 68,969	\$ 124,698	\$ -	\$ -	\$ (767,014)
Joint Powers Fire Board	5,788,289	46,048	-	103,172	-	(5,639,069)
Joint Powers Public Land Board	6,498,370	1,411,044	914,291	-	-	(4,173,035)
Conservation District	348,045	10,786	28,012	-	-	(309,247)
Senior Citizens' Center	2,504,173	234,427	875,709	-	-	(1,394,037)
CARE Board	245,362	-	243,840	-	-	(1,522)
Recreation Project Joint Powers Board	2,405,762	-	-	-	-	(2,405,762)
Total discretely presented component units	\$ 18,750,682	\$ 1,771,274	\$ 2,186,550	\$ 103,172	\$ -	\$ (14,689,686)
<b>General Revenues:</b>						
Taxes:						
Property taxes, levied for general purposes					\$ 64,529,745	\$ -
Property taxes, levied for Weed and Pest District					-	472,769
Property taxes, interest and penalties					246,427	-
Motor vehicle taxes					2,224,895	-
Sales and use taxes					21,966,171	-
Gasoline taxes					1,768,508	-
Severance tax					444,593	-
Other taxes					1,287,054	-
Grants and contributions not restricted to specific programs					914,276	-
Federal payments in lieu of taxes					643,268	-
Other local revenue					1,853,595	12,765,276
Investment income (loss)					(712,484)	284,899
Miscellaneous					1,853,218	175,093
Gain (loss) on sale of capital assets					1,442,579	(301,265)
Total general revenues					\$ 98,461,845	\$ 13,396,772
Change in net position					\$ 20,194,115	\$ (1,292,914)
Net Position, Beginning July 1					335,566,264	130,550,294
Net Position, Ending June 30					\$ 355,760,379	\$ 129,257,380

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

June 30, 2013

	General Fund	Capital Replace- ment Fund	Nonmajor Govern- mental Funds	Total Govern- mental Funds
<b>ASSETS</b>				
Cash	\$ 266,212	\$ -	\$ -	\$ 266,212
Investments	87,473,735	66,845,484	15,873,935	170,193,154
Receivables:				
Property taxes	62,379,325	-	-	62,379,325
Other taxes	1,151,646	-	-	1,151,646
Accounts	683,955	-	-	683,955
Due from other governments	4,181,980	-	23,077	4,205,057
Inventories	2,563,968	-	-	2,563,968
<b>Total assets</b>	<b>\$ 158,700,821</b>	<b>\$ 66,845,484</b>	<b>\$ 15,897,012</b>	<b>\$ 241,443,317</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 4,994,744	\$ -	\$ 187,659	\$ 5,182,403
Contracts and retainage payable	4,566,777	-	-	4,566,777
Accrued liabilities	3,523,525	-	-	3,523,525
Due to other funds	553,678	-	-	553,678
<b>Total liabilities</b>	<b>\$ 13,638,724</b>	<b>\$ -</b>	<b>\$ 187,659</b>	<b>\$ 13,826,383</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred property taxes receivable	\$ 62,241,900	\$ -	\$ -	\$ 62,241,900
Advance payments received on grants	258,146	-	-	258,146
<b>Total deferred inflows of resources</b>	<b>\$ 62,500,046</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 62,500,046</b>
<b>FUND BALANCES</b>				
Nonspendable	\$ 2,563,968	\$ -	\$ -	\$ 2,563,968
Restricted	635,813	66,845,484	15,709,353	83,190,650
Committed	17,643,328	-	-	17,643,328
Assigned	61,629,259	-	-	61,629,259
Unassigned	89,683	-	-	89,683
<b>Total fund balances</b>	<b>\$ 82,562,051</b>	<b>\$ 66,845,484</b>	<b>\$ 15,709,353</b>	<b>\$ 165,116,888</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 158,700,821</b>	<b>\$ 66,845,484</b>	<b>\$ 15,897,012</b>	<b>\$ 241,443,317</b>

See Notes to Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES**

June 30, 2013

Total Governmental Fund Balances		<b>\$ 165,116,888</b>
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Non-depreciable capital assets	<b>\$ 41,116,642</b>	
Depreciable assets	<b>243,666,159</b>	
Less: accumulated depreciation	<b><u>(88,266,454)</u></b>	
Total capital assets		<b>196,516,347</b>
<p>An Internal Service Fund is used by the County to charge the cost of the County's self-insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position. Internal service fund net position is:</p>		
		<b>5,795,972</b>
<p>Some of the County's property and production taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore, are deferred in the funds.</p>		
		<b>804,900</b>
<p>Long-term liabilities applicable to the County's governmental activities are not reported as fund liabilities. All liabilities both current and long-term are reported in the statement of net position.</p>		
Capital leases payable	<b>\$ 153,728</b>	
Estimated landfill closure and post closure care costs	<b><u>12,320,000</u></b>	
Total noncurrent liabilities		<b>(12,473,728)</b>
<p><b>Net position of governmental activities</b></p>		<b>\$ 355,760,379</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS**

Year Ended June 30, 2013

	General Fund	Capital Replace- ment Fund	Nonmajor Govern- mental Funds	Total Govern- mental Funds
<b>REVENUES</b>				
Taxes	\$ 91,824,130	\$ -	\$ 581,124	\$ 92,405,254
Charges for goods and services	9,668,357	-	-	9,668,357
Intergovernmental	13,277,951	-	-	13,277,951
Other local revenue	-	-	1,853,595	1,853,595
Investment income (loss)	(111,247)	(493,817)	(114,942)	(720,006)
Miscellaneous	3,876,593	-	-	3,876,593
<b>Total revenues</b>	<b>\$ 118,535,784</b>	<b>\$ (493,817)</b>	<b>\$ 2,319,777</b>	<b>\$ 120,361,744</b>
<b>EXPENDITURES</b>				
Current:				
General government	\$ 28,177,203	\$ 38,541	\$ 7,942	\$ 28,223,686
Public safety	19,706,526	-	-	19,706,526
Public works	15,927,578	-	-	15,927,578
Health, welfare, culture and recreation	19,091,726	-	-	19,091,726
Capital outlay	24,669,680	-	4,297,759	28,967,439
Debt service:				
Principal	66,514	-	-	66,514
Interest	8,278	-	-	8,278
<b>Total expenditures</b>	<b>\$ 107,647,505</b>	<b>\$ 38,541</b>	<b>\$ 4,305,701</b>	<b>\$ 111,991,747</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 10,888,279	\$ (532,358)	\$ (1,985,924)	\$ 8,369,997
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Transfers in	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000
Transfers (out)	(5,133,625)	-	-	(5,133,625)
<b>Total other financing sources (uses)</b>	<b>\$ (5,133,625)</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ (133,625)</b>
Net changes in fund balances	\$ 5,754,654	\$ 4,467,642	\$ (1,985,924)	\$ 8,236,372
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>76,807,397</b>	<b>62,377,842</b>	<b>17,695,277</b>	<b>156,880,516</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 82,562,051</b>	<b>\$ 66,845,484</b>	<b>\$ 15,709,353</b>	<b>\$ 165,116,888</b>

See Notes to Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

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

Year Ended June 30, 2013

Net Change in Fund Balances - Total Governmental Funds	<b>\$ 8,236,372</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	<b>21,058,740</b>
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.	<b>(580,797)</b>
Timing differences for the recognition of property and production tax revenues between revenues reported in the funds and revenues reported in the statement of activities.	<b>62,139</b>
An internal service fund is used by the County to charge the cost of the County's self-insurance to individual funds. The change in net position of the internal service fund is reported with governmental activities.	<b>141,147</b>
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	<b>66,514</b>
Net increase in estimated landfill closure and post closure care costs payable in the statement of activities that is not reflected in the funds. This net increase was a result of a change in the estimated costs and not an actual repayment of the non-current liability.	<b>(8,790,000)</b>
<b>Changes in net position of governmental activities</b>	<b>\$ 20,194,115</b>

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

Year Ended June 30, 2013

(Page 1 of 2)

	Original Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>				
Taxes:				
Property	\$ 64,545,922	\$ 64,545,922	\$ 64,714,033	\$ 168,111
Motor vehicle	2,090,531	2,090,531	2,224,895	134,364
Sales and use	23,523,776	23,523,776	21,966,171	(1,557,605)
Gasoline	1,553,923	1,553,923	1,768,508	214,585
Severance	357,189	357,189	444,593	87,404
Other taxes	354,275	354,275	705,930	351,655
<b>Total taxes</b>	<b>\$ 92,425,616</b>	<b>\$ 92,425,616</b>	<b>\$ 91,824,130</b>	<b>\$ (601,486)</b>
Other:				
Charges for goods and services:				
Landfill	\$ 3,200,000	\$ 3,200,000	\$ 3,311,881	\$ 111,881
Other goods and services	6,360,946	6,360,946	6,356,476	(4,470)
Intergovernmental	17,727,444	18,919,121	13,277,951	(5,641,170)
Investment income (loss)	325,160	325,160	(111,247)	(436,407)
Miscellaneous	2,226,010	2,226,010	3,876,593	1,650,583
<b>Total other</b>	<b>\$ 29,839,560</b>	<b>\$ 31,031,237</b>	<b>\$ 26,711,654</b>	<b>\$ (4,319,583)</b>
<b>Total revenues</b>	<b>\$ 122,265,176</b>	<b>\$ 123,456,853</b>	<b>\$ 118,535,784</b>	<b>\$ (4,921,069)</b>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Extension	\$ 411,902	\$ 411,902	\$ 358,153	\$ 53,749
Assessor	1,173,982	1,173,982	1,083,180	90,802
Attorney	3,564,448	3,563,749	3,377,148	186,601
Custodial	2,837,269	2,837,269	2,492,191	345,078
Clerk	2,394,520	2,394,520	2,234,092	160,428
Commissioners	26,637,539	27,476,066	11,802,916	15,673,150
Coroner	229,289	229,289	216,506	12,783
Information technology services	2,776,878	2,776,878	2,451,490	325,388
District court	1,561,900	1,561,900	1,473,141	88,759
Elections	301,747	301,747	223,357	78,390
Juvenile probation	1,356,053	1,353,404	1,331,659	21,745
Treasurer	1,209,019	1,209,019	1,133,370	75,649
<b>Total general government</b>	<b>\$ 44,454,546</b>	<b>\$ 45,289,725</b>	<b>\$ 28,177,203</b>	<b>\$ 17,112,522</b>
Public Safety:				
Sheriff	\$ 8,866,991	\$ 8,866,991	\$ 8,389,988	\$ 477,003
Courthouse and jail	7,485,530	7,485,530	6,956,382	529,148
Emergency management	452,300	448,690	410,371	38,319
Joint powers fire board discretely presented component unit	3,648,102	3,648,102	3,554,127	93,975
Enhanced 911 fees	405,000	405,000	395,658	9,342
<b>Total public safety</b>	<b>\$ 20,857,923</b>	<b>\$ 20,854,313</b>	<b>\$ 19,706,526</b>	<b>\$ 1,147,787</b>

(Continued)

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN  
FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND**

Year Ended June 30, 2013

(Page 2 of 2)

	Original Budget	Final Budget	Actual	Variance With Final Budget
Public Works:				
County airport	\$ 2,076,161	\$ 2,076,161	\$ 2,273,512	\$ (197,351)
Engineer	4,935,180	4,935,180	4,296,198	638,982
Road and bridge	6,846,637	6,846,637	5,346,124	1,500,513
1% sales tax fund	1,186,218	1,186,218	253,485	932,733
Joint powers land board discretely presented component unit	3,342,437	3,342,437	3,339,607	2,830
Recreation projects joint powers board discretely presented component unit	3,300,000	3,300,000	418,652	2,881,348
<b>Total public works</b>	<b>\$ 21,686,633</b>	<b>\$ 21,686,633</b>	<b>\$ 15,927,578</b>	<b>\$ 5,759,055</b>
Health, Welfare, Culture and Recreation:				
Children's developmental services	\$ 5,267,936	\$ 5,195,336	\$ 4,984,009	\$ 211,327
County fair	537,131	537,131	479,771	57,360
County library	4,047,490	4,047,490	3,645,431	402,059
County museum	406,395	406,395	343,410	62,985
Health department	2,630,370	2,719,090	2,373,462	345,628
Parks and recreation	5,958,191	5,897,399	5,430,337	467,062
1% sales tax fund	1,072,316	1,072,316	1,029,930	42,386
Senior citizen's center discretely presented component unit	510,700	510,700	510,700	-
Conservation district discretely presented component unit	294,676	294,676	294,676	-
<b>Total health, welfare, culture and recreation</b>	<b>\$ 20,725,205</b>	<b>\$ 20,680,533</b>	<b>\$ 19,091,726</b>	<b>\$ 1,588,807</b>
<b>Capital outlay</b>	<b>\$ 57,544,239</b>	<b>\$ 57,858,101</b>	<b>\$ 24,669,680</b>	<b>\$ 33,188,421</b>
Debt Service:				
Principal	\$ 154,492	\$ 154,492	\$ 66,514	\$ 87,978
Interest	8,300	8,300	8,278	22
<b>Total debt service</b>	<b>\$ 162,792</b>	<b>\$ 162,792</b>	<b>\$ 74,792</b>	<b>\$ 88,000</b>
<b>Total expenditures</b>	<b>\$ 165,431,338</b>	<b>\$ 166,532,097</b>	<b>\$ 107,647,505</b>	<b>\$ 58,884,592</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (43,166,162)	\$ (43,075,244)	\$ 10,888,279	\$ 53,963,523
OTHER FINANCING (USES)				
Transfers (out)	\$ (5,306,250)	\$ (5,306,250)	\$ (5,133,625)	\$ 172,625
<b>Net change in fund balance</b>	<b>\$ (48,472,412)</b>	<b>\$ (48,381,494)</b>	<b>\$ 5,754,654</b>	<b>\$ 54,136,148</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>76,807,397</b>	<b>76,807,397</b>	<b>76,807,397</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 28,334,985</b>	<b>\$ 28,425,903</b>	<b>\$ 82,562,051</b>	<b>\$ 54,136,148</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF NET POSITION  
INTERNAL SERVICE FUND**

June 30, 2013

	Self-Insurance Health Fund
<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash	<b>\$ 5,816,786</b>
Receivables:	
Accounts	<b>397,508</b>
Due from other funds	<b>553,678</b>
<b>Total assets</b>	<b>\$ 6,767,972</b>
<b>LIABILITIES</b>	
<b>CURRENT LIABILITIES</b>	
Estimated claims payable	<b>\$ 972,000</b>
<b>NET POSITION</b>	
Unrestricted	<b>\$ 5,795,972</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGE IN FUND NET POSITION  
INTERNAL SERVICE FUND**

Year Ended June 30, 2013

	Self-Insurance Health Fund
OPERATING REVENUES	\$ 7,344,841
OPERATING EXPENSES	
Claims and contractual services	7,344,841
Operating income	\$ -
NONOPERATING REVENUES	
Investment income	7,522
Net income before other financial sources	\$ 7,522
Other Financial Sources	
Transfers in	133,625
Change in net position	\$ 141,147
NET POSITION, BEGINNING JULY 1	5,654,825
NET POSITION, ENDING JUNE 30	\$ 5,795,972

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND**

Year Ended June 30, 2013

	Self-Insurance Health Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	<b>\$ 7,752,368</b>
Payments for goods and services	<b>(7,009,841)</b>
Net cash provided by operating activities	<b>\$ 742,527</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers in	<b>\$ 133,625</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Investment income	<b>\$ 7,522</b>
Net increase in cash and cash equivalents	<b>\$ 883,674</b>
Cash and cash equivalents:	
Beginning July 1	<b>4,933,112</b>
Ending June 30	<b>\$ 5,816,786</b>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	<b>\$ -</b>
Decrease in Assets and Increase (Decrease) in Liabilities:	
Accounts receivable	<b>413,846</b>
Due from other funds	<b>(6,319)</b>
Estimated claims payable	<b>335,000</b>
Net cash provided by operating activities	<b>\$ 742,527</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

June 30, 2013

	Agency Funds
<b>ASSETS</b>	
Cash	\$ 8,480,832
Investments	1,353,105
Receivables:	
Property taxes	2,923,280
Other taxes	2,477,930
<b>Total assets</b>	<b>\$ 15,235,147</b>
<b>LIABILITIES</b>	
Due to other entities	\$ 8,039,040
Taxes paid in protest	123,417
<b>Total liabilities</b>	<b>\$ 8,162,457</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Taxes collected in advance	\$ 7,072,690
<b>Total liabilities and deferred inflows of resources</b>	<b>\$ 15,235,147</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY, WYOMING  
NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

Campbell County, Wyoming is a political subdivision of the State of Wyoming governed by an elected Board of five Commissioners. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable. A component unit is included in the County's reporting entity if it is both fiscally dependent upon the County (the primary government) and there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on the County. The County is required to consider other organizations for which the nature and significance of their relationship with the County are such that an exclusion would cause the County's financial statements to be misleading or incomplete. Because none of the component units function as a integral part of the County, all component units are presented discretely. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the County. Each discretely presented component unit has a June 30, 2013 year end except the Senior Citizens' Center Foundation, Inc. which is combined with the Senior Citizens' Center. The Senior Citizens' Center Foundation had a September 30, 2012 year end.

**Discretely Presented Component Units**

Weed and Pest Board Joint Powers Fire Board Joint Powers Public Land Board Conservation District Campbell County Senior Citizens' Center Campbell County CARE Board Campbell County Recreation Project Joint Powers Board
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The Campbell County Weed and Pest Board was established through the enactment of the Wyoming Weed and Pest Control Act of 1973. The District is responsible for the implementation and monitoring of an effective program for the control of declared and designated weeds and pests. The District's Board of Directors is composed of five members, all appointed by the Board of County Commissioners. The Weed and Pest District is funded through a discrete levy of property taxes.

The Joint Powers Fire Board is responsible for the fire protection and prevention for Campbell County. The Board of Directors is composed of seven appointed members. Four of the members are appointed by the Board of County Commissioners. The Fire Board is funded jointly by the County, the City of Gillette, and the Town of Wright.

The Joint Powers Public Land Board is responsible for the promotion, management, and services of CAM-PLEX, a multi-purpose events facility. The Board of Directors is composed of seven members. Five of the members are appointed by the Board of County Commissioners. The Public Land Board is funded jointly by the County and the City of Gillette. The Joint Powers Public Land Board has also established the Multi-Events Center Special Revenue Fund. This fund was established to account for a capital facilities tax for the repairs and maintenance of the Wyoming Center. This fund now accounts for excess monies generated by a capital facilities tax. This tax has expired and is no longer being levied.

The Weed and Pest, Fire, and Public Land Boards serve all of the citizens of Campbell County. The rates for user charges and bond issuance authorizations are approved by the County's Board of Commissioners and legal liability for the general obligation debt of these discretely presented component units remains with the County. The Campbell County Commissioners approve each of the Boards' budgets and allocate taxes to fund these budgets.

The Conservation District is responsible for the promotion, protection and management of natural resources through education, conservation practices and cooperative interaction with land users within Campbell County. The District is governed by five supervisors, who are independently elected. However, the District is fiscally dependent upon the County because the County provides most of the District's total funding.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

The Campbell County Senior Citizens' Center is a private, non profit organization that aids senior citizens in arranging for health services, home care, meals, transportation and recreation throughout Campbell County. The Center is governed by a seven-member Board of Directors. Four of the directors are appointed by the Board of County Commissioners. The Center is fiscally dependent upon the County because the County provides a significant portion of the Center's total funding. The County also provides the Center with a multi-purpose building.

The Senior Citizens' Center Foundation, Inc. is a legally separate, tax-exempt component unit of Campbell County Senior Citizens' Center. The Foundation acts primarily to secure gifts, endowments, memorials and to sponsor functions for buildings and financial support of the Campbell County Senior Citizens' Center, or any such other programs to be of benefit to the elderly. The seven-member board of the Foundation is elected by the general membership of the Campbell County Senior Citizens' Center. Although the Senior Center does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests are designated to the activities of the Senior Center and elderly programs. Because these resources held by the Foundation can be used by, or for the benefit of, the Senior Center and elderly programs, the Foundation is considered a component unit of the Senior Center and is combined with the Senior Citizens' Center.

The fiscal year of operation for the Foundation is October 1 through September 30. Financial information included is as of and for the year ended September 30, 2012. During the fiscal year ended September 30, 2012, the Foundation distributed \$13,675 to the Senior Citizens' Center. During the fiscal year ended June 30, 2013 the Senior Citizens' Center received \$14,307 from the Foundation. Due to different fiscal year ends, interfund activity between the two entities has not been eliminated.

The Campbell County CARE Board facilitates funding opportunities to help low income individuals become more self-sufficient; provide low income individuals with a stake in their community; achieve partnerships among supporters and providers of services to low income individuals; increase the capacity of agencies to achieve results; and strengthen family and other supportive systems to help low income individuals (especially vulnerable populations) achieve their potential. The Board is comprised of nine appointed and elected members which are approved by the Campbell County Commissioners.

The Campbell County Recreation Project Joint Powers Board was established under a Joint Powers Agreement dated November 6, 2007, entered into by and between Campbell County, the City of Gillette, and Campbell County School District No. 1. The purpose of the Board is to provide an efficient, orderly, and economically feasible method of financing a recreation center and a sports facility for tennis, track and soccer, which would be of service to and for the benefit of the participating agencies and their residents. The Recreation Center was completed during the fiscal year ended June 30, 2010. See Note 3F for a description of the remaining debt on this facility.

Complete financial information for each component unit may be obtained from the County's administrative offices located at 500 S. Gillette Ave., Gillette, Wyoming.

#### B. Government-Wide and Fund Financial Statements

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

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

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

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

#### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property and production taxes, interest and charges for services are susceptible to accrual. Sales taxes collected and held by the state at year end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources and transactions of the general government except those required to be accounted for in other funds.

The *Capital Replacement Fund* was established by the County in accordance with Wyoming Statutes. The statutes allow the County to establish reserves for capital improvements and for the purpose of purchasing or replacing specified equipment or a depreciation reserve for equipment. This capital replacement fund is being funded by transfers from the general fund.

In addition, the County also reports the following fund types:

The *State-County Road Fund* is a capital projects fund and was established by the County in accordance with Wyoming Statutes. The statutes state a fund must be established to be used solely for the construction of county roads, bridges and culverts with the exception of an allowance of up to \$50,000 annually for maintenance. This road construction fund is being funded by state gasoline and severance taxes.

The *Campus Maintenance Reserve Fund* is a capital projects fund and was established by the County in accordance with Wyoming Statutes to account for repairs and maintenance to the Gillette College campus. This capital projects fund was originally funded by transfers from the general fund and a capital facilities fund.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

The *Recreation Center Maintenance Reserve Fund* is a capital projects fund and was established by the County in accordance with Wyoming Statutes to account for repairs and maintenance for the Gillette recreation center and sports facility. This capital projects fund is being funded by Campbell County and Campbell County School District No. 1 in accordance with a written agreement between these two entities.

The *Tech Center Maintenance Reserve Fund* is a capital projects fund. It was established by the County in accordance with Wyoming Statutes to account for repairs and maintenance for the Gillette College Technical Education Center. This capital projects fund was originally funded by transfers from the general fund and payments by Northern Wyoming Community College District. Additional funding will come from these same two sources.

The *Wright Recreation Center Maintenance Reserve Fund* is a capital projects fund and was established by the County in accordance with Wyoming Statutes to account for repairs and maintenance for the Wright recreation center and sports facility. This capital projects fund is being funded by Campbell County and the Town of Wright in accordance with a written agreement between these two entities.

The *Internal Service Fund* accounts for operations that provide services to other funds of the County on a cost-reimbursement basis. The County uses the internal service fund to account for the financing and operations of the County's self-insurance health plan.

*Fiduciary funds* account for assets held by the County in a trustee capacity or as an agent on behalf of others. The County's fiduciary funds are agency funds. Agency funds are custodial in nature (assets plus deferred outflows of resources equal liabilities plus deferred inflows of resources) and do not involve measurement of results of operations.

*Proprietary funds* distinguish operating revenues and expenses from nonoperating 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. The principal operating revenues of the internal service fund are amounts which finance the self-insurance health plan; operating expenses are the payments of claims and contractual services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

The County follows the pronouncements of the Government Accounting Standards Board (GASB), which is the nationally accepted standard setting body for establishing generally accepted accounting principals for governmental entities.

#### D. Assets, Liabilities, and Net Position or Equity

##### 1. Cash and Investments

The County's cash and cash equivalents are considered to be cash on hand and demand deposit accounts.

The County Treasurer is authorized and limited to invest in those types of securities as allowed by Wyoming State law (W.S. 9-4-831). There is no limitation on the asset mix as long as investments meet the guidelines imposed by law.

Investments for the County, as well as for its component units, are reported at fair value. The State Investment Pools operate in accordance with appropriate state laws and regulations. The reported value of the pools are the same as the fair value of the pool shares.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

#### 2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds". All other outstanding balances between funds are referred to as due to/from other funds. These amounts are eliminated in the statement of net position. Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

Advances between governmental funds (if applicable), as reported in the fund financial statements, are offset by a reserved fund balance to indicate that they are not available for appropriation and are not available financial resources.

Property is annually valued and assessed January 1. Taxes are levied on or about August 1 and payable in two installments on September 1 and March 1. If not paid, property taxes attach as an enforceable lien on property as of May 11. Property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period on the financial statements. Property taxes which are not current receivables are offset by deferred inflows.

#### 3. Inventories

On government-wide and fund financial statements, inventories are valued at cost, which approximates market, using the first-in/first-out method. Inventory in the general fund consists of expendable supplies held for consumption and are accounted for using the "consumption" method, whereby the costs are recorded as an expenditure at the time the individual inventory items are used.

#### 4. Capital Assets

Capital assets, which include land, improvements, infrastructure, buildings, machinery and equipment, vehicles, art work, and construction in progress are reported in the applicable governmental activities columns in the government-wide financial statements. Generally furniture, fixtures and equipment with an individual cost of less than \$5,000 are not capitalized, vehicles with an individual cost of less than \$10,000 are not capitalized, and buildings with an individual cost of less than \$100,000 are not capitalized. Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and other assets with individual costs of less than \$200,000 are not capitalized. All purchased fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value at time of acquisition.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All reported capital assets except land, art work and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Lives
Improvements	20 years
Infrastructure	20-50 years
Buildings	50 years
Machinery and Equipment	5-30 years
Vehicles	8-15 years

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

#### 5. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the County will compensate the employees for the benefits through paid time off or some other means, such as payment for unused accumulated vacation leave upon termination of services. The County records a liability for accumulated unused vacation time when earned for all eligible employees. The amount due for unused vacation leave is included in accrued liabilities in the government-wide statements. The County anticipates that this amount will be liquidated using current available resources. Therefore, the entire amount is included in accrued liabilities in the governmental fund financial statements.

#### 6. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Notes payable and long-term capital leases that will be paid from governmental funds are only recognized as a liability in the government-wide financial statements.

#### 7. Fund Balance

The County reports fund balance in its governmental funds based on hierarchy of classifications that are primarily based on the extent to which the County is bound to honor constraints on the specific purpose for which amounts can be spent. The fund balance classifications used by the County's governmental funds are as follows:

*Nonspendable fund balances* - Those balances representing amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to remain intact. The not in spendable form criteria includes items that are not expected to be converted to cash. The amounts reported as nonspendable fund balances are determined before classifying the amounts as restricted, committed, or assigned.

*Restricted fund balances* - Those balances representing amounts that are externally restricted by creditors, grantors, contributors, or laws or regulations of other governments. Restrictions can also be imposed through law, constitutional provisions, or enabling legislation. Restricted fund balances are reported by the County's governmental funds.

*Committed fund balances* - Those balances representing amounts that can only be used for specified purposes as imposed by formal actions of the County's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use through the same formal action.

*Assigned fund balances* - Those balances representing amounts that are constrained by the County to be used for a specified purpose. These amounts are neither restricted nor committed. The authority for making or changing an assignment of fund balance is not required to be made by the County's highest level of decision making as are committed fund balances. Assigned fund balances represent all remaining amounts that are reported in all the governmental funds except for the General Fund. Assigned fund balances are not classified as nonspendable and are neither restricted or committed.

*Unassigned fund balances* - Those fund balances representing the remaining classification for the General Fund. This balance represents the fund balance of the General Fund that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. If expenditures incurred for specified purposes exceed the amounts restricted, committed, or assigned for those purposes, a negative unassigned fund balance may be reported.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

#### 8. Net Position

Net position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

#### 9. Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### Note 2. Stewardship, Compliance and Accountability

#### A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General and Capital Projects Funds and the Discretely Presented Component Units. All annual appropriations lapse at fiscal year end.

On or before May 1 of each year, all agencies of the County submit requests for appropriation to the Clerk's office so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before May 15, the proposed budget is presented to the Board of Commissioners for review. The Commissioners hold public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Clerk's office, or the revenue estimates must be changed by an affirmative vote of the majority of the Board of Commissioners.

Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established at the fund level for the General and Capital Projects Funds and the Discretely Presented Component Units. Management control is exercised at the budgetary line item level. The County may amend its budget after it is approved using the same procedures necessary to approve the original budget. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect appropriation in the first complete appropriated budget and the final appropriation amounts, including all supplemental appropriations.

#### B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2013 the following funds overexpended their budgets:

Major Fund:	
Capital Replacement Capital Projects Fund	\$ 38,541
Minor Fund:	
Recreation Center Maintenance Reserve Fund	\$ 4,508

For the year ended June 30, 2013 the following discretely presented component unit overexpended its budget:

Discretely Presented Component Units:	
Senior Citizens' Center	\$ 69,311

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds

#### A. Deposits and Investments

Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's policy requires all acceptable securities pledged as collateral must have a fair market value equal to or exceeding 102 percent of total deposits, including any accrued interest, less the amount of Federal Deposit Corporation Insurance (FDIC), unless an exception is specifically granted by the Board of Commissioners or an authorized representative of the Board.

Deposits of the primary government and all discretely presented component units were covered in their entirety by federal depository insurance and collateral held by the County's agent under a joint custody receipt in the County's name at June 30, 2013. The Senior Citizens' Center and Senior Citizens' Foundation do not have collateralization requirements as required by the Wyoming State Statutes.

Investments - As of June 30, 2013 the County had the following investments:

Investment Type	Fair Value	Credit Quality Ratings <sup>(1)</sup>	Weighted Average Maturity (Days)	Specific Identification Maturity
<b>Primary Government</b>				
WYO-STAR Local Government Investment Pool	\$ 66,135,027	N/A	266	-
Wyoming Government Investment Fund	560,632	AAAm	45	-
US Treasury Bonds	60,151,421	AA <sup>+</sup>	926	-
Federal Agency Bonds	43,346,074	AA <sup>+</sup>	926	-
<b>Total Primary Government</b>	<b>\$170,193,154</b>			
<b>Fiduciary Funds</b>				
WYO-STAR Local Government Investment Pool	\$ 1,353,105	N/A	266	-
<b>Component Units</b>				
Weed and Pest Board				
WYO-STAR Local Government Investment Pool	\$ 10,160	N/A	266	-
Joint Powers Public Land Board				
Certificates of Deposit	1,375,000	N/A	2	7/2/13
WYO-STAR Local Government Investment Pool	7,005,288	N/A	266	-
Conservation District				
Wyoming Government Investment Fund	98,688	AAAm	45	-
Joint Powers Recreation Project Board				
WYO-STAR Local Government Investment Pool	3,843	N/A	266	-
Wyoming Government Investment Fund	3,907,819	AAAm	45	-
<b>Total Component Units</b>	<b>\$ 12,400,798</b>			
<b>Total Investments</b>	<b>\$183,947,057</b>			

<sup>(1)</sup> Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable.

Investments of the Senior Citizens' Center Foundation, Inc. are not included above because this entity is a legally separate tax-exempt entity and is not regulated by Wyoming State Statutes. The Senior Citizens' Center Foundation, Inc. is not essential when considering its relationship with the primary government.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds (Continued)

#### Investment Policies

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. Investing is performed in accordance with investing policies adopted by the governing board complying with State Statutes. The investments held by the Wyoming Government Investment Fund are rated by Standard & Pools.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The County's investment policy states that the County's investment portfolio will be designed to obtain a reasonable rate of return during budgetary and economic cycles, taking into account the County's investment risk constraints and cash flow needs. The County's investment strategy is active and will generally purchase instruments with the intent of holding the investments until maturity. The benchmark the Treasurer uses to determine whether reasonable yields are being achieved is if the rate of return on all average cash and investment balances is within 100 basis points (1 percentage point) below the lower of 1) the average ninety day T-Bill rate, or 2) the average annual earnings rate of the WYO-STAR Local Government Investment Pool, as defined by Wyoming Statute 9-1-416.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in open-end mutual funds and external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form, and therefore, the County is not exposed to custodial credit risk related to these types of investments.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from the concentration of credit risk requirements. The County's investment policy related to concentration of credit risk is to diversify the County's investments by security type and institute in order to reduce overall portfolio risks while attaining market average rates of returns.

Investments of the County are reported at fair value. The Wyoming State Treasurer Asset Reserve (WYO-STAR) and Wyoming Government Investment Fund (WGIF) operate in accordance with applicable laws and regulations. The WYO-STAR and WGIF investment portfolios administer the short-term cash deposits made by local entities. The investments are administered to provide liquid cash reserves, placing the majority portion in cash portfolio and the rest in an extended cash portfolio. Specified State of Wyoming elected officials are responsible for regulatory oversight of WYO-STAR. WGIF is sponsored by the Wyoming Association of Municipalities and the Wyoming School Board Association and is governed by a board elected by the depositors.

#### B. Property Taxes Receivable

Property taxes receivable as of year end for the County's general fund, including the applicable allowance for uncollectible accounts, is as follows:

Property taxes receivable, for 2012 and prior years	<b>\$ 1,629,511</b>
Estimated property taxes receivable for 2013	<b>61,437,000</b>
Less allowance for uncollectibles	<b>(687,186)</b>
<b>Net total property taxes receivable</b>	<b>\$62,379,325</b>

Net property taxes receivable of \$62,379,325 for the primary government and \$590,945, for the Weed and Pest discretely presented component unit on the statement of net position includes \$61,437,000 and \$583,740 of 2013 property taxes respectively. These amounts represent property taxes based on the 2013 assessed valuation. 2013 taxes are not levied until the first Monday of August, but the County has an enforceable legal claim to the taxes as of the lien date, defined as the January 1 preceding the start of the fiscal year for which the taxes are levied. These 2013 taxes are included in deferred inflows of resources on the statement of net position and in the fund statements.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in the general fund were as follows:

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

	Unavailable
Property taxes receivable, 2012 and prior years	\$ 804,900
Property taxes receivable, 2013	61,437,000
Advance payments received on grants	258,146
<b>Total Deferred Inflows of Resources for Governmental Funds</b>	<b>\$ 62,500,046</b>

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<b>Governmental Activities</b>				
Nondepreciable Capital Assets:				
Land	\$ 11,123,443	\$ 1,645,186	\$ -	\$ 12,768,629
Art work	183,985	-	-	183,985
Construction in progress	7,440,518	25,514,927	(4,791,417)	28,164,028
<b>Total nondepreciable capital assets</b>	<b>\$ 18,747,946</b>	<b>\$ 27,160,113</b>	<b>\$ (4,791,417)</b>	<b>\$ 41,116,642</b>
Depreciable Capital Assets:				
Improvements	\$ 8,100,156	\$ 45,839	\$ (366,836)	\$ 7,779,159
Infrastructure	51,546,746	4,722,051	-	56,268,797
Buildings	139,434,374	96,000	(1,818,735)	137,711,639
Machinery and equipment	31,807,888	797,092	(833,818)	31,771,162
Vehicles	9,603,930	1,032,018	(500,546)	10,135,402
<b>Total depreciable capital assets</b>	<b>\$240,493,094</b>	<b>\$ 6,693,000</b>	<b>\$ (3,519,935)</b>	<b>\$ 243,666,159</b>
Less Accumulated Depreciation For:				
Improvements	\$ (2,218,202)	\$ (307,935)	\$ 347,017	\$ (2,179,120)
Infrastructure	(31,516,880)	(1,626,413)	-	(33,143,293)
Buildings	(27,725,130)	(2,773,562)	1,400,426	(29,098,266)
Machinery and equipment	(15,697,214)	(2,401,206)	742,251	(17,356,169)
Vehicles	(6,045,210)	(893,840)	449,444	(6,489,606)
<b>Total accumulated depreciation</b>	<b>\$ (83,202,636)</b>	<b>\$ (8,002,956)</b>	<b>\$ 2,939,138</b>	<b>\$ (88,266,454)</b>
<b>Total depreciable capital assets, net</b>	<b>\$157,290,458</b>	<b>\$ (1,309,956)</b>	<b>\$ (580,797)</b>	<b>\$ 155,399,705</b>
<b>Governmental activities capital assets, net</b>	<b>\$176,038,404</b>	<b>\$ 25,850,157</b>	<b>\$ (5,372,214)</b>	<b>\$ 196,516,347</b>
<b>Discretely Presented Component Units</b>				
Nondepreciable Capital Assets:				
Land	\$ 5,508,669	\$ -	\$ -	\$ 5,508,669
Art work	120,452	-	-	120,452
Construction in progress	116,647	626,409	(279,255)	463,801
<b>Total nondepreciable capital assets</b>	<b>\$ 5,745,768</b>	<b>\$ 626,409</b>	<b>\$ (279,255)</b>	<b>\$ 6,092,922</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

	Balance June 30, 2012	Additions	Deductions	Balance June 30, 2013
<b>Depreciable Capital Assets:</b>				
Improvements	\$ 2,390,054	\$ 42,920	\$ -	\$ 2,432,974
Infrastructure	2,615,570	-	(20,728)	2,594,842
Buildings	123,713,849	-	-	123,713,849
Machinery and equipment	9,285,582	118,490	(20,347)	9,383,725
Vehicles	8,825,415	457,947	(25,432)	9,257,930
Total depreciable capital assets	\$146,830,470	\$ 619,357	\$ (66,507)	\$ 147,383,320
<b>Less Accumulated Depreciation For:</b>				
Improvements	\$ (1,363,206)	\$ (70,840)	\$ -	\$ (1,434,046)
Infrastructure	(1,254,360)	(74,500)	518	(1,328,342)
Buildings	(13,115,693)	(2,478,015)	-	(15,593,708)
Machinery and equipment	(3,505,243)	(660,721)	18,547	(4,147,417)
Vehicles	(5,436,958)	(668,780)	25,432	(6,080,306)
Total accumulated depreciation	\$ (24,675,460)	\$ (3,952,856)	\$ 44,497	\$ (28,583,819)
Total depreciable capital assets	\$122,155,010	\$ (3,333,499)	\$ (22,010)	\$ 118,799,501
Discretely presented component units capital assets, net	\$127,900,778	\$ (2,707,090)	\$ (301,265)	\$ 124,892,423

Depreciation expense was charged to functional programs of the primary government and component units as follows:

<b>Governmental Activities:</b>	
General government	\$ 1,085,163
Public safety	1,851,527
Public works	4,311,841
Health, welfare, culture and recreation	754,425
Total depreciation expense-governmental activities	\$ 8,002,956
<b>Discretely Presented Component Units:</b>	
Weed and Pest Board	\$ 17,938
Joint Powers Fire Board	1,197,911
Joint Powers Public Land Board	1,405,017
Senior Citizens' Center	99,475
Joint Powers Recreation Board	1,232,515
Total depreciation expense-discretely presented component units	\$ 3,952,856

The construction in progress in the governmental activities represents construction related to Landfill projects, construction of a new recreation center in Wright, Wyoming, a new building for the Children's Development Center in Gillette, Wyoming, airport construction projects, and several road projects. Actual signed contracts for these projects approximate \$47,484,000 and will be funded by General Fund revenues and taxes.

The construction in progress in the discretely presented component units represents construction of new fire trucks and a parking lot.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

D. Interfund Receivables, Payables and Transfers

The composition of due to/from other funds as of June 30, 2013 is as follows:

	Receivables	Payables
Major Funds:		
General Fund	\$ -	\$ 553,678
Internal Service Fund	\$ 553,678	\$ -
Total	\$ 553,678	\$ 553,678

The above interfund balances are a reflection of the County's June 30, 2013 health insurance payable.

Interfund Transfers Governmental Funds:

	General Fund	Capital Replacement Fund	Internal Service Fund	Total
Transfers in	\$ -	\$ 5,000,000	\$ 133,625	\$ 5,133,625
Transfers (out)	(5,133,625)	-	-	(5,133,625)
Net interfund transfers	\$ (5,133,625)	\$ 5,000,000	\$ 133,625	\$ -

The primary purpose of material interfund transfers are: 1) transfers were made from the General Fund to the Capital Replacement Fund for reserve of future fixed asset replacement and repair and 2) the General Fund contributed to the Internal Service Fund for operations.

E. Compensated Absences

Vested accrued vacation payable at June 30, 2013 totaling approximately \$2,313,000, has been recorded as a liability for the governmental activities, and vacation payable totaling approximately \$362,000, has been recorded as a liability in the discretely presented component units.

Generally the County allows its employees one day of sick leave for each month of employment, with the employees allowed to accumulate sick leave up to ninety days. Days in excess of ninety days are lost by the employees. No unused sick leave is paid to an employee upon termination or retirement. The accumulated unpaid sick leave at June 30, 2013 approximates \$4,074,000 for the governmental activities and \$567,000 for the component units.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

F. Long-Term Debt

A summary of the changes in long-term liabilities for the year ended June 30, 2013 is presented below:

	Balance June 30, 2012	Additions	Deletions	Balance June 30, 2013	Due Within One Year
<b>Governmental Activities:</b>					
Capital leases payable	\$ 220,242	\$ -	\$ (66,514)	\$ 153,728	\$ 69,349
Estimated landfill closure and postclosure care costs	3,530,000	8,790,000	-	12,320,000	-
<b>Total governmental activities</b>	<b>\$ 3,750,242</b>	<b>\$ 8,790,000</b>	<b>\$ (66,514)</b>	<b>\$ 12,473,728</b>	<b>\$ 69,349</b>
<b>Discretely Presented Component Units:</b>					
Campbell County Recreation Projects Joint Powers Board Lease revenue bonds	\$ 32,570,000	\$ 9,470,000	\$ (32,570,000)	\$ 9,470,000	\$ 1,660,000

Capital Leases Payable

The County has entered into lease agreements for financing the acquisition of various equipment. These lease agreements provide for the transfer of title to the County at the end of the lease, and therefore qualify as capital leases for accounting purposes. The leases have been recorded at the present value of the future minimum lease payments as of the inception dates. The leases are cancelable should monies not be appropriated in future years.

The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment	\$ 239,067
Less accumulated depreciation	(104,045)
	<b>\$ 135,022</b>

Payments on these obligations are being made by the General Fund. Annual debt service requirements as of June 30, 2013 are presented below:

Year Ending June 30,	Obligation Under Capital Lease
2014	\$ 74,792
2015	55,121
2016	35,450
<b>Total lease payments</b>	<b>\$ 165,363</b>
<b>Less interest portion</b>	<b>(11,635)</b>
<b>Present value of net minimum lease payments</b>	<b>\$ 153,728</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

Estimated Landfill Closure and Postclosure Care Costs

The County operates three landfills which are governed under guidelines issued by the Wyoming Department of Environmental Quality - Solid and Hazardous Waste Division. The \$12,320,000 reported as estimated landfill closure and postclosure care costs recorded as non-current liability at June 30, 2013 represents the estimated costs based on the remaining requirements to reclaim and monitor each landfill until the wastes have stabilized. Landfill No. 1 is used as a transfer site and is a landfill site currently in the process of being closed. Landfill No. 2 is a five-phase landfill, and the County is currently operating in phase three. Calculated from the 2009 Landfill No. 2 permit renewal, Landfill No. 2 has a remaining life expectancy of twenty-two years, and use to date is approximately thirty-seven percent of its estimated capacity. Landfill No. 3 received a major permit amendment from the Wyoming Department of Environmental Quality in 2012, increasing its capacity to dispose of construction debris, and use to date is approximately forty-seven percent with a remaining life of nine years. The County will incur monitoring costs over an estimated 30-year period for each landfill once the landfills are totally closed. The estimated amounts are based on what it would cost to perform all closure and postclosure care in 2013. Actual costs may be higher due to inflation, changes in technology or changes in regulations. Landfill closure and post closure care costs are to be funded by the General Fund.

Lease Revenue Bonds

Campbell County Recreation Project Joint Powers Board (a discretely presented component unit) had previously issued lease revenue bonds for the purpose of paying for the construction of a recreation center and sport facility. The original amount of these bonds was \$47,400,000. The bonds were paid in full during the year ended June 30, 2013. After the original bonds were repaid, additional lease revenue bonds of \$9,470,000 were issued. The original bonds' interest rates varied from 3.25% to 5.25%. The reissued bonds' interest rates vary from 2% to 4% and mature June 15, 2019. The County's portion of the bonds were paid in full, and all remaining debt will be repaid from rental payments from Campbell County School District No. 1. Campbell County School District No. 1 intends that its payment of rental payments on the reissued bonds will be funded from a one-mill recreation levy that is based on the assessed valuation of the School District.

Payments on these bonds are being made by the Campbell County Recreation Project Joint Powers Board Debt Service Fund. Annual debt service requirements to maturity for lease revenue bonds are as follows:

Year Ending June 30,	Principal	Interest
2014	\$ 1,660,000	\$ 234,797
2015	1,700,000	200,300
2016	1,735,000	166,300
2017	1,770,000	131,600
2018	1,805,000	96,200
2019	800,000	24,000
<b>Total payments</b>	<b>\$ 9,470,000</b>	<b>\$ 853,197</b>

The issuance of debt provides current financial resources in the fund statements, while the repayment of the principal of long-term debt consumes these same current financial resources. Neither transaction has any effect on net position. However, the fund statements report the effects of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Total amounts deferred and amortized during the year were \$425,401.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds (Continued)

The difference between principal amount due and the amount recorded as noncurrent liabilities in the statement of activities represents the following:

Premium on issuance of bonds	\$ 425,401
Less accumulated amortization	(2,954)
<hr/>	
Amortizable amount	\$ 422,447

This difference (of which \$70,900 represents the amount due within one year) will be amortized as an adjustment of interest expense in the statement of activities over the life of the debt (six years).

#### Advance Refunding

The Recreation Project Joint Powers Board issued \$9,470,000 in Lease Revenue Bonds, Series 2013 with interest rates ranging from 2% to 4%. The net proceeds were used, along with additional cash, to advance refund \$28,390,000 of outstanding lease revenue Bonds, Series 2008. As a result, the Lease Revenue Bonds, Series 2008 are considered defeased and the liability for those bonds has been removed from the statement of net position. A reconciliation of the cash flow resulting from the defeased and reissued bonds follows:

Debt issued or incurred:	
Lease Revenue Bonds Series 2013 issued	\$ (9,470,000)
Plus premium	(425,401)
Principal repayments:	
Lease Revenue Bonds Series 2008	28,390,000
Bond issuance costs - Series 2013	102,261
<hr/>	
Net cash flow from defeased and reissued debt	\$ 18,596,860

#### Conduit Debt

The County has participated in several issues of industrial revenue bonds, issued for the purpose of constructing privately operated facilities within the County. These bonds are not direct or contingent liabilities of the County. Revenues from lease agreements and property purchased with the bond proceeds are pledged for the total payment of principal and interest on the bonds, and bondholders can look only to these sources for repayment.

The County approved a promissory note, loan agreement and assignment and pledge of revenues as required by the Wyoming State Loan and Investment Board for a "Clean Water State Revolving Loan" on behalf of the South Douglas Highway Water and Sewer District in the amount not to exceed \$5,631,500 for a sanitary sewer collection system project. In the event of default on the loan by the South Douglas Highway Water and Sewer District, the County would be liable. All payments on the loan are to be made from a special assessment imposed by the South Douglas Highway Water and Sewer District. The balance of the revolving loan is approximately \$3,659,000 at June 30, 2013.

#### Legal Debt Margin

The Wyoming Constitution provides that the County shall not create any general obligation indebtedness exceeding 2% of the assessed value of the property therein. At June 30, 2013, the County's assessed valuation was \$5,839,065,491, and the County had no general obligation debt.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

G. Classifications of Equity

A summary of classifications of fund balance at June 30, 2013, not disclosed elsewhere and not apparent from the description in the fund statements, is presented as follows:

	Governmental Funds	Discretely Presented Component Units
Nonspendable:		
Inventory	\$ 2,563,968	
Restricted for:		
Passenger Facility Projects	\$ 127,664	
Enhanced 911 Services	508,149	
Legislative Requirements:		
Capital Replacement Fund	66,845,484	
Campus Maintenance Reserve Fund	3,979,380	
Tech Center Maintenance Reserve Fund	2,367,914	
State County Road Fund	423,910	
Outside agreements - Recreation Center Maintenance Reserve Fund	8,678,143	
Outside agreements - Wright Recreation Center Maintenance Reserve Fund	<u>260,006</u>	
Total Restricted Fund Balance	<u>\$ 83,190,650</u>	
Committed for:		
Capital projects through signed contracts	<u>\$ 17,643,328</u>	
Assigned for:		
Fire Department expenses	\$ 564,232	
Transfers to Capital Replacement	7,205,309	
Fleet Replacement	5,592,820	
Operating Reserves	15,000,000	
Building Maintenance	23,889,240	
Short-term Future Capital Construction	8,037,158	
Wellness	40,500	
Wright Recreation Maintenance Reserve Fund	<u>1,300,000</u>	
Total Assigned Fund Balance	<u>\$ 61,629,259</u>	
Unassigned Fund Balance	<u>\$ 89,683</u>	
Total Fund Balance	<u>\$ 165,116,888</u>	
Nonspendable:		
Inventory-Weed & Pest Board		\$ 120,034
Inventory-Senior Citizens' Center		18,091
Restricted for:		
Children's Series-Joint Powers Public Land Board		43,430
Wyoming Center-Joint Powers Public Land Board		2,985,038
Debt Payments-Recreation Project Joint Powers Board		3,898,430
Capital Projects-Recreation Project Joint Powers Board		39,738
Committed for:		
Capital projects - Senior Citizens' Center		\$ 4,945
Furniture, Fixtures & Equipment - Senior Citizens' Center		27,917
Future Operations-Joint Powers Public Land Board		4,138,872

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

H. Tax Revenue

A summary of the tax revenues for the year ended June 30, 2013 is presented below:

	General Fund	Nonmajor Funds	Total
Property taxes	\$ 64,714,033	\$ -	\$ 64,714,033
Motor vehicle taxes	2,224,895	-	2,224,895
Sales and use taxes	21,966,171	-	21,966,171
Gasoline taxes	1,768,508	-	1,768,508
Severance tax	444,593	-	444,593
Other taxes	705,930	581,124	1,287,054
	<b>\$ 91,824,130</b>	<b>\$ 581,124</b>	<b>\$ 92,405,254</b>

The majority of tax revenue is property and production taxes as well as sales and use taxes which are approximately 70% and 24% respectively of total tax revenue. Property and production taxes are based on assessed valuations and the value of minerals extracted which may vary from year to year. Approximately 85% of property taxes for the year ended June 30, 2013 represents production taxes. Sales and use taxes vary from year to year based on the economy in Campbell County, which is heavily reliant on the mineral extraction industry.

**Note 4. Other Information**

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The following is a listing of significant coverages:

Type of Claim	Amount of Coverage	Deductible
Property	\$ 193,854,149	\$ 25,000
Blanket earnings and extra expense	\$ 1,100,000	\$ 25,000
Accounts receivable	\$ 10,000,000	\$ 25,000
Valuable papers	\$ 1,000,000	\$ 1,000
Electronic data processing	\$ 4,373,298	\$ 1,000
Inland marine		
Contractors equipment	\$ 5,573,543	\$ 2,500
Fine arts museum	\$ 1,289,200	\$ 5,000
Crime	\$ 250,000	\$ 2,500
General liability		
Bodily injury/property damage *	\$ 2,000,000	\$ 5,000
Annual aggregate	\$ 2,000,000	\$ -
Personal injury/advertising	\$ 2,000,000	\$ 5,000
Products/completed operations	\$ 2,000,000	\$ 5,000

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 4. Other Information (Continued)**

Type of Claim	Amount of Coverage	Deductible
Stop gap liability	\$ 1,000,000	\$ -
Employee benefit liability	\$ 2,000,000	\$ 1,000
Law enforcement liability *	\$ 2,000,000	\$ 10,000
Public entity management	\$ 2,000,000	\$ 5,000
Employment practices liability	\$ 2,000,000	\$ 25,000
Automobile liability *	\$ 2,000,000	\$ 1,000
Uninsured motorist	\$ 2,000,000	\$ -
Umbrella	\$ 3,000,000	\$ -
Excess errors and omissions liability	\$ 3,000,000	\$ -
Airport board	\$ 2,000,000	\$ 5,000
Non-owned aircraft liability	\$ 10,000,000	\$ -
Airport tower liability	\$ 10,000,000	\$ -
Airport general liability	\$ 10,000,000	\$ -
Medical professional liability	\$ 1,000,000	\$ 5,000
Educator's legal liability	\$ 1,000,000	\$ 2,500

\* \$500,000 limit for claims falling under State tort limits.

Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The County has elected to provide employee medical, dental and life insurance benefits through a self-insured program. The County maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides a medical plan with a \$500 deductible for single and \$1,000 family. The dental plan provides no deductible for preventive checkups, \$45 deductible per person per year and \$90 deductible per family per year for all other dental claims. The life insurance benefits provide up to \$50,000 life insurance and up to \$50,000 per employee in accidental death and dismemberment insurance. A third party administrator reviews all claims which the County then pays. The County purchases stop-loss coverage of \$95,000 per single occurrence per employee. This premium is paid by the fund that pays the salary for the employee and is based on historic cost information.

The liability for unpaid claims cost of \$972,000, as estimated by the third party administrator based upon claims filed subsequent to year end and historical experience, which is reported in the Internal Service Fund at June 30, 2013, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims, including incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
June 30, 2012 to June 30, 2013	\$ 637,000	\$ 6,123,534	\$ 5,788,534	\$ 972,000
June 30, 2011 to June 30, 2012	\$ 721,000	\$ 7,071,868	\$ 7,155,868	\$ 637,000

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

#### B. Contingencies

Campbell County participates in numerous state and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the County has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2013 may be impaired. In the opinion of the County, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

The County receives money from an additional 1% sales tax levy which is subject to renewal every four years by the voters at a general election. This levy was last approved by the voters in 2010. The 1% optional sales tax generated approximately \$9,600,000 during the year ended June 30, 2013. If this levy is not approved by the voters in the future, it may have a significant effect on the County's operations.

#### C. Retirement Commitments

The County's full-time employees participate in the Wyoming Retirement System ("System"), a cost-sharing multiple-employer public employee retirement system. The Plan provides retirement benefits at age 60 with early retirement options available. The Plan also provides disability and death benefits. Benefits are established by State Statute. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Wyoming Retirement System, Herschler Building, Cheyenne, Wyoming 82002 or by calling (307) 777-7691.

The System statutorily requires 14.12% of the covered employees' salary to be contributed to the plan. The County has elected to fund both the employer's and employees' share of the required contribution into the plan for its employees. The peace officers' retirement portion of the system requires a total of 17.20% of which the County funds both the employer's and employees' share. The career fire fighters' retirement portion of the System requires a total of 20.5%, of which the fire fighters contribute 8.5% and the Joint Powers Fire Board contributes the remaining 12%. The County contributions to the System for the years ended June 30, 2013, 2012 and 2011 were approximately \$5,329,000, \$5,224,000 and \$3,878,000 respectively, which were equal to the required contributions for the years then ended.

#### D. Impact of Recently Issued Accounting Principles

##### Recently Issued and Adopted Accounting Pronouncements

In December 2010, the GASB issued Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This statement is effective for periods beginning after December 15, 2011. The adoption of GASB 62 does not have any impact on the County's financial statements.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components: assets, deferred outflows of resources, liabilities and deferred inflows of resources. The provisions of this statement are effective for financial statements for periods beginning after December 15, 2011.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. This statement is effective for periods beginning after December 15, 2012. Management adopted this statement during the year ended June 30, 2013. This resulted in amounts previously presented as unearned revenues in the liability component of the statements of net position and balance sheets at the fund level being presented as deferred inflows of resources on those same statements.

#### Recently Issued Accounting Pronouncements

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement 27*. GASB 68 improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this statement on the County's financial statements.

**CAPITAL PROJECTS FUNDS**

**CAMPBELL COUNTY, WYOMING**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

June 30, 2013

	State-County Road Fund	Campus Maint- enance Reserve Fund	Recreation Center Maint- enance Reserve Fund	Tech Center Maint- enance Reserve Fund	Wright Recreation Center Maint- enance Reserve Fund	Totals
<b>ASSETS</b>						
Investments	\$ 400,833	\$ 4,089,379	\$ 8,678,143	\$ 2,445,574	\$ 260,006	\$ 15,873,935
Due from other governments	23,077	-	-	-	-	23,077
Total assets	\$ 423,910	\$ 4,089,379	\$ 8,678,143	\$ 2,445,574	\$ 260,006	\$ 15,897,012
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ 109,999	\$ -	\$ 77,660	\$ -	\$ 187,659
<b>FUND BALANCES</b>						
Restricted	\$ 423,910	\$ 3,979,380	\$ 8,678,143	\$ 2,367,914	\$ 260,006	\$ 15,709,353
Total liabilities and fund balances	\$ 423,910	\$ 4,089,379	\$ 8,678,143	\$ 2,445,574	\$ 260,006	\$ 15,897,012

**CAMPBELL COUNTY, WYOMING**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
NONMAJOR CAPITAL PROJECTS FUNDS**

Year Ended June 30, 2013

(Page 1 of 2)

	State-County Road Fund			Campus Maintenance Reserve Fund			Recreation Center Maintenance Reserve Fund		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>									
Taxes	\$ -	\$ 581,124	\$ 581,124	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other local revenue	-	-	-	-	-	-	-	1,593,595	1,593,595
Investment income (loss)	-	916	916	150,000	(31,014)	(181,014)	-	(66,013)	(66,013)
<b>Total revenues</b>	<b>\$ -</b>	<b>\$ 582,040</b>	<b>\$ 582,040</b>	<b>\$ 150,000</b>	<b>\$ (31,014)</b>	<b>\$ (181,014)</b>	<b>\$ -</b>	<b>\$ 1,527,583</b>	<b>\$ 1,527,583</b>
<b>EXPENDITURES</b>									
Current:									
Public works	\$ -	\$ -	\$ -	\$ -	\$ 2,147	\$ (2,147)	\$ -	\$ 4,508	\$ (4,508)
Capital outlay	4,500,000	4,058,099	441,901	150,000	144,999	5,001	-	-	-
<b>Total expenditures</b>	<b>\$ 4,500,000</b>	<b>\$ 4,058,099</b>	<b>\$ 441,901</b>	<b>\$ 150,000</b>	<b>\$ 147,146</b>	<b>\$ 2,854</b>	<b>\$ -</b>	<b>\$ 4,508</b>	<b>\$ (4,508)</b>
<b>Net changes in fund balances</b>	<b>\$ (4,500,000)</b>	<b>\$ (3,476,059)</b>	<b>\$ 1,023,941</b>	<b>\$ -</b>	<b>\$ (178,160)</b>	<b>\$ (178,160)</b>	<b>\$ -</b>	<b>\$ 1,523,075</b>	<b>\$ 1,523,075</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>3,899,969</b>	<b>3,899,969</b>	<b>-</b>	<b>4,157,540</b>	<b>4,157,540</b>	<b>-</b>	<b>7,155,068</b>	<b>7,155,068</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ (600,031)</b>	<b>\$ 423,910</b>	<b>\$ 1,023,941</b>	<b>\$ 4,157,540</b>	<b>\$ 3,979,380</b>	<b>\$ (178,160)</b>	<b>\$ 7,155,068</b>	<b>\$ 8,678,143</b>	<b>\$ 1,523,075</b>

CAMPBELL COUNTY, WYOMING

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
NONMAJOR CAPITAL PROJECTS FUNDS**

Year Ended June 30, 2013

(Page 2 of 2)

	Tech Center Maintenance Reserve Fund			Wright Recreation Center Maintenance Reserve Fund			Totals		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 581,124	\$ 581,124
Other local revenue	-	-	-	-	260,000	260,000	-	1,853,595	1,853,595
Investment income (loss)	100,000	(18,838)	(118,838)	-	6	6	250,000	(114,942)	(364,942)
<b>Total revenues</b>	<b>\$ 100,000</b>	<b>\$ (18,838)</b>	<b>\$ (118,838)</b>	<b>\$ -</b>	<b>\$ 260,006</b>	<b>\$ 260,006</b>	<b>\$ 250,000</b>	<b>\$ 2,319,777</b>	<b>\$ 2,069,777</b>
<b>EXPENDITURES</b>									
Current:									
Public works	\$ -	\$ 1,287	\$ (1,287)	\$ -	\$ -	\$ -	\$ -	\$ 7,942	\$ (7,942)
Capital outlay	100,000	94,661	5,339	-	-	-	4,750,000	4,297,759	452,241
<b>Total expenditures</b>	<b>\$ 100,000</b>	<b>\$ 95,948</b>	<b>\$ 4,052</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,750,000</b>	<b>\$ 4,305,701</b>	<b>\$ 444,299</b>
<b>Net changes in fund balance</b>	<b>\$ -</b>	<b>\$ (114,786)</b>	<b>\$ (114,786)</b>	<b>\$ -</b>	<b>\$ 260,006</b>	<b>\$ 260,006</b>	<b>\$ (4,500,000)</b>	<b>\$ (1,985,924)</b>	<b>\$ 2,514,076</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>2,482,700</b>	<b>2,482,700</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,695,277</b>	<b>17,695,277</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 2,482,700</b>	<b>\$ 2,367,914</b>	<b>\$ (114,786)</b>	<b>\$ -</b>	<b>\$ 260,006</b>	<b>\$ 260,006</b>	<b>\$ 13,195,277</b>	<b>\$ 15,709,353</b>	<b>\$ 2,514,076</b>

**CAMPBELL COUNTY, WYOMING**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL REPLACEMENT MAJOR CAPITAL PROJECTS FUND  
Year Ended June 30, 2013**

	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>			
Investment income (loss)	\$ -	\$ (493,817)	\$ (493,817)
<b>EXPENDITURES</b>			
Current:			
General Government	\$ -	\$ 38,541	\$ (38,541)
(Deficiency) of revenues (under) expenditures	\$ -	\$ (532,358)	\$ (532,358)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	5,000,000	5,000,000	-
Net change in fund balance	\$ 5,000,000	\$ 4,467,642	\$ (532,358)
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>62,377,842</b>	<b>62,377,842</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 67,377,842</b>	<b>\$ 66,845,484</b>	<b>\$ (532,358)</b>

## **DISCRETELY PRESENTED COMPONENT UNITS**

**CAMPBELL COUNTY, WYOMING**

**BALANCE SHEET**

**WEED AND PEST BOARD DISCRETELY PRESENTED COMPONENT UNIT**

June 30, 2013

**ASSETS**

Cash	\$ 123,506
Investments	10,160
Due from other governments	4,612
Receivables:	
Property taxes	590,945
Accounts	36,882
Inventories	120,034
Other assets	6,309
<b>Total assets</b>	<b>\$ 892,448</b>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE**

**LIABILITIES**

Accounts payable	\$ 56,934
Accrued liabilities	35,452
<b>Total liabilities</b>	<b>\$ 92,386</b>

**DEFERRED INFLOWS OF RESOURCES**

Deferred property taxes receivable	\$ 589,786
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**FUND BALANCE**

Nonspendable	\$ 120,034
Unassigned	90,242
<b>Total fund balance</b>	<b>\$ 210,276</b>

<b>Total liabilities, deferred inflows of resources and fund balance</b>	<b>\$ 892,448</b>
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**CAMPBELL COUNTY, WYOMING**

**BALANCE SHEET**

**JOINT POWERS FIRE BOARD DISCRETELY PRESENTED COMPONENT UNIT**

June 30, 2013

<b>ASSETS</b>	
Cash	\$ 242,960
Due from other governments	994,786
Other assets	115,016
<b>Total assets</b>	<b>\$ 1,352,762</b>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 139,310
Accrued liabilities	376,500
<b>Total liabilities</b>	<b>\$ 515,810</b>
<b>FUND BALANCE</b>	
Unassigned	\$ 836,952
<b>Total liabilities and fund balance</b>	<b>\$ 1,352,762</b>

**CAMPBELL COUNTY, WYOMING**

**COMBINING BALANCE SHEET**

**JOINT POWERS PUBLIC LAND BOARD DISCRETELY PRESENTED COMPONENT UNIT**

June 30, 2013

	General Fund	Multi-Events Center Special Revenue Fund	Total
<b>ASSETS</b>			
Cash	\$ 360,260	\$ -	\$ 360,260
Investments	5,395,250	2,985,038	8,380,288
Receivables:			
Accounts	69,828	-	69,828
Interest	158	-	158
Due from other governments	229,918	-	229,918
Other assets	854	-	854
<b>Total assets</b>	<b>\$ 6,056,268</b>	<b>\$ 2,985,038</b>	<b>\$ 9,041,306</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 203,693	\$ -	\$ 203,693
Contracts payable	163,798	-	163,798
Accrued liabilities	315,866	-	315,866
<b>Total liabilities</b>	<b>\$ 683,357</b>	<b>\$ -</b>	<b>\$ 683,357</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Advance payments received on grants	\$ 157,500	\$ -	\$ 157,500
Ticket revenue received prior to event	14,322	-	14,322
<b>Total deferred inflows of resources</b>	<b>\$ 171,822</b>	<b>\$ -</b>	<b>\$ 171,822</b>
<b>FUND BALANCES</b>			
Restricted for:			
Children's series	\$ 43,430	\$ -	\$ 43,430
Wyoming Center repairs and maintenance	-	2,985,038	2,985,038
Committed for future operations	4,138,872	-	4,138,872
Unassigned	1,018,787	-	1,018,787
<b>Total fund balances</b>	<b>\$ 5,201,089</b>	<b>\$ 2,985,038</b>	<b>\$ 8,186,127</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 6,056,268</b>	<b>\$ 2,985,038</b>	<b>\$ 9,041,306</b>

**CAMPBELL COUNTY, WYOMING**

**BALANCE SHEET**

**CONSERVATION DISTRICT DISCRETELY PRESENTED COMPONENT UNIT**

June 30, 2013

<b>ASSETS</b>	
Cash	\$ 8,795
Investments	98,688
Accounts receivable	768
Other assets	118
<b>Total assets</b>	<b>\$ 108,369</b>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 1,889
Accrued liabilities	5,698
<b>Total liabilities</b>	<b>\$ 7,587</b>
<b>FUND BALANCE</b>	
Unassigned	\$ 100,782
<b>Total liabilities and fund balance</b>	<b>\$ 108,369</b>

**CAMPBELL COUNTY, WYOMING**

**COMBINING BALANCE SHEET  
SENIOR CITIZENS' CENTER DISCRETELY PRESENTED COMPONENT UNIT  
SENIOR CITIZENS' CENTER FOUNDATION, INC.**

Senior Citizens' Center June 30, 2013 and Senior Citizens' Center Foundation, Inc. September 30, 2012

	Senior Citizens' Center	Component Unit Senior Citizens' Center Foundation, Inc.	Total
<b>ASSETS</b>			
Cash	\$ 454,142	\$ 74,926	\$ 529,068
Investments	-	416,924	416,924
Due from governments	67,462	-	67,462
Inventories	18,091	-	18,091
Other assets	21,596	-	21,596
<b>Total assets</b>	<b>\$ 561,291</b>	<b>\$ 491,850</b>	<b>\$ 1,053,141</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 14,852	\$ 756	\$ 15,608
Accrued liabilities	61,652	-	61,652
<b>Total liabilities</b>	<b>\$ 76,504</b>	<b>\$ 756</b>	<b>\$ 77,260</b>
<b>FUND BALANCES</b>			
Nonspendable	\$ 18,091	-	\$ 18,091
Restricted	4,945	-	4,945
Committed	27,917	-	27,917
Unassigned	433,834	491,094	924,928
<b>Total fund balances</b>	<b>\$ 484,787</b>	<b>\$ 491,094</b>	<b>\$ 975,881</b>
<b>Total liabilities and fund balances</b>	<b>\$ 561,291</b>	<b>\$ 491,850</b>	<b>\$ 1,053,141</b>

**CAMPBELL COUNTY, WYOMING**

**BALANCE SHEET**

**CARE BOARD DISCRETELY PRESENTED COMPONENT UNIT**

June 30, 2013

<b>ASSETS</b>	
Cash	\$ 16,802
Due from other governments	16,916
<b>Total assets</b>	<b>\$ 33,718</b>
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 30,546
<b>FUND BALANCE</b>	
Unassigned	\$ 3,172
<b>Total liabilities and fund balance</b>	<b>\$ 33,718</b>

**CAMPBELL COUNTY, WYOMING**

**COMBINING BALANCE SHEET**

**CAMPBELL COUNTY RECREATION PROJECT JOINT POWERS BOARD**

June 30, 2013

	Capital Projects Fund	Debt Service Fund	Total
<b>ASSETS</b>			
Cash with fiscal agent	\$ 39,738	\$ -	\$ 39,738
Investments	-	3,911,662	3,911,662
Total assets	\$ 39,738	\$ 3,911,662	\$ 3,951,400
<b>FUND BALANCES</b>			
FUND BALANCES			
Restricted for:			
Debt service	\$ 39,738	\$ 3,911,662	\$ 3,951,400

CAMPBELL COUNTY, WYOMING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DISCRETELY PRESENTED COMPONENT UNITS

Year Ended June 30, 2013

(Page 1 of 2)

	Weed and Pest Board			Joint Powers Fire Board			Joint Powers Public Land Board			Conservation District		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>												
Taxes	\$ 457,666	\$ 472,991	\$ 15,325	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for goods and services	127,450	68,969	(58,481)	70,200	46,048	(24,152)	1,202,580	1,411,044	208,464	12,860	10,786	(2,074)
Intergovernmental	-	-	-	-	-	-	936,575	914,291	(22,284)	10,956	9,792	(1,164)
Federal and state grants	58,000	124,698	66,698	270,000	103,172	(166,828)	-	-	-	58,891	18,220	(40,671)
Investment income	1,600	804	(796)	300	1,063	763	14,650	3,740	(10,910)	200	112	(88)
Other local revenue	-	-	-	7,322,937	4,889,424	(2,433,513)	3,352,422	3,339,607	(12,815)	294,676	294,676	-
Miscellaneous	-	-	-	161,000	13,290	(147,710)	68,519	38,183	(30,336)	10,000	8,637	(1,363)
<b>Total revenues</b>	<b>\$ 644,716</b>	<b>\$ 667,462</b>	<b>\$ 22,746</b>	<b>\$ 7,824,437</b>	<b>\$ 5,052,997</b>	<b>\$ (2,771,440)</b>	<b>\$ 5,574,746</b>	<b>\$ 5,706,865</b>	<b>\$ 132,119</b>	<b>\$ 387,583</b>	<b>\$ 342,223</b>	<b>\$ (45,360)</b>
<b>EXPENDITURES</b>												
Current:												
Public safety	\$ -	\$ -	\$ -	\$ 5,021,588	\$ 4,634,122	\$ 387,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public works	-	-	-	-	-	-	5,132,829	4,964,923	167,906	-	-	-
Health, welfare, culture and recreation	928,304	939,187	(10,883)	-	-	-	-	-	-	408,822	348,045	60,777
Capital outlay	66,412	3,555	62,857	3,315,446	692,272	2,623,174	417,350	525,783	(108,433)	-	-	-
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 994,716</b>	<b>\$ 942,742</b>	<b>\$ 51,974</b>	<b>\$ 8,337,034</b>	<b>\$ 5,326,394</b>	<b>\$ 3,010,640</b>	<b>\$ 5,550,179</b>	<b>\$ 5,490,706</b>	<b>\$ 59,473</b>	<b>\$ 408,822</b>	<b>\$ 348,045</b>	<b>\$ 60,777</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (350,000)	\$ (275,280)	\$ 74,720	\$ (512,597)	\$ (273,397)	\$ 239,200	\$ 24,567	\$ 216,159	\$ 191,592	\$ (21,239)	\$ (5,822)	\$ 15,417
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (out)	-	-	-	-	-	-	-	-	-	-	-	-
Refunding bonds	-	-	-	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-	-	-
Premium on refunding bonds	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net changes in fund balances</b>	<b>\$ (350,000)</b>	<b>\$ (275,280)</b>	<b>\$ 74,720</b>	<b>\$ (512,597)</b>	<b>\$ (273,397)</b>	<b>\$ 239,200</b>	<b>\$ 24,567</b>	<b>\$ 216,159</b>	<b>\$ 191,592</b>	<b>\$ (21,239)</b>	<b>\$ (5,822)</b>	<b>\$ 15,417</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>												
	485,556	485,556	-	1,110,349	1,110,349	-	7,969,968	7,969,968	-	106,604	106,604	-
<b>FUND BALANCE, ENDING JUNE 30</b>												
	\$ 135,556	\$ 210,276	\$ 74,720	\$ 597,752	\$ 836,952	\$ 239,200	\$ 7,994,535	\$ 8,186,127	\$ 191,592	\$ 85,365	\$ 100,782	\$ 15,417

(Continued)

CAMPBELL COUNTY, WYOMING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DISCRETELY PRESENTED COMPONENT UNITS

Year Ended June 30, 2013

(Page 2 of 2)

	Senior Citizens' Center			CARE Board			Recreation Project Joint Powers Board			Totals		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 457,666	\$ 472,991	\$ 15,325
Charges for goods and services	258,938	234,427	(24,511)	-	-	-	-	-	-	1,672,028	1,771,274	99,246
Intergovernmental	-	-	-	250,548	243,840	(6,708)	-	-	-	1,198,079	1,167,923	(30,156)
Federal and state grants	790,685	875,709	85,024	-	-	-	-	-	-	1,177,576	1,121,799	(55,777)
Investment income	-	606	606	-	3	3	200,000	233,887	33,887	216,750	240,215	23,465
Other local revenue	1,290,368	1,359,248	68,880	-	-	-	9,535,195	2,882,321	(6,652,874)	21,795,598	12,765,276	(9,030,322)
Miscellaneous	92,400	112,667	20,267	-	1,950	1,950	-	-	-	331,919	174,727	(157,192)
<b>Total revenues</b>	<b>\$ 2,432,391</b>	<b>\$ 2,582,657</b>	<b>\$ 150,266</b>	<b>\$ 250,548</b>	<b>\$ 245,793</b>	<b>\$ (4,755)</b>	<b>\$ 9,735,195</b>	<b>\$ 3,116,208</b>	<b>\$ (6,618,987)</b>	<b>\$ 26,849,616</b>	<b>\$ 17,714,205</b>	<b>\$ (9,135,411)</b>
<b>EXPENDITURES</b>												
Current:												
Public safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,021,588	\$ 4,634,122	\$ 387,466
Public works	-	-	-	-	-	-	-	-	-	5,132,829	4,964,923	167,906
Health, welfare, culture and recreation	2,357,391	2,381,376	(23,985)	250,548	245,362	5,186	-	10,514	(10,514)	3,945,065	3,924,484	20,581
Capital outlay	75,000	120,326	(45,326)	-	-	-	-	-	-	3,874,208	1,341,936	2,532,272
Debt service:												
Principal	-	-	-	-	-	-	23,100,000	23,100,000	-	23,100,000	23,100,000	-
Interest	-	-	-	-	-	-	1,600,195	1,586,963	13,232	1,600,195	1,586,963	13,232
Bond issuance costs	-	-	-	-	-	-	110,000	102,261	7,739	110,000	102,261	7,739
<b>Total expenditures</b>	<b>\$ 2,432,391</b>	<b>\$ 2,501,702</b>	<b>\$ (69,311)</b>	<b>\$ 250,548</b>	<b>\$ 245,362</b>	<b>\$ 5,186</b>	<b>\$ 24,810,195</b>	<b>\$ 24,799,738</b>	<b>\$ 10,457</b>	<b>\$ 42,783,885</b>	<b>\$ 39,654,689</b>	<b>\$ 3,129,196</b>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ 80,955	\$ 80,955	\$ -	\$ 431	\$ 431	\$ (15,075,000)	\$ (21,683,530)	\$ (6,608,530)	\$ (15,934,269)	\$ (21,940,484)	\$ (6,006,215)
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,822,177	\$ 4,822,177	\$ -	\$ 4,822,177	\$ 4,822,177	\$ -
Transfers (out)	-	-	-	-	-	-	(4,822,177)	(4,822,177)	-	(4,822,177)	(4,822,177)	-
Refunding bonds	-	-	-	-	-	-	9,470,000	9,470,000	-	9,470,000	9,470,000	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(9,470,000)	(9,470,000)	-	(9,470,000)	(9,470,000)	-
Premium on refunding bonds	-	-	-	-	-	-	400,000	425,401	25,401	400,000	425,401	25,401
<b>Total other financing sources (uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 400,000</b>	<b>\$ 425,401</b>	<b>\$ 25,401</b>	<b>\$ 400,000</b>	<b>\$ 425,401</b>	<b>\$ 25,401</b>
<b>Net changes in fund balances</b>	<b>\$ -</b>	<b>\$ 80,955</b>	<b>\$ 80,955</b>	<b>\$ -</b>	<b>\$ 431</b>	<b>\$ 431</b>	<b>\$ (14,675,000)</b>	<b>\$ (21,258,129)</b>	<b>\$ (6,583,129)</b>	<b>\$ (15,534,269)</b>	<b>\$ (21,515,083)</b>	<b>\$ (5,980,814)</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>												
	403,832	403,832	-	2,741	2,741	-	25,209,529	25,209,529	-	35,288,579	35,288,579	-
<b>FUND BALANCE, ENDING JUNE 30</b>												
	\$ 403,832	\$ 484,787	\$ 80,955	\$ 2,741	\$ 3,172	\$ 431	\$ 10,534,529	\$ 3,951,400	\$ (6,583,129)	\$ 19,754,310	\$ 13,773,496	\$ (5,980,814)

**CAMPBELL COUNTY, WYOMING**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
JOINT POWERS PUBLIC LAND BOARD**

Year Ended June 30, 2013

	General Fund	Multi-Events Center Special Revenue Fund	Total
<b>REVENUES</b>			
Charges for goods and services	\$ 1,411,044	\$ -	\$ 1,411,044
Intergovernmental	914,291	-	914,291
Investment income	3,294	446	3,740
Other local revenue	3,339,607	-	3,339,607
Miscellaneous	38,183	-	38,183
<b>Total revenues</b>	<b>\$ 5,706,419</b>	<b>\$ 446</b>	<b>\$ 5,706,865</b>
<b>EXPENDITURES</b>			
Current:			
Public works	\$ 4,964,923	\$ -	\$ 4,964,923
Capital outlay	525,783	-	525,783
<b>Total expenditures</b>	<b>\$ 5,490,706</b>	<b>\$ -</b>	<b>\$ 5,490,706</b>
Net changes in fund balances	\$ 215,713	\$ 446	\$ 216,159
<b>FUND BALANCES, BEGINNING JULY 1</b>	<b>4,985,376</b>	<b>2,984,592</b>	<b>7,969,968</b>
<b>FUND BALANCES, ENDING JUNE 30</b>	<b>\$ 5,201,089</b>	<b>\$ 2,985,038</b>	<b>\$ 8,186,127</b>

**CAMPBELL COUNTY, WYOMING**

**STATEMENT OF NET POSITION  
SENIOR CITIZENS' CENTER**

Senior Citizens' Center June 30, 2013 and Senior Citizens' Center Foundation, Inc. September 30, 2012

	Senior Citizens' Center	Component Unit Senior Citizens' Center Foundation, Inc.	Total
<b>ASSETS</b>			
Cash	\$ 454,142	\$ 74,926	\$ 529,068
Investments	-	416,924	416,924
Due from governments	67,462	-	67,462
Inventories	18,091	-	18,091
Other assets	21,596	-	21,596
Capital assets:			
Non-depreciable capital assets	172,416	-	172,416
Depreciable capital assets, net	712,382	-	712,382
<b>Total assets</b>	<b>\$ 1,446,089</b>	<b>\$ 491,850</b>	<b>\$ 1,937,939</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 14,852	\$ 756	\$ 15,608
Accrued liabilities	61,652	-	61,652
<b>Total liabilities</b>	<b>\$ 76,504</b>	<b>\$ 756</b>	<b>\$ 77,260</b>
<b>NET POSITION</b>			
Net investment in capital assets	\$ 884,798	\$ -	\$ 884,798
Committed for capital projects	4,945	-	4,945
Unrestricted	479,842	491,094	970,936
<b>Total net position</b>	<b>\$ 1,369,585</b>	<b>\$ 491,094</b>	<b>\$ 1,860,679</b>

**CAMPBELL COUNTY, WYOMING**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
SENIOR CITIZENS' CENTER**

Senior Citizens' Center Year Ended June 30, **2013** and

Senior Citizens' Center Foundation, Inc., Year Ended September 30, **2012**

	Senior Citizens' Center	Component Unit Senior Citizens' Center Foundation, Inc.	Total
<b>REVENUES</b>			
Charges for goods and services	\$ 234,427	\$ -	\$ 234,427
Federal and state grants	875,709	-	875,709
Investment income	606	44,684	45,290
Other local revenue	1,359,248	-	1,359,248
Miscellaneous	112,667	365	113,032
<b>Total revenues</b>	<b>\$ 2,582,657</b>	<b>\$ 45,049</b>	<b>\$ 2,627,706</b>
<b>EXPENDITURES</b>			
Current:			
Health, welfare, culture and recreation	\$ 2,381,376	\$ 15,393	\$ 2,396,769
Capital outlay	120,326	-	120,326
<b>Total expenditures</b>	<b>\$ 2,501,702</b>	<b>\$ 15,393</b>	<b>\$ 2,517,095</b>
<b>Net changes in fund balances</b>	<b>\$ 80,955</b>	<b>\$ 29,656</b>	<b>\$ 110,611</b>
<b>FUND BALANCE, BEGINNING, JULY 1, 2012</b>	<b>403,832</b>	<b>-</b>	
<b>FUND BALANCE, BEGINNING, OCTOBER 1, 2011</b>	<b>-</b>	<b>461,438</b>	
<b>FUND BALANCE, ENDING, JUNE 30, 2013</b>	<b>\$ 484,787</b>		
<b>FUND BALANCE, ENDING, SEPTEMBER 30, 2012</b>	<b>\$ 491,094</b>		

**CAMPBELL COUNTY, WYOMING**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
CAMPBELL COUNTY RECREATION PROJECT JOINT POWERS BOARD**

Year Ended June 30, 2013

	Capital Projects Fund	Debt Service Fund	Total
<b>REVENUES</b>			
Investment income	\$ 37,305	\$ 196,582	\$ 233,887
Other local revenue	-	2,882,321	2,882,321
<b>Total revenues</b>	<b>\$ 37,305</b>	<b>\$ 3,078,903</b>	<b>\$ 3,116,208</b>
<b>EXPENDITURES</b>			
Current:			
Health, welfare, culture and recreation	\$ -	\$ 10,514	\$ 10,514
Debt service:			
Principal	-	23,100,000	23,100,000
Interest	-	1,586,963	1,586,963
Bond issuance costs	-	102,261	102,261
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ 24,799,738</b>	<b>\$ 24,799,738</b>
Excess (deficiency) of revenues over (under) expenditures	\$ 37,305	\$ (21,720,835)	\$ (21,683,530)
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	\$ -	\$ 4,822,177	\$ 4,822,177
Transfers (out)	(4,822,177)	-	(4,822,177)
Refunding bonds	-	9,470,000	9,470,000
Payment to refunded bond escrow agent	-	(9,470,000)	(9,470,000)
Premium on refunding bonds	-	425,401	425,401
<b>Total other financing sources (uses)</b>	<b>\$ (4,822,177)</b>	<b>\$ 5,247,578</b>	<b>\$ 425,401</b>
<b>Net changes in fund balances</b>	<b>\$ (4,784,872)</b>	<b>\$ (16,473,257)</b>	<b>\$ (21,258,129)</b>
<b>FUND BALANCES, BEGINNING JULY 1</b>	<b>4,824,610</b>	<b>20,384,919</b>	<b>25,209,529</b>
<b>FUND BALANCES, ENDING JUNE 30</b>	<b>\$ 39,738</b>	<b>\$ 3,911,662</b>	<b>\$ 3,951,400</b>

**CAMPBELL COUNTY, WYOMING****SCHEDULE OF STATE FINANCIAL ASSISTANCE**Year Ended June 30, **2013**

(Page 1 of 2)

State Grantor Program Title	Grant Number	Expenditures
<u>Wyoming Department of Agriculture</u>		
Highway Weed and Pest	N/A	\$ 57,874
State Water Development	N/A	968
Conservation District Funding	N/A	8,824
Total Wyoming Department of Agriculture		\$ 67,666
<u>Wyoming Arts Council</u>		
AEB Grant FY2013	N/A	\$ 5,979
<u>Wyoming Office of the Attorney General</u>		
State Surcharge	N/A	\$ 13,502
Victim Witness	N/A	32,745
Salary Supplement	N/A	42,163
Total Wyoming Office of the Attorney General		\$ 88,410
<u>Wyoming Business Council</u>		
Business Ready Community Grant and Loan Program - Robertson Circle	N/A	\$ 700,232
Business Ready Community Grant and Loan Program - Southern Industrial	N/A	129,203
Total Wyoming Business Council		\$ 829,435
<u>Wyoming Office of Tourism</u>		
RV Promotion/National High School Finals Rodeo	N/A	\$ 5,776
<u>Wyoming Department of Education</u>		
Region XIII - Birth Through Five	N/A	\$ 2,360,610
<u>Wyoming Department of Family Services</u>		
Child Support Enforcement	N/A	\$ 8,037
Childcare Development Block Grant	N/A	29,064
Supplemental Security Income	N/A	3
Social Security	N/A	9
Wyoming Child Enrollment Fund	N/A	687
Wyoming Juvenile Services	N/A	98,107
Total Wyoming Department of Family Services	N/A	\$ 135,907
<u>Wyoming Department of Health</u>		
Community Based In-Home Service	N/A	\$ 100,055
Elderly Disabled Program	N/A	596
End Stage Renal Dialysis	N/A	1,734
Title III B	N/A	831
Title III C1	N/A	1,851
Title III C2	N/A	1,298
Title III E	N/A	1,323
Wyoming Senior Services Board Funding	N/A	213,134
Maternal and Child Health Services Block Grant	N/A	66,151
Juvenile Drug Court	N/A	132,799
Adult Drug Court	N/A	177,854
Total Wyoming Department of Health		\$ 697,626

(Continued)

**CAMPBELL COUNTY, WYOMING****SCHEDULE OF STATE FINANCIAL ASSISTANCE**Year Ended June 30, **2013**

(Page 2 of 2)

<u>State Grantor</u> <u>Program Title</u>	<u>Grant</u> <u>Number</u>	<u>Expenditures</u>
<u>Wyoming Land and Investments Office</u>		
Section 316 Distribution	N/A	\$ <b>1,211,558</b>
Weed and Pest Program	N/A	<b>7,092</b>
ADA Minivans	TEA-11003	<b>80,000</b>
Southern Industrial Roads	MRG11291	<b>54,818</b>
Total Wyoming Land and Investments Office		\$ <b>1,353,468</b>
<u>Wyoming Department of Transportation</u>		
Navigation Aid Maintenance	N/A	\$ <b>21,437</b>
Marketing/Promotions	2920	<b>39,285</b>
Airfield Markings	2953	<b>232,190</b>
Expand Apron	2772	<b>628</b>
Expand Apron	2808	<b>14,271</b>
Expand Apron	2900	<b>44,587</b>
Expand Apron	2981	<b>2,211</b>
Aeronautics	2930	<b>99,876</b>
Aeronautics	2882	<b>23,268</b>
ASE SkyWest Airline Service Development	N/A	<b>1,704,127</b>
State Funding Fuel Tax	N/A	<b>25,511</b>
Total Wyoming Department of Transportation		\$ <b>2,207,391</b>
<u>Wyoming State Treasurer</u>		
Wyoming Public Library Endowment Challenge Fund	N/A	\$ <b>101,626</b>
Total State Financial Assistance		\$ <b>7,853,894</b>

# BENNETT, WEBER & HERMSTAD, LLP

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## INDEPENDENT AUDITOR'S 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

County Commissioners  
**Campbell County, Wyoming**  
Gillette, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Campbell County, Wyoming** as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise **Campbell County, Wyoming's** basic financial statements and have issued our report thereon dated January 6, 2014.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **Campbell County, Wyoming'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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

*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 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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-002, 2013-003, 2013-004, 2013-005, 2013-006 and 2013-007 to be material weaknesses.

*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. We consider the deficiency described in the accompanying schedule of findings and questioned costs at item 2013-001 to be a significant deficiency.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Campbell County, Wyoming's** financial statements are free of 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 required to be reported under *Government Auditing Standards*.

## Campbell County, Wyoming's Response to Findings

**Campbell County, Wyoming's** response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. **Campbell County, Wyoming's** response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## Purpose of this Report

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

BRANNETT, WEBER + HERMSTAD, LLP

Gillette, Wyoming  
January 6, 2014

# BENNETT, WEBER & HERMSTAD, LLP

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

County Commissioners  
**Campbell County, Wyoming**  
Gillette, Wyoming

### Report on Compliance for Each Major Federal Program

We have audited **Campbell County, Wyoming's (County)** compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the **County's** major federal programs for the year ended June 30, 2013. The **County's** major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the **County's** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the **County's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the **County's** compliance.

### Opinion on Each Major Federal Program

In our opinion, the **County** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-005, 2013-006 and 2013-007. Our opinion on each major federal program is not modified with respect to these matters.

The **County's** response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The **County's** response was not subjected to auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## 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 requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the **County's** internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that are considered to be material weaknesses and significant deficiencies.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-002, 2013-003, 2013-004, 2013-005, 2013-006 and 2013-007 to be material weaknesses.

*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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2013-001 to be a significant deficiency.

The **County's** response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The **County's** response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

*BENNETT, WEBER & HERNSTAD, LLP*

Gillette, Wyoming  
January 6, 2014

**CAMPBELL COUNTY, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2013

(Page 1 of 5)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Expenditures
<u>Department of Agriculture</u>		
Direct Awards:		
Forest Service		
Schools and Roads - Grants to Counties	10.666	\$ 305,649
Passed through State of Wyoming Department of Health		
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	\$ 231,314
Passed through State of Wyoming Department of Education		
Child Care Food Program	10.555	\$ 57,889
Total Pass through Awards		\$ 289,203
Total Department of Agriculture		\$ 594,852
<u>Department of Housing and Urban Development</u>		
Passed through Wyoming Department of Health		
Housing Opportunities for Persons with AIDS	14.241	\$ 163
<u>Department of the Interior</u>		
Passed through Wyoming State Treasurer's Office		
Taylor Grazing Act	15.227	\$ 60,821
Passed through Wyoming State Bureau of Land Management		
Invasive and Noxious Plant Management	15.230	\$ 29,731
Challenge Cost Share	15.238	30,000
Total Passed through Wyoming State Bureau of Land Management		\$ 59,731
Passed through Wyoming State Forestry Division		
Volunteer Fire Assistance LO8AC 13757-0002	15.242	\$ 3,791
Total Department of the Interior		\$ 124,343
<u>Department of Justice</u>		
Direct Awards:		
Bulletproof Vest Partnership Program 2009-BU-BX-09049971	16.607	\$ 3,408
Passed through State of Wyoming Department of Family Services		
Juvenile Justice and Delinquency Prevention-Allocation to States		
Juvenile Accountability Incentive Block Grant FY10	16.523	\$ 22,459
Juvenile Accountability Incentive Block Grant FY11	16.523	9,612
Total Passed through State of Wyoming Department of Family Services		\$ 32,071
Passed through Volunteers of America Wyoming and Montana		
Juvenile Accountability Incentive Block Grant 2009-JF-FX-K126	16.540	\$ 5,621
Juvenile Accountability Incentive Block Grant 2010-JF-FX-K003	16.540	22,070
Total Passed through Volunteers of America Wyoming and Montana		\$ 27,691

(Continued)

**CAMPBELL COUNTY, WYOMING**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2013

(Page 2 of 5)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Expenditures
Passed through State of Wyoming Attorney General's Office		
Crime Victim Assistance (VOCA)	16.575	\$ 38,470
Violence Against Women (VAWA)	16.588	30,526
Edward Byrne Memorial Justice Assistance Grant Program 2011-DJ-BX-2983	16.738	18,710
<b>Total Passed through State of Wyoming Attorney General's Office</b>		<b>\$ 87,706</b>
<b>Total Pass through Awards</b>		<b>\$ 147,468</b>
<b>Total Department of Justice</b>		<b>\$ 150,876</b>
<u>Department of Labor</u>		
Passed through Wyoming Department of Workforce Services Employment Services Division		
WIA Youth Activities	17.259	\$ 3,889
<u>Department of Transportation</u>		
Passed through Wyoming Department of Transportation		
Airport Improvement Program		
Expand Apron Phase II (3-56-0012-36)	20.106	\$ 415,288
Expand Apron Phase III (3-56-0012-37)	20.106	1,114,694
Expand Apron (3-56-0012-38)	20.106	55,277
Highway Planning and Construction - Road Dust Suppression Project	20.205	16,595
Formula Grants for Other Than Urbanized Areas - Rural Transit	20.509	157,658
Capital Assistance Program for Elderly Persons with Disabilities	20.500	2,481
<b>Total Passed through Wyoming Department of Transportation</b>		<b>\$ 1,761,993</b>
Passed through Wyoming Association of Sheriffs and Chiefs of Police		
Selective Traffic Enforcement Program		
HVE Enforcement	20.600	\$ 5,838
Alcohol Enforcement	20.607	17,775
<b>Total Passed through Wyoming Association of Sheriffs and Chiefs of Police</b>		<b>\$ 23,613</b>
Passed through State of Wyoming Office of Homeland Security		
Hazardous Materials Emergency Preparedness		
13-DOT-CAM-HM-HMP13	20.703	\$ 1,613
<b>Total Department of Transportation</b>		<b>\$ 1,787,219</b>
<u>National Endowment for the Arts</u>		
Passed through Western States Art Federation		
NEA Presenting Tourism TW20120040	45.025	\$ 2,500
NEA Presenting Tourism TW20120060	45.025	2,500
<b>Total Passed through Western States Art Federation</b>		<b>\$ 5,000</b>
Passed through Wyoming Arts Council		
Artists Across Wyoming AE6561591	45.025	\$ 6,801
<b>Total National Endowment for the Arts</b>		<b>\$ 11,801</b>

(Continued)

**CAMPBELL COUNTY, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2013

(Page 3 of 5)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Expenditures
<u>Environmental Protection Agency</u>		
Passed through Wyoming Department of Environmental Quality Water Quality Management Planning Sec 205(j)	66.454	\$ 18,220
<u>Department of Education</u>		
Passed through State of Wyoming Education Division of Developmental Disabilities Special Education - Grants to States Title VI-B 619, FY 12	84.173	\$ 57,461
Special Education - Preschool Grants Title VI-B Flow, FY 12	84.027	67,858
Special Education - Grants for Infants and Families Infant Interagency Part C Grant	84.181	100,433
Total Department of Education		\$ 225,752
<u>Department of Health and Human Services</u>		
Passed through Administration for Children and Families Early Head Start Program	93.600	\$ 301,465
Passed through State of Wyoming Department of Health Special Programs for the Aging Title III, Part B, Supportive Services and Senior Citizens	93.044	\$ 26,683
Title III, Part C1, Nutrition Services	93.045	80,925
Title III, Part C2, Nutrition Services	93.045	54,463
Title III, Part E, National Family Caregiver Support Program	93.052	60,990
Nutrition Services Incentive Program	93.053	35,873
Public Health Preparedness and Response for Bioterrorism	93.069	103,302
Temporary Assistance for Needy Families	93.558	81,101
Community Services Block Grant - Set Aside FY12	93.569	65,555
Community Services Block Grant - Discretionary Funds FY 12	93.569	24,310
Community Services Block Grant - Discretionary Funds FY 13	93.569	153,975
Medical Assistance Programs - Public Health	93.778	99,485
Medical Assistance Programs - Senior Citizens' Center	93.778	51,165
HIV Care Formula Grant	93.917	478
HIV Part C - Outpatient Program	93.918	921
HIV Prevention Activities - Health Department Based	93.940	3,101
STD Prevention Systems	93.977	511
Total Passed through State of Wyoming Department of Health		\$ 842,838
Passed through State of Wyoming Department of Family Services Temporary Assistance for Needy Families/CPI	93.558	\$ 71,168
Temporary Assistance for Needy Families	93.558	246
Child Support Enforcement	93.563	15,600
Child Care Mandatory and Matching Funds - Child Care Development Block Grant	93.596	48,157
Title IVB Child Welfare Services	93.645	17
Title IVE Foster Care	93.658	58
Social Services Block Grant	93.667	137
Total Passed through State of Wyoming Department of Family Services		\$ 135,383
Total Department of Health and Human Services		\$ 1,279,686

(Continued)

**CAMPBELL COUNTY, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2013

(Page 4 of 5)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Expenditures
<u>Executive Office of the President</u>		
Passed through State of Wyoming Attorney General's Office		
High Intensity Drug Trafficking Areas G12RM0012A	95.001	\$ 43,123
High Intensity Drug Trafficking Areas G13RM0012A	95.001	44,393
Total Executive Office of the President		\$ 87,516
<u>Department of Homeland Security</u>		
Passed through State of Wyoming Office of Homeland Security		
Emergency Management Performance Grants		
12-GPD-CAM-EM-GCF12	97.042	\$ 30,000
Interoperable Emergency Communication		
10-GPD-CAM-IE-CGP10	97.047	10,479
Homeland Security Grant Program		
10-GPD-CAM-SC-HSG10	97.067	131,358
Homeland Security Grant Program		
10-GPD-CAM-CC-HCC10	97.067	3,929
Homeland Security Grant Program		
10-GPD-CAM-LC-HLE10	97.067	2,761
Homeland Security Grant Program		
10-GPD-CAM-LS-HLE10	97.067	44,163
Homeland Security Grant Program		
11-GPD-CAM-SC-HSG11	97.067	1,288
Homeland Security Grant Program		
10-GPD-RR1-RR-HRT102	97.067	2,641
Homeland Security Grant Program		
10-GPD-RR1-RR-HRT103	97.067	83,051
Homeland Security Grant Program		
11-GPD-RR1-RR-HRT-11	97.067	9,069
Total Passed through State of Wyoming Office of Homeland Security		\$ 318,739
Passed through Wyoming Fire Chiefs		
Staffing for Adequate Fire and Emergency Response (SAFER)	97.044	\$ 4,621
Total Department of Homeland Security		\$ 323,360
Total Expenditures of Federal Awards		\$ 4,607,677

(Continued)

**CAMPBELL COUNTY, WYOMING**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, **2013**

(Page 5 of 5)

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Campbell County, Wyoming and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 "Audits of State, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2. Subrecipients

Of the federal expenditures presented in the schedule, the entity provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipients
Community Services Block Grant Set Aside FY12	93.569	\$ 65,555
Community Services Block Grant Discretionary Funds FY12	93.569	\$ 19,731
Community Services Block Grant Discretionary Funds FY13	93.569	\$ 143,898
Taylor Grazing Act	15.227	\$ 60,821
Temporary Assistance for Needy Families/CPI	93.558	\$ 71,168
JAIBG FY10	16.523	\$ 12,204
JAIBG FY11	16.523	\$ 9,612



CAMPBELL COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 2 of 9)

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**Section I. Summary of Independent Auditor's Results (Continued)**

Dollar threshold used to distinguish between type A  
and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

\_\_\_\_\_ yes       X  no

**Section II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance  
With Government Auditing Standards Generally Accepted in the United States of America**

A. Deficiencies in Internal Control

2013-001 - Segregation of Duties in Information Technologies Services Department

Criteria

Many small organizations rely on their computer programmers to perform both operating and programming functions in data processing. Computer programmers should not perform both operating and programming functions as this does not provide an adequate segregation of duties.

Condition

In our judgement, the County's Information Technologies Services Department staff is not large enough to permit adequate segregation of duties as reported above. This lack of segregation of duties does not allow management to detect and correct a material misstatement if present. Due to the size of the County's staff, it is anticipated that this will be an ongoing finding.

Context

The County's Information Technologies Services Department performs programming within the County's accounting system. It also performs operations which provide financial data for management's use.

Effect

Performing both programming and operational functions within the accounting software does not provide adequate segregation of duties.

Cause

The lack of segregation of duties within the Information Technologies Services Department, in our judgement, results from a staff size which is not large enough to permit adequate segregation of duties.

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this weakness of segregation of duties, we recommend management mitigate this weakness with possible compensating controls such as close supervision and monitoring by management and the governing board.

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(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended **June 30, 2013**

(Page 3 of 9)

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**Section II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America (Continued)**

Views of Responsible Officials and Planned Corrective Action

While Information Technology Services (ITS) staffing level and operating environment do not provide for adequate segregation of programming duties from system administration duties, several layers of compensating procedures and automated system functions compensate for the lack of segregation.

1. Program Change Procedures. Proposed program change requests are presented to the ITS manager for approval, prioritization and assignment. After programming and testing and submitting department approval on concurrence, the programs are moved to production.
  2. File Journaling. All changes to system master and configuration files are journaled - record images are recorded before and after every change along with the date, time, job and user making the change. Any attempt to by-pass or turn off the journaling system will be recorded in the system journals. Journals are sent to a remote server and are kept on the iseries for 24 hours and remote server for eight days. All receivers are available on tape backups. These journals have been used to investigate all unusual activity on the system.
  3. Physical control of documents for payroll warrants and accounts payable warrants are maintained by individuals outside of ITS. These documents are electronically generated on MICR capable printers, including checks. Access to check output is limited to necessary staff. The check forms and signatures are secured on the software and they can only be printed on specific printers - they can not be printed on any other printer. These printers are physically located and controlled by the departments utilizing these forms and a four digit code unique to that department is required to be entered on the printer before they print.
  4. All purchase orders and invoices submitted for payment require management approval prior to payment and are reviewed by the Clerk's office.
  5. The Board of Commissioners must approve all warrants.
  6. All expenditures are reviewed monthly by the Board of Commissioners and department heads.
  7. Bank statements are reconciled and reviewed monthly.
- 

(Continued)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 4 of 9)

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**Section II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America (Continued)**

These controls provide adequate and effective automated and procedural safeguards to compensate for the lack of segregation of responsibilities in the Information Technology Services Department.

2013-002 - Segregation of Duties in Discretely Presented Component Units

Criteria

A good system of internal control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion.

Condition

The Discretely Presented Component Units (excluding the Campbell County Recreation Projects Joint Powers Board and Campbell County Joint Powers Fire Board), do not have adequate internal accounting control due to inadequate segregation of duties. This lack of segregation of duties does not allow management to detect and correct a material misstatement if present. Due to the size of the Discretely Presented Component Units' staff it is anticipated that this will be an ongoing finding.

Context

The Discretely Presented Component Units (excluding the Company County Recreation Projects Joint Powers Board and Campbell County Joint Powers Fire Board) each have limited employees; the small staff size does not provide adequate segregation of duties.

Effect

The lack of segregation of duties does not allow management to detect and correct a material misstatement, if present.

Cause

The Discretely Presented Component Units (excluding the Campbell County Recreation Joint Powers Board and Campbell County Joint Powers Fire Board) do not have adequate internal accounting control due to inadequate segregation of duties, which results from a small staff size.

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this weakness of segregation of duties, we recommend management mitigate this weakness with possible compensating controls such as supervision and monitoring by management of the Governing Boards of these entities.

Views of Responsible Officials and Planned Corrective Action

Although the Discretely Presented Component Units' staffs are too small to provide for adequate segregation of duties, there are effective compensating controls in place. The Governing Boards approve all warrants. The expenditures are reviewed by the Boards on a monthly basis. Bank statements are reconciled and reviewed. These controls provide adequate and effective safeguards to compensate for lack of segregation of duties in the Discretely Presented Component Units.

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(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended **June 30, 2013**

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**Section II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America (Continued)**

2013-003 - Reporting of the County and Discretely Presented Component Units' Capital Assets

Criteria

The Accounting Standards Board (ASB) has issued guidance to auditors related to an entity's internal control over financial reporting. This guidance states that controls not in place relating to the financial reporting process is considered a significant deficiency.

Condition

In our judgement, the County's accounting personnel in the course of their assigned duties are not accurately including capital asset additions and deletions on the County's capital asset and depreciation listing. Capital assets are not being shown as disposed of in the proper year and capital asset additions are not being included on the asset listing in the year of acquisition.

Context

During the course of the audit, the auditor adjusts the capital asset and depreciation listing.

Effect

A possibility exists that a material misstatement may be present and not corrected due to the County not accurately preparing the capital asset and depreciation listing.

Cause

In our judgement, the County personnel, and those charged with governance in the course of their assigned duties, lack the capability and skills to accurately prepare the capital asset and depreciation listing, and to detect and correct a material misstatement, if present.

Recommendation

It is our recommendation that the County's capital asset listing be reviewed at least annually at the end of the year by Department Heads and Discretely Presented Component Unit personnel. These individuals should review capital asset accounts and properly relay capital acquisitions and disposals to the department and individual in charge of compiling the County's capital asset and depreciation listing.

Views of Responsible Officials and Planned Corrective Action

The County will take more care when compiling the County's capital asset and depreciation listing. Department Heads and other personnel will review the listing periodically and at year end and notify the department and individual in charge of the County's capital asset listing. Capital asset accounts will also be reviewed by the assigned individuals to assure all assets are being recorded and included on the County asset listing. Jamie Mallon, HR Benefits Specialist, will be able to provide information on the status of this corrective action.

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(Continued)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 6 of 9)

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**Section II. Findings Related to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America (Continued)**

2013-004 - Certain Accounts are not Adjusted at Year End

Criteria

The Auditing Standards Board (ASB) has issued guidance to auditors related to an entity's internal controls over financial reporting. This guidance states that adjustments performed by the auditor can not be part of your system of internal control.

Condition

The County's accounting personnel, in the course of their assigned duties, are not properly recording adjusting entries at year end. This does not allow management to detect and correct a material misstatement if present. The County's accounting personnel failed to properly account for the following transactions:

Accrued payroll accounts were not adjusted to the correct balance at year end.

Grant receivables and deferred inflows of resources related to grants at year end were not adjusted to the correct balances at year end.

Contract payable amounts were not adjusted to the correct balance at year end.

Context

During the course of the audit, the auditor posted material adjustments to correctly state federal and state grant revenue, deferred inflows of resources and the related receivables along with accrued payroll and contract payable accounts.

Effect

A possibility exists that a material misstatement may be present and not corrected due to the County not properly adjusting these accounts at year end.

Cause

In our judgement, the County personnel, and those charged with governance in the course of their assigned duties, lacked the capability and skills to accurately state federal and state grant revenues and the related receivables and deferred inflows of resources, contracts payable, accrued payroll expenses and cash.

Recommendation

We recommend that the grant personnel have full access to all state and federal grants received by the County to ensure proper recording of revenue, receivables and deferred inflows of resources.

Views of Responsible Officials and Planned Corrective Action

The County concurs with the recommendation outlined above to provide specific monitoring to ensure adherence to proper accounting procedures. Year end entries, accrued payroll and vacation accounts, grant receivables and deferred inflows of resources, and contract payable accounts will all be adjusted accordingly throughout the year and reconciled at year end. Susan Saunders, County Clerk, and Ivy McGowan, Grants Specialist, will be able to provide information on the status of this corrective action.

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(Continued)

CAMPBELL COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 7 of 9)

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**Section III. Findings and Questioned Costs for Federal Awards**

2013-005 - Airport Improvement Program 3-56-0012-38 CFDA #20.106

Criteria

This grant, with a date of offer of July 17, 2013, was signed August 1, 2013. This grant does not allow expenses prior to execution of grant.

Condition

Request for reimbursement of \$55,277 was submitted and paid; expenses were incurred from February 13, 2013 through June 30, 2013.

Questioned Costs

Amounts spent prior to period of availability were \$55,277.

Context

In the context of auditing federal awards, it was noted that the County followed its own procurement policies regarding these expenditures, however, due to the timing of the expenditures, they are unallowed costs on this grant.

Effect

The County did not comply with period of availability requirements related to this Department of Transportation grant.

Cause

The County did not have in place a system to ensure that compliance requirements are met on a timely basis.

Recommendation

It is recommended that the County put in place the appropriate internal controls to ensure that all errors in compliance requirements are prevented, or detected and corrected, on a timely basis.

View of Responsible Officials and Planned Corrective Actions

The County will undertake the appropriate action and put in place internal controls to ensure that all compliance requirement errors are avoided. This is an isolated incident and will be corrected in the current fiscal year. Ivy McGowan, Grants Specialist, and Jay Lundell, Airport Director, will be able to provide information on the status of this corrective action plan.

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(Continued)

CAMPBELL COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 8 of 9)

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**Section III. Findings and Questioned Costs for Federal Awards**

2013-006 - Homeland Security Grant Program CFDA #97.067

Criteria

As the County reports its federal expenditures on accrual basis, amounts expended in one fiscal year must have corresponding revenues recorded.

Condition

Accounts receivable of \$9,230 were not recorded at June 30, 2012 for expenditures prior to June 30, 2012, resulting in revenues in FY 12-13 being overstated by \$9,230.

Questioned Costs

10-GPD-CAM-SC-HSG10 \$9,156; 10-GPD-CAM-LS-HLE10 \$74

Context

The Grants Specialist was new to the County at the end of FY 11-12 and missed these expenditures when preparing June 30, 2012 accrual entries.

Effect

FY 11-12 schedule of federal expenditures was understated, and FY 12-13 schedule of federal expenditures was overstated, by \$9,230.

Cause

The Grants Specialist was new to the accounting and reimbursement system of the County at the end of FY 11-12. As the grants are decentralized, these expenditures were missed in preparing accrual entries.

Recommendation

It is recommended that the County put in place the appropriate internal controls to ensure that all errors in compliance requirements are prevented, or detected and corrected on a timely basis.

Views of Responsible Officials and Planned Corrective Action

The County will undertake the appropriate action and put in place internal controls to ensure that all compliance requirement errors are avoided. This is an isolated incident, and will be corrected in the current fiscal year. Ivy McGowan, Grants Specialist, and David King, Emergency Management Coordinator, will be able to provide information on the status of this corrective action.

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(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended **June 30, 2013**

(Page 9 of 9)

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**Section III. Findings and Questioned Costs for Federal Awards**

2013-007 - TANF/CPI CFDA #93.558

Criteria

As pass through entities, federal grantees are required to monitor subrecipients. This can be done by monitoring the subrecipients' use of federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers federal awards in compliance with laws and regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

Condition

The County's personnel, in our judgment, did not fully perform its duties as a pass through entity to monitor subrecipients during the awards.

Questioned Costs

TANF/CPI FY12 \$10,930; TANF/CPI FY13 \$60,238

Context

The County requires draw down reports but performs no other subrecipient monitoring on these grants.

Effect

As a result of a lack of subrecipient monitoring, it is possible that funds are spent on unallowable costs or that recipients do not meet the eligibility requirements of the grantors.

Cause

In our judgment, the County failed to perform adequate subrecipient monitoring during the awards.

Recommendation

It is recommended that the County maintain site visits, regular contact, and periodically review eligibility determinations, performed by the sub-grantees.

Views of Responsible Officials and Planned Corrective Action

The County will undertake the appropriate action and put in place routine sub-recipient monitoring to ensure that all grant compliance requirements are accomplished. This will be corrected in the current fiscal year. Ivy McGowan, Grants Specialist, and Robert Palmer, Commissioners Administrative Director, will be able to provide information on the status of this corrective action.

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

Year Ended **June 30, 2013**

(Page 1 of 4)

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Prior Year Findings:

FA 12-1 - Segregation of Duties in Information Technologies Services Department

Criteria

Many small organizations rely on their computer programmers to perform both operating and programming functions in data processing. Computer programmers should not perform both operating and programming functions as this does not provide an adequate segregation of duties.

Condition

In our judgement, the County's Information Technologies Services Department staff is not large enough to permit adequate segregation of duties as reported above. This lack of segregation of duties does not allow management to detect and correct a material misstatement if present. Due to the size of the County's staff, it is anticipated that this will be an ongoing finding.

Context

The County's Information Technologies Services Department performs programming within the County's accounting system. It also performs operations which provide financial data for management's use.

Effect

Performing both programming and operational functions within the accounting software does not provide adequate segregation of duties.

Cause

The lack of segregation of duties within the Information Technologies Services Department, in our judgement, results from a staff size which is not large enough to permit adequate segregation of duties.

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this weakness of segregation of duties, we recommend management mitigate this weakness with possible compensating controls such as close supervision and monitoring by management and the governing board.

Views of Responsible Officials and Planned Corrective Action

While Information Technology Services (ITS) staffing level and operating environment do not provide for adequate segregation of programming duties from system administration duties, several layers of compensating procedures and automated system functions compensate for the lack of segregation.

1. Program Change Procedures. Proposed program change requests are presented to the ITS manager for approval, prioritization and assignment. After programming and testing and submitting department approval on concurrence, the programs are moved to production.
  2. File Journaling. All changes to system master and configuration files are journaled - record images are recorded before and after every change along with the date, time, job and user making the change. Any attempt to by-pass or turn off the journaling system will be recorded in the system journals. Journals are sent to a remote server and are kept on the iseries for 24 hours and remote server for eight days. All receivers are available on tape backups. These journals have been used to investigate all unusual activity on the system.
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(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended **June 30, 2013**

(Page 2 of 4)

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**Section III. Findings and Questioned Costs for Federal Awards (Continued)**

3. Physical control of documents for payroll warrants and accounts payable warrants are maintained by individuals outside of ITS. These documents are electronically generated on MICR capable printers, including checks. Access to check output is limited to necessary staff. The check forms and signatures are secured on the software and they can only be printed on specific printers - they can not be printed on any other printer. These printers are physically located and controlled by the departments utilizing these forms and a four digit code unique to that department is required to be entered on the printer before they print.
4. All purchase orders and invoices submitted for payment require management approval prior to payment and are reviewed by the Clerk's office.
5. The Board of Commissioners must approve all warrants.
6. All expenditures are reviewed monthly by the Board of Commissioners and department heads.
7. Bank statements are reconciled and reviewed monthly.

These controls provide adequate and effective automated and procedural safeguards to compensate for the lack of segregation of responsibilities in the Information Technology Services Department.

It is anticipated that this will be an ongoing finding.

FA 12-2 - Segregation of Duties in Discretely Presented Component Units

Criteria

A good system of internal control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to its completion.

Condition

The Discretely Presented Component Units (excluding the Campbell County Recreation Projects Joint Powers Board and Campbell County Joint Powers Fire Board), do not have adequate internal accounting control due to inadequate segregation of duties. This lack of segregation of duties does not allow management to detect and correct a material misstatement if present. Due to the size of the Discretely Presented Component Units' staff it is anticipated that this will be an ongoing finding.

Context

The Discretely Presented Component Units (excluding the Company County Recreation Projects Joint Powers Board and Campbell County Joint Powers Fire Board) each have limited employees; the small staff size does not provide adequate segregation of duties.

Effect

The lack of segregation of duties does not allow management to detect and correct a material misstatement, if present.

Cause

The Discretely Presented Component Units (excluding the Campbell County Recreation Joint Powers Board and Campbell County Joint Powers Fire Board) do not have adequate internal accounting control due to inadequate segregation of duties, which results from a small staff size.

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(Continued)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 3 of 4)

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**Section III. Findings and Questioned Costs for Federal Awards (Continued)**

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this weakness of segregation of duties, we recommend management mitigate this weakness with possible compensating controls such as supervision and monitoring by management of the Governing Boards of these entities.

Views of Responsible Officials and Planned Corrective Action

Although the Discretely Presented Component Units' staffs are too small to provide for adequate segregation of duties, there are effective compensating controls in place. The Governing Boards approve all warrants. The expenditures are reviewed by the Boards on a monthly basis. Bank statements are reconciled and reviewed. These controls provide adequate and effective safeguards to compensate for lack of segregation of duties in the Discretely Presented Component Units.

It is anticipated that this will be an ongoing finding.

FA 12-3 - Auditor Generated The Schedule of Expenditures of Federal Awards Including Footnotes

Criteria

The Auditing Standards Board (ASB) has issued guidance to auditors related to an entity's internal controls over financial reporting. Many small organizations rely on their auditor to generate the annual financial statements including footnotes. This guidance emphasizes that the auditor can not be part of your system of internal control over financial reporting.

Condition

In our judgement, due to the County's grant function not being completely centralized, accounting personnel and those charged with governance, in the course of their assigned duties, lack all the grant information available to prepare the Schedule of Expenditures of Federal Awards and related footnotes in accordance with the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and to detect and correct a material misstatement, if present. Due to the size and make up of the County's staff, it is anticipated that this will be an ongoing finding.

Context

In the course of auditing federal awards, it was noted that the Schedule of Federal Expenditures of Federal Awards prepared by the County did not accurately account for current year receivables and deferred revenues.

Effect

The Schedule of Federal Expenditures of Federal Awards was materially adjusted by the auditor in order for it to be properly stated in accordance with generally accepted accounting principles.

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(Continued)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

(Page 4 of 4)

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**Section III. Findings and Questioned Costs for Federal Awards (Continued)**

Cause

The County's grant function is not completely centralized, resulting in accounting personnel and those charged with governance, in the course of their assigned duties, lacking all the grant information available to prepare the Schedule of Federal Expenditures of Federal Awards and related footnotes in accordance with the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and to detect and correct a material misstatement, if present.

Recommendation

In our judgment, management and those charged with governance need to understand the importance of this communication. We recommend management mitigate this weakness by having a heightened awareness of all transactions being reported, and consider centralizing the grant function into one department. This would allow one department to monitor all grants and to assure that all grants are properly accounted for and included on the Schedule of Expenditures of Federal Awards.

Views of Responsible Officials and Planned Corrective Action

While the County's grant function is not completely centralized, accounting personnel and those charged with governance, in the course of their assigned duties have the appropriate skills and knowledge to understand the Schedule of Expenditures of Federal Awards and related footnotes in accordance with the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*. Also, management reviews and approves the Schedule of Expenditures of Federal Awards along with the journal entries proposed by the auditor as well as questions various journal entries and financial information, including the notes to the Schedule of Expenditures of Federal Awards.

This finding was corrected during the year ended June 30, 2013.

FA 12-4 - Homeland Security Grant Program 09-GPD-CAM-SCHSG9 CFDA 97.067

Criteria

This Homeland Security grant requires that sole source purchases over \$10,000 be approved in writing by the Department prior to expenditure.

Condition

Two sole source purchases of \$20,000 and \$65,566 were made out of this grant without prior written approval from the granting agency.

Questioned Costs

Amounts spent without proper approval were \$85,566.

Context

In the context of auditing federal awards, it was noted that the County followed its own procurement policies regarding sole source purchases but neglected to contact the granting agency for approval of this purchase.

Effect

The County did not comply with procurement requirements related to this Homeland Security Grant.

Cause

The County did not have in place a system to ensure that compliance requirements are met on a timely basis.

Recommendation

It is recommended that the County put in place the appropriate internal controls to ensure that all errors in compliance requirements are prevented, or detected and corrected, on a timely basis.

View of Responsible Officials and Planned Corrective Actions

New Grant Specialist has initiated protocols to insure all procurement requirements related to the Homeland Security Grants are followed and all compliance conditions are met. The County believes this is an isolated event, which has subsequently been addressed.

This finding was corrected during the year ended June 30, 2013.

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