

SWEETWATER COUNTY, WYOMING

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Sweetwater County, Wyoming
Green River, 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 Sweetwater County, Wyoming (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the combined financial statements of Memorial Hospital of Sweetwater County (the Hospital), which represents 80%, 90% and 81% of the assets/deferred outflows of resources, net position and revenues, respectively, of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for the Hospital, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, 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 the County as of June 30, 2021, 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 21 to the financial statements, the County adopted new accounting guidance with the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 13, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund on page 66, the Schedule of Changes in Total OPEB Liability and Related Ratios on pages 67 and 68, the Schedules of Proportionate Share of the Net Pension Liability and Schedules of Contributions on pages 69 through 82, and the Notes to Required Supplementary Information on pages 83 through 86 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.

Supplementary 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 Statements of Nonmajor Governmental Funds and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

McLee, Hearne & Paiz, LLP

Cheyenne, Wyoming
December 21, 2021

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The following is a discussion and analysis of Sweetwater County's (the County) performance and activities for the year ended June 30, 2021. When read in conjunction with the financial statements, this section's financial highlights, overview, and analysis should assist the reader in gaining a more complete knowledge of the County's financial performance.

FINANCIAL HIGHLIGHTS

- For the primary government, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$114,322,497 (net position). Of this amount, \$16,258,734 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors. For the entire government (including component units), net position was \$215,023,952 and unrestricted net position was \$60,308,231. Note that, with the current financial reporting model, the total net position figure includes capital assets net of accumulated depreciation and financing arrangements, as applicable.
- At the close of the year, the County's governmental funds reported combined ending fund balances of \$50,467,975, a decrease of \$2,783,897 from the prior year. Of this amount, \$36,427,748 is available for spending at the County's discretion (unassigned fund balance).
- At the end of the year, the unassigned fund balance for the General Fund was \$36,427,748 or 76% of total General Fund expenditures.
- Total debt (capital leases) for the primary government increased by \$452,183 during the year. During the year, the County entered into one capital lease agreement of \$1,803,399 and made payments of \$1,351,216. Other than capital leases, no new debt was incurred. Capital leases payable as of June 30, 2021 were \$1,580,982.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to Sweetwater County's basic financial statements. Under the current reporting model, the basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information as well as other supplementary information in addition to the basic financial statements.

Government-wide financial statements: Government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to private-sector business reporting. These statements include the County as well as the component units of Sweetwater County (*Memorial Hospital of Sweetwater County, the Sweetwater County Events Complex, Southwest Counseling Services, the Sweetwater County Library System, the Sweetwater County Museum Board and the Sweetwater County District Board of Health*).

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Statement of Net Position*, a component of the government-wide financial statements, presents information on all of the County's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The County's capital assets (land, buildings, equipment, and infrastructure) are included in this statement and are reported net of their accumulated depreciation. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. In evaluating the government's overall condition, however, additional non-financial factors should be considered such as the County's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

The *Statement of Activities* presents revenue and expense information showing how the County's net position changed during the fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, tax revenues are reported when the taxes are legally due, even though they may not be collected for some time after that date, and an obligation to pay a supplier is reported as an expense when the goods or services are received, even though the bill may not be paid until a later date.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by intergovernmental revenues and property taxes (*governmental activities*) from other functions designed to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include: general government, public safety, road and bridge, health, recreation, and welfare and conservation of natural resources. Business-type activities include Memorial Hospital of Sweetwater County.

The government-wide financial statements can be found on pages 14 through 16 of this report.

Fund financial statements: A *fund* is a grouping of related accounts (revenues, expenditures, assets, deferred outflows of resources, liabilities, and deferred inflows of resources) that is used to control resources that have been segregated for specific activities. Sweetwater County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds utilized by the County can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental funds: Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, for accounting and reporting purposes, government fund numbers are determined with a different approach. At the fund level, the focus is on changes in short-term spendable resources and the balance available to spend, rather than the long-term focus used for determining government-wide numbers. Because the focus is so different between fund statements and government-wide statements, reconciliation between the two types is necessary to understand how the numbers differ. Such reconciliations are provided on pages 18 and 20 of this report.

The General Fund is the primary operating governmental fund of the County. Three other governmental funds are reported. A summary of the three other funds (nonmajor funds) is combined into one "Nonmajor Governmental Funds" column. To demonstrate legal compliance, a statement comparing budget-to-actual numbers for the General Fund is included in the required supplementary information.

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds: There are two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting tool used to accumulate and allocate costs internally. The County uses an internal service fund to account for its self-insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. The County does not maintain an enterprise fund.

Fiduciary funds: Fiduciary funds are used to account for resources held on behalf of outside parties, including other governments. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 24 and 25.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 30 of this report.

Required supplementary information: The required supplementary information includes Budgetary Comparison Information for the General Fund, the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedules of Proportionate Share of the Net Pension Liability, the Schedules of Contributions, and the Notes to Required Supplementary Information, starting on page 66.

Other supplementary information: Combining fund schedules can be found starting on page 88 of this report.

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position: As stated earlier, an analysis of net position is probably the most important financial measurement to assist with understanding the financial position of the County, and whether the financial position improves or deteriorates each year. The following table presents summary information from the Statement of Net Position in the basic financial statements:

**Summary of Net Position
(expressed in millions; totals may not add due to rounding)**

	2021			2020		
	Primary		Component Units	Primary		Component Units
	Governmental	Governmental		Governmental	Governmental	
	Activities	Activities	Business-Type	Activities	Activities	Business-Type
	Activities	Activities	Activities	Activities	Activities	Activities
Current and other assets	\$ 81.09	\$ 17.91	\$ 67.78	\$ 86.51	\$ 16.36	\$ 72.74
Capital assets	87.53	13.82	68.13	87.50	14.39	62.97
Total assets	168.62	31.73	135.91	174.01	30.75	135.71
Deferred outflows of resources	4.32	1.43	0.21	5.32	2.15	0.22
Current liabilities	13.93	1.28	16.29	10.29	1.91	21.95
Noncurrent liabilities	21.74	12.00	29.43	22.85	13.59	28.27
Total liabilities	35.67	13.28	45.72	33.14	15.50	50.22
Deferred inflows of resources	22.95	9.58	-	27.10	8.98	-
Net position:						
Net investment in capital assets	85.74	13.64	38.65	85.44	14.17	33.71
Restricted	12.32	0.95	3.41	11.55	0.70	3.45
Unrestricted	16.26	(4.29)	48.34	22.10	(6.45)	48.55
Total net position	\$ 114.32	\$ 10.30	\$ 90.40	\$ 119.09	\$ 8.42	\$ 85.71

As depicted, at June 30, 2021, the County's primary government and component unit assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$114.32 million and \$100.70 million (net position), respectively. 75% and 52%, respectively, of this amount is represented by the investment in capital assets, net of debt still outstanding relating to the acquisition of those assets. Due to the nature of these assets – long-term assets that are not readily convertible to liquid assets – they are not considered to be available for spending or appropriation. Further, even though the presentation here shows capital assets net of related debt, it should be understood that the repayment of this debt does not come from the capital assets themselves, but comes from other sources.

Other sub-classifications of net position are *restricted* and *unrestricted*. \$12.32 million is restricted to expenditures in the CDC Tax Fund, State and County Roads and County Road Improvements.

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

Changes in net position: As taken from the Statement of Activities in the basic financial statements, the following table depicts the changes in net position for 2021:

Statement of Activities (expressed in millions; totals may not add due to rounding)

	2021			2020		
	Primary	Component Units		Primary	Component Units	
	Governmental	Governmental	Business-Type	Governmental	Governmental	Business-Type
	Activities	Activities	Activities	Activities	Activities	Activities
Revenues:						
Program revenues:						
Charges for services	\$ 1.56	\$ 2.47	\$ 91.02	\$ 1.54	\$ 3.67	\$ 85.70
Operating grants and contributions	8.30	13.94	6.23	7.06	11.82	6.88
Capital grants and contributions	0.20	0.05	5.58	0.48	-	0.57
General revenues:						
Property taxes	20.74	6.42	-	22.12	6.47	-
Sales taxes	10.06	0.52	0.01	12.12	0.48	0.02
State appropriations	-	0.24	-	-	-	-
Licenses and permits	1.51	-	-	1.57	-	-
Other income	0.12	0.91	2.60	0.04	1.25	3.79
Investment income	0.27	0.01	0.14	0.92	0.02	0.62
Total revenues	42.76	24.56	105.58	45.85	23.71	97.58
Expenses:						
General government	18.51	-	-	19.04	-	-
Public safety	15.27	-	-	15.29	-	-
Road and bridge	7.78	-	-	8.28	-	-
Health, recreation, and welfare	5.58	22.68	-	3.30	25.00	-
Conservation of natural resources	0.27	-	-	0.29	-	-
Interest	0.12	-	-	0.04	-	-
Memorial Hospital of Sweetwater County	-	-	100.89	-	-	92.30
Total expenses	47.53	22.68	100.89	46.24	25.00	92.30
Change in net position	(4.77)	1.88	4.69	(0.39)	(1.29)	5.28
Net Position, beginning of year	119.09	8.42	85.71	119.48	9.71	80.43
Net Position, end of year	\$ 114.32	\$ 10.30	\$ 90.40	\$ 119.09	\$ 8.42	\$ 85.71

Governmental activities: Governmental activities for the primary government decreased the County's net position by approximately \$4.77 million. The key elements of this decrease are as follows:

- Property taxes decreased by approximately \$1.38 million. This is a 6% decrease compared to the prior year.
- Sales taxes decreased by approximately \$2.06 million. This is a 17% decrease compared to the prior year.

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Primary government expenditures increased by approximately \$1.29 million or 3% from the previous year.
- General government is the largest expenditure program accounting for 39% of the total expenditures for the County. Public safety is second at 32%, and road and bridge is third with 16%.

Business-type activities: The business-type activity is Memorial Hospital of Sweetwater County. Key elements of its activities are as follows:

- Revenues increased by approximately \$8.00 million or 8% compared to the prior year.
- Expenses increased by approximately \$8.59 million or 9% compared to the prior year.
- Revenues were in excess of expenditures, increasing net position by approximately \$4.69 million.

General Fund Budgetary Highlights (expressed in millions; totals may not add due to rounding)

	2021				2020			
	Budgeted Amounts		Actual	Variance with Final Budget	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 29.85	\$ 29.85	\$ 31.02	\$ 1.17	\$ 34.21	\$ 34.21	\$ 33.64	\$ (0.57)
Licenses and permits	1.54	1.54	1.53	(0.01)	1.50	1.50	1.56	0.06
Intergovernmental	6.93	7.35	11.91	4.56	7.01	7.11	5.91	(1.20)
Charges for services	1.72	1.72	1.53	(0.19)	1.59	1.59	1.54	(0.05)
Investment income	0.36	0.36	0.24	(0.12)	0.75	0.75	0.85	0.10
Miscellaneous	0.04	0.04	0.07	0.03	0.04	0.04	0.04	-
Total revenues	40.44	40.86	46.30	5.44	45.10	45.20	43.54	(1.66)
Expenditures:								
General government	19.03	19.18	17.51	1.67	19.18	19.33	16.77	2.56
Public safety	14.96	14.94	14.06	0.88	15.23	15.23	13.61	1.62
Road and bridge	6.25	6.25	4.06	2.19	6.38	6.38	4.27	2.11
Health, recreation, and welfare	4.07	5.36	5.19	0.17	2.75	3.37	2.78	0.59
Conservation of natural resources	0.28	0.28	0.27	0.01	0.29	0.29	0.28	0.01
Capital outlay	7.97	7.22	5.71	1.51	6.27	7.51	4.66	2.85
Total expenditures	52.56	53.23	46.80	6.43	50.10	52.11	42.37	9.74
Other Financing Sources:								
Proceeds from sale of capital assets	0.07	0.07	0.09	0.02	0.08	0.08	0.11	0.03
Total other financing sources	0.07	0.07	0.09	0.02	0.08	0.08	0.11	0.03
Net change in fund balance	\$ (12.05)	\$ (12.30)	\$ (0.41)	\$ 11.89	\$ (4.92)	\$ (6.83)	\$ 1.28	\$ 8.11

The differences between the original budget and the final amounts represent changes made by the commission as additional facts and information became available. Several factors led to these modifications. They include economic factors, change in governing officials, emergency purchases, and other factors.

Tax revenues were over the budgeted amounts due to the condition of the local and state economies during the year.

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total expenditures were under budget primarily due to projects that were either not undertaken or completed during the year.

Capital assets: At the end of the year, for governmental activities, the County and its governmental-type component units had invested \$101.36 million in a variety of capital assets, as reflected in the following schedules, which represents a decrease of \$0.54 million or 1% from last year. The following schedules show the capital assets for the primary government, governmental-type component units, and the component unit business-type activities for the year ended June 30, 2021. Additional information on the County's capital assets can be found in Note 9 of this report.

Primary government:

	Balance June 30, 2020	Additions	Deletions/ Transfers	Balance June 30, 2021
Capital assets not being depreciated:				
Land	\$ 1,157,819	\$ -	\$ -	\$ 1,157,819
Construction in progress	1,349,764	3,021,274	(1,667,426)	2,703,612
Total capital assets not being depreciated	2,507,583	3,021,274	(1,667,426)	3,861,431
Capital assets being depreciated:				
Buildings and improvements	70,040,316	219,166	935,157	71,194,639
Equipment and furnishings	20,623,437	2,272,267	(1,377,189)	21,518,515
Infrastructure	136,748,907	637,297	700,120	138,086,324
Total capital assets being depreciated	227,412,660	3,128,730	258,088	230,799,478
Less accumulated depreciation:				
Buildings and improvements	(26,219,739)	(1,526,130)	32,149	(27,713,720)
Equipment and furnishings	(15,302,554)	(1,268,486)	1,270,590	(15,300,450)
Infrastructure	(100,889,922)	(3,222,585)	-	(104,112,507)
Total accumulated depreciation	(142,412,215)	(6,017,201)	1,302,739	(147,126,677)
Net depreciable capital assets	85,000,445	(2,888,471)	1,560,827	83,672,801
Total net capital assets	\$ 87,508,028	\$ 132,803	\$ (106,599)	\$ 87,534,232

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental-type component units:

	Balance June 30, 2020	Additions	Deletions/ Transfers	Balance June 30, 2021
Capital assets not being depreciated:				
Construction in progress	\$ 1,193,159	\$ 327,111	\$ (741,792)	\$ 778,478
Capital assets being depreciated:				
Buildings and improvements	31,964,978	247,727	730,142	32,942,847
Equipment and furnishings	3,586,896	105,058	(600,800)	3,091,154
Total capital assets being depreciated	35,551,874	352,785	129,342	36,034,001
Less accumulated depreciation:				
Buildings and improvements	(19,720,926)	(1,062,779)	-	(20,783,705)
Equipment and furnishings	(2,630,816)	(169,000)	597,984	(2,201,832)
Total accumulated depreciation	(22,351,742)	(1,231,779)	597,984	(22,985,537)
Net depreciable capital assets	13,200,132	(878,994)	727,326	13,048,464
Total net capital assets	\$ 14,393,291	\$ (551,883)	\$ (14,466)	\$ 13,826,942

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type component unit:

	Balance June 30, 2020	Additions	Deletions/ Transfers	Balance June 30, 2021
Capital assets not being depreciated:				
Land	\$ 18,245	\$ -	\$ -	\$ 18,245
Construction in progress	3,843,664	12,453,013	(7,414,099)	8,882,578
Total capital assets not being depreciated	3,861,909	12,453,013	(7,414,099)	8,900,823
Capital assets being depreciated:				
Buildings and improvements	41,597,104	-	3,673,967	45,271,071
Equipment and furnishings	110,074,716	-	2,878,960	112,953,676
Total capital assets being depreciated	151,671,820	-	6,552,927	158,224,747
Less accumulated depreciation:				
Buildings and improvements	(18,986,466)	(1,163,837)	-	(20,150,303)
Equipment and furnishings	(73,578,046)	(5,635,621)	366,535	(78,847,132)
Total accumulated depreciation	(92,564,512)	(6,799,458)	366,535	(98,997,435)
Net depreciable capital assets	59,107,308	(6,799,458)	6,919,462	59,227,312
Total net capital assets	\$ 62,969,217	\$ 5,653,555	\$ (494,637)	\$ 68,128,135

Long-term obligations: At year-end, the County had \$2,923,942 in long-term obligations. In addition, governmental-type component units of the County had \$949,485 in long-term obligations and the business-type component unit of the County had \$30,745,403 in long-term obligations. Long-term obligations consist of compensated absences, capital leases, Hospital Revenue Bonds, and notes payable. Wyoming State Statute allows the County to have 2% of its assessed valuation in general bonded debt. Additional information on the County's long-term obligations can be found in Notes 12 through 15 of this report.

Primary government:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due within One Year
Compensated absences	\$ 1,329,996	\$ 1,038,466	\$ (1,025,502)	\$ 1,342,960	\$ 1,025,502
Capital leases	1,128,799	1,803,398	(1,351,215)	1,580,982	975,979
Total long-term liabilities	\$ 2,458,795	\$ 2,841,864	\$ (2,376,717)	\$ 2,923,942	\$ 2,001,481

SWEETWATER COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental-type component units:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due within One Year
Compensated absences	\$ 780,725	\$ 952,346	\$ (954,748)	\$ 778,323	\$ 744,489
Notes payable	200,000	-	(200,000)	-	-
Capital leases	223,979	-	(52,817)	171,162	54,881
Total long-term liabilities	\$ 1,204,704	\$ 952,346	\$ (1,207,565)	\$ 949,485	\$ 799,370

Business-type component unit:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due within One Year
Compensated absences	\$ 2,483,631	\$ 2,537,176	\$ (2,483,631)	\$ 2,537,176	\$ 2,537,176
Notes payable	202,823	-	(99,000)	103,823	103,823
Capital leases	570,695	-	(209,044)	361,651	215,543
Hospital Revenue Bonds	27,800,496	-	(57,743)	27,742,753	-
Total long-term liabilities	\$ 31,057,645	\$ 2,537,176	\$ (2,849,418)	\$ 30,745,403	\$ 2,856,542

Other noncurrent liabilities: At year-end, the County had \$20,821,245 in other noncurrent liabilities. In addition, governmental-type component units of the County had \$11,855,858 in other noncurrent liabilities. Other noncurrent liabilities consist of the total OPEB obligation and net pension liabilities; none of these amounts are presented as current liabilities.

OPEB-related items are related to Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. At June 30, 2021, the County reported deferred outflows of resources, deferred inflows of resources and a total OPEB obligation of \$1,293,962, \$413,624, and \$6,185,667, respectively. Additional information on OPEB-related items can be found in Note 18 of this report.

Pension-related items are related to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. At June 30, 2021, the County reported deferred outflows of resources, deferred inflows of resources, and a net pension liability as \$3,030,355, \$6,134,882, and \$14,635,578, respectively. In addition, the governmental-type component units of the County reported deferred outflows of resources, deferred inflows of resources, and a net pension liability of \$1,431,622, \$3,275,694, and \$11,855,858, respectively. Additional information on pension-related items can be found in Note 6 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, customers, investors, creditors and others with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the office of the Sweetwater County Clerk.

BASIC FINANCIAL STATEMENTS

SWEETWATER COUNTY, WYOMING

**STATEMENT OF NET POSITION
June 30, 2021**

	Primary Government		Component Units		Total
	Governmental Activities	Governmental Activities	Business-Type Activity		
			Governmental Activities	Memorial Hospital	
ASSETS					
Current Assets					
Cash and investments	\$ 60,232,604	\$ 9,632,833	\$ 10,797,244	\$ 20,430,077	
Due from other governments	1,917,755	-	-	-	
Accounts receivable, net	17,413,681	6,792,714	12,339,625	19,132,339	
Grants receivable	178,413	343,480	-	343,480	
Notes receivable	-	-	232,472	232,472	
Inventories	381,278	91,169	3,774,659	3,865,828	
Prepaid items	553,636	110,841	2,169,549	2,280,390	
Total current assets	80,677,367	16,971,037	29,313,549	46,284,586	
Noncurrent Assets					
Cash and investments	409,809	-	37,912,951	37,912,951	
Due from Library Foundation	-	936,551	-	936,551	
Notes receivable	-	-	182,068	182,068	
Rental property, net	-	-	296,224	296,224	
Other assets	-	-	76,899	76,899	
Capital assets not being depreciated:					
Land	1,157,819	-	18,245	18,245	
Construction in progress	2,703,612	778,478	8,882,578	9,661,056	
Capital assets being depreciated:					
Buildings and improvements	71,194,639	32,942,847	45,271,071	78,213,918	
Equipment and furnishings	21,518,515	3,091,154	112,953,676	116,044,830	
Infrastructure	138,086,324	-	-	-	
Accumulated depreciation	(147,126,677)	(22,985,537)	(98,997,435)	(121,982,972)	
Total noncurrent assets	87,944,041	14,763,493	106,596,277	121,359,770	
Total assets	168,621,408	31,734,530	135,909,826	167,644,356	
DEFERRED OUTFLOWS OF RESOURCES					
Long-Term Debt Refinancing	-	-	210,003	210,003	
Pension-Related Outflows	3,030,355	1,431,622	-	1,431,622	
OPEB-Related Outflows	1,293,962	-	-	-	
Total deferred outflows of resources	4,324,317	1,431,622	210,003	1,641,625	

Continued

SWEETWATER COUNTY, WYOMING

STATEMENT OF NET POSITION, *Continued*
June 30, 2021

	Primary Government		Component Units		Total
	Governmental Activities	Governmental Activities	Business-Type Activity		
			Governmental Activities	Memorial Hospital	
LIABILITIES					
Current Liabilities					
Warrants and vouchers payable	\$ 1,134,680	\$ 256,714	\$ 5,814,792	\$ 6,071,506	
Accrued liabilities	2,903,444	63,164	2,401,558	2,464,722	
Court bonds and other funds held	263,370	-	-	-	
Unearned revenue	7,624,085	155,799	-	155,799	
Estimated third-party payer settlements	-	-	262,495	262,495	
Other current liabilities	-	-	4,958,823	4,958,823	
Notes payable, due within one year	-	-	103,823	103,823	
Capital leases payable, due within one year	975,979	54,881	215,543	270,424	
Compensated absences, due within one year	1,025,502	744,489	2,537,176	3,281,665	
Total current liabilities	13,927,060	1,275,047	16,294,210	17,569,257	
Noncurrent Liabilities					
Total OPEB obligation	6,185,667	-	-	-	
Other long-term liabilities	-	-	1,539,174	1,539,174	
Notes payable, due in more than one year	-	-	27,742,753	27,742,753	
Capital leases payable, due in more than one year	605,003	116,281	146,108	262,389	
Compensated absences, due in more than one year	317,458	33,834	-	33,834	
Net pension liability	14,635,578	11,855,858	-	11,855,858	
Total noncurrent liabilities	21,743,706	12,005,973	29,428,035	41,434,008	
Total liabilities	35,670,766	13,281,020	45,722,245	59,003,265	
DEFERRED INFLOWS OF RESOURCES					
Unavailable Property Taxes	16,403,956	6,305,567	-	6,305,567	
Pension-Related Inflows	6,134,882	3,275,694	-	3,275,694	
OPEB-Related Inflows	413,624	-	-	-	
Total deferred inflows of resources	22,952,462	9,581,261	-	9,581,261	
NET POSITION					
Net Investment in Capital Assets	85,743,625	13,642,216	38,653,439	52,295,655	
Restricted for:					
State and county roads	10,144,478	-	-	-	
CDC building	1,716,735	-	-	-	
County road improvements	458,925	-	-	-	
Endowment challenge program	-	936,551	-	936,551	
Tipple building	-	9,500	-	9,500	
Restricted by contributors and grantors	-	-	394,721	394,721	
Debt service reserve	-	-	3,015,531	3,015,531	
Unrestricted	16,258,734	(4,284,396)	48,333,893	44,049,497	
Total net position	\$ 114,322,497	\$ 10,303,871	\$ 90,397,584	\$ 100,701,455	

See Notes to Financial Statements.

SWEETWATER COUNTY, WYOMING

**STATEMENT OF ACTIVITIES
Year Ended June 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net Revenues (Expenses) and Changes in Net Position			
		Charges for Sales and Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component Units		
					Governmental Governmental Activities	Governmental Activities	Business-Type Activity Memorial Hospital	Total
Primary Government								
Governmental activities:								
General government	\$ 18,510,863	\$ 998,638	\$ 4,502,923	\$ 167,427	\$ (12,841,875)	\$ -	\$ -	\$ -
Public safety	15,272,174	551,483	274,325	28,760	(14,417,606)	-	-	-
Road and bridge	7,773,855	-	1,161,225	-	(6,612,630)	-	-	-
Health, recreation, and welfare	5,577,161	9,009	2,358,778	-	(3,209,374)	-	-	-
Conservation of natural resources	271,544	-	-	-	(271,544)	-	-	-
Interest	121,779	-	-	-	(121,779)	-	-	-
Total governmental activities	\$ 47,527,376	\$ 1,559,130	\$ 8,297,251	\$ 196,187	(37,474,808)	-	-	-
Component Units								
Governmental activities	\$ 22,678,714	\$ 2,470,814	\$ 13,938,444	\$ 50,358	-	(6,219,098)	-	(6,219,098)
Business-type activities	100,890,326	91,020,496	6,225,972	5,577,219	-	-	1,933,361	1,933,361
Total component units	\$ 123,569,040	\$ 93,491,310	\$ 20,164,416	\$ 5,627,577	-	(6,219,098)	1,933,361	(4,285,737)
General Revenues								
Taxes:								
Property taxes					20,741,155	6,421,952	-	6,421,952
Sales and other taxes					10,065,558	519,233	12,158	531,391
State appropriations					-	242,810	-	242,810
Licenses and permits					1,510,107	-	-	-
Other income					116,068	911,749	2,600,479	3,512,228
Investment income					273,803	8,773	144,783	153,556
Total general revenues					32,706,691	8,104,517	2,757,420	10,861,937
Change in net position					(4,768,117)	1,885,419	4,690,781	6,576,200
Net Position, beginning					119,090,614	8,418,452	85,706,803	94,125,255
Net Position, ending					\$ 114,322,497	\$ 10,303,871	\$ 90,397,584	\$ 100,701,455

See Notes to Financial Statements.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

SWEETWATER COUNTY, WYOMING

**BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2021**

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	\$ 49,266,183	\$ 8,938,232	\$ 58,204,415
Due from other governments	1,774,060	143,695	1,917,755
Receivables:			
Taxes and interest on taxes	17,222,022	-	17,222,022
Accounts	131,983	-	131,983
Accrued interest	15,915	267	16,182
Grants	178,413	-	178,413
Inventories	381,278	-	381,278
Prepaid items	341,692	-	341,692
Total assets	\$ 69,311,546	\$ 9,082,194	\$ 78,393,740
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Warrants and vouchers payable	\$ 1,132,098	\$ 2,582	\$ 1,134,680
Accrued expenses	1,769,095	-	1,769,095
Court bonds and other funds held	263,370	-	263,370
Unearned revenue	7,612,467	-	7,612,467
Total liabilities	10,777,030	2,582	10,779,612
Deferred Inflows of Resources			
Unavailable property taxes	17,146,153	-	17,146,153
Fund Balances			
Nonspendable:			
Inventories	381,278	-	381,278
Prepaid items	341,692	-	341,692
Restricted for:			
State and county roads	3,240,526	6,903,952	10,144,478
CDC building	-	1,716,735	1,716,735
County road improvements	-	458,925	458,925
Committed to:			
Impact tax	974,180	-	974,180
Assigned to:			
Hospital maintenance	22,939	-	22,939
Unassigned	36,427,748	-	36,427,748
Total fund balances	41,388,363	9,079,612	50,467,975
Total liabilities, deferred inflows of resources, and fund balances	\$ 69,311,546	\$ 9,082,194	\$ 78,393,740

See Notes to Financial Statements.

SWEETWATER COUNTY, WYOMING

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
SHEET TO THE STATEMENT OF NET POSITION**

June 30, 2021

Total fund balances - governmental funds	\$ 50,467,975
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	87,534,232
Some of the County's revenues 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.	742,197
Long-term positions, including total OPEB obligation (\$6,185,667), net pension liability (\$14,635,578), capital leases payable (\$1,580,982), accrued interest expense on capital leases (\$4,192), and compensated absences (\$1,342,960), are not due and payable in the current period and, therefore, are not reported in the funds.	(23,749,379)
An internal service fund is used by management to charge the costs of certain activities to the individual funds. The assets and liabilities of this internal service fund are included with governmental activities in the Statement of Net Position.	1,551,661
Pension- and OPEB-related outflows and inflows of resources do not provide current financial resources and, therefore, are not reported in the funds.	<u>(2,224,189)</u>
Net position of governmental activities	<u><u>\$ 114,322,497</u></u>

See Notes to Financial Statements.

SWEETWATER COUNTY, WYOMING

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

Year Ended June 30, 2021

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$ 31,419,983	\$ 2,723	\$ 31,422,706
Licenses and permits	1,510,107	-	1,510,107
Intergovernmental revenue	7,496,405	997,033	8,493,438
Charges for services	1,559,130	-	1,559,130
Investment income	226,371	26,677	253,048
Miscellaneous	116,068	-	116,068
Total revenues	42,328,064	1,026,433	43,354,497
Expenditures			
Current:			
General government	17,115,827	-	17,115,827
Public safety	14,074,147	-	14,074,147
Road and bridge	3,971,183	-	3,971,183
Health, recreation, and welfare	5,194,555	100,000	5,294,555
Conservation of natural resources	271,544	-	271,544
Capital outlay	5,847,733	63,382	5,911,115
Debt service:			
Principal	1,351,216	-	1,351,216
Interest and other charges	40,167	-	40,167
Total expenditures	47,866,372	163,382	48,029,754
(Deficiency) excess of revenues over expenditures	(5,538,308)	863,051	(4,675,257)
Other Financing Sources			
Proceeds from capital leases	1,803,398	-	1,803,398
Proceeds from sale of capital assets	87,962	-	87,962
Net change in fund balances	(3,646,948)	863,051	(2,783,897)
Fund Balance, beginning	45,035,311	8,216,561	53,251,872
Fund Balance, ending	\$ 41,388,363	\$ 9,079,612	\$ 50,467,975

See Notes to Financial Statements.

SWEETWATER 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, 2021**

Net change in fund balances - total governmental funds	\$ (2,783,897)
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 and reported as depreciation expense. This is the amount by which capital purchases and contributions (\$6,150,004) exceeded depreciation (\$6,017,201) in the current period.	132,803
Governmental funds do not report gains and losses on disposals of capital assets. However, the Statement of Activities reports these amounts.	(106,599)
The Statement of Activities reports an increase in revenue due to current activity in deferred revenues, which is only reported at the fund level.	(615,993)
The total OPEB obligation, OPEB-related inflows and outflows, and the liability for compensated absences are not recorded in the fund level, but are reported in the Statement of Net Position. This is the current-year change in these balances as reported in the Statement of Activities.	(266,225)
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. This is offset by the total capital leases issued during the year and the change in accrued interest on capital leases.	(450,377)
Internal service funds are accounted for as proprietary funds; therefore, they are not included in the governmental funds.	(1,149,868)
The change in the defined benefit net pension liability and pension-related outflows and inflows are not reported in the governmental funds. This is the net effect of the change in these balances in the Statement of Net Position.	472,039
Change in net position of governmental activities	<u><u>\$ (4,768,117)</u></u>

See Notes to Financial Statements.

PROPRIETARY FUND FINANCIAL STATEMENTS

SWEETWATER COUNTY, WYOMING

STATEMENT OF FUND NET POSITION – PROPRIETARY FUND
June 30, 2021

	Internal Service Insurance Fund
<hr/>	
ASSETS	
Cash	\$ 2,437,998
Accounts Receivable	43,494
Prepaid Expenses	211,944
Total assets	<u>2,693,436</u>
LIABILITIES	
Accrued Liabilities	1,130,157
Unearned Revenue	11,618
Total liabilities	<u>1,141,775</u>
NET POSITION	
Unrestricted	<u>1,551,661</u>
Total net position	<u>\$ 1,551,661</u>

See Notes to Financial Statements.

SWEETWATER COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION – PROPRIETARY FUND**

Year Ended June 30, 2021

	Internal Service Insurance Fund
Operating Revenues	
Insurance premiums	\$ 8,916,835
Operating Expenses	
Insurance claims	10,087,458
Operating (loss)	<u>(1,170,623)</u>
Nonoperating Revenue	
Investment income	20,755
Change in net position	<u>(1,149,868)</u>
Net Position, beginning	<u>2,701,529</u>
Net Position, ending	<u><u>\$ 1,551,661</u></u>

See Notes to Financial Statements.

SWEETWATER COUNTY, WYOMING

**STATEMENT OF CASH FLOWS – PROPRIETARY FUND
Year Ended June 30, 2021**

	Internal Service Insurance Fund
<hr/>	
Cash Flows from Operating Activities	
Cash receipts on premiums	\$ 8,950,996
Payments on insurance claims	<u>(9,837,852)</u>
Net cash (used in) operating activities	<u>(886,856)</u>
Cash Flows from Investing Activities	
Interest income	<u>20,755</u>
Net cash provided by investing activities	<u>20,755</u>
Net (decrease) in cash	(866,101)
Cash, beginning	<u>3,304,099</u>
Cash, ending	<u><u>\$ 2,437,998</u></u>
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities	
Operating (loss)	\$ (1,170,623)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:	
Change in assets and liabilities:	
Accounts receivable	24,182
Prepaid expenses	(21,944)
Accrued liabilities	271,550
Unearned revenue	<u>9,979</u>
Net cash (used in) operating activities	<u><u>\$ (886,856)</u></u>

See Notes to Financial Statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

SWEETWATER COUNTY, WYOMING

STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUND
June 30, 2021

	Custodial Fund – Property Tax Fund
<hr/>	
ASSETS	
Cash and Investments	\$ 11,362,791
Property Taxes and Interest Receivable	<u>4,905,035</u>
Total assets	<u><u>\$ 16,267,826</u></u>
LIABILITIES	
Due to Other Taxing Units	<u>\$ 16,267,826</u>
Total liabilities	<u><u>\$ 16,267,826</u></u>
NET POSITION	
Restricted for Other Governments	<u>\$ -</u>
Total net position	<u><u>\$ -</u></u>

See Notes to Financial Statements.

SWEETWATER COUNTY, WYOMING

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
CUSTODIAL FUND**

Year Ended June 30, 2021

	Custodial Fund – Property Tax Fund
<hr/>	
Additions	
Property taxes collected for other governments	\$ 180,988,237
Total additions	<u>180,988,237</u>
Deductions	
Property taxes distributed to other governments	180,988,237
Total deductions	<u>180,988,237</u>
Net increase (decrease) in fiduciary net position	-
Net Position, beginning	<u>-</u>
Net Position, ending	<u><u>\$ -</u></u>

See Notes to Financial Statements.

**DISCRETELY PRESENTED
GOVERNMENTAL-TYPE COMPONENT UNITS**

SWEETWATER COUNTY, WYOMING

**STATEMENT OF NET POSITION – DISCRETELY PRESENTED
GOVERNMENTAL-TYPE COMPONENT UNITS**

June 30, 2021

	Southwest Counseling Services	Events Complex	Library System
ASSETS			
Cash and Investments	\$ 5,544,215	\$ 848,298	\$ 1,574,995
Due from Library Foundation	-	-	936,551
Receivables:			
Taxes and interest on taxes	653,967	2,509,829	3,043,946
Accounts and insurance credits	259,058	6,306	-
Grants	220,921	27,613	-
Inventories	-	44,295	30,616
Prepaid Items	21,675	14,874	62,500
Capital Assets Not Being Depreciated:			
Construction in progress	177,690	600,788	-
Capital Assets Being Depreciated:			
Buildings and improvements	8,310,398	21,007,803	2,880,869
Equipment and furnishings	1,064,064	1,785,708	140,703
Accumulated depreciation	(6,091,683)	(13,494,038)	(2,628,143)
Total assets	10,160,305	13,351,476	6,042,037
DEFERRED OUTFLOWS OF RESOURCES			
Pension-Related Outflows	890,506	218,471	119,283
LIABILITIES			
Warrants and Vouchers Payable	129,551	96,200	12,637
Accrued Expenses	-	19,782	29,888
Unearned Revenue	-	122,713	-
Capital Leases Payable:			
Due within one year	-	54,881	-
Due in more than one year	-	116,281	-
Compensated Absences:			
Due within one year	325,489	154,425	165,008
Due in more than one year	-	-	33,834
Net Pension Liability	7,177,262	1,336,553	1,867,112
Total liabilities	7,632,302	1,900,835	2,108,479
DEFERRED INFLOWS OF RESOURCES			
Unavailable Property Taxes	628,186	2,435,703	2,943,388
Pension-Related Inflows	1,994,027	442,678	467,936
Total deferred inflows of resources	2,622,213	2,878,381	3,411,324
NET POSITION			
Net Investment in Capital Assets	3,460,469	9,715,535	393,429
Restricted for:			
Endowment challenge program	-	-	936,551
Tipple building	-	-	-
Unrestricted	(2,664,173)	(924,804)	(688,463)
Total net position	\$ 796,296	\$ 8,790,731	\$ 641,517

See Notes to Financial Statements.

	Museum Board		District Board of Health		Total Component Units
\$	396,417	\$	1,268,908	\$	9,632,833
	-		-		936,551
	309,229		-		6,516,971
	-		10,379		275,743
	-		94,946		343,480
	16,258		-		91,169
	-		11,792		110,841
	-		-		778,478
	743,777		-		32,942,847
	50,321		50,358		3,091,154
	(769,824)		(1,849)		(22,985,537)
	746,178		1,434,534		31,734,530
	46,977		156,385		1,431,622
	5,041		13,285		256,714
	220		13,274		63,164
	-		33,086		155,799
	-		-		54,881
	-		-		116,281
	19,975		79,592		744,489
	-		-		33,834
	231,061		1,243,870		11,855,858
	256,297		1,383,107		13,281,020
	298,290		-		6,305,567
	52,667		318,386		3,275,694
	350,957		318,386		9,581,261
	24,274		48,509		13,642,216
	-		-		936,551
	9,500		-		9,500
	152,127		(159,083)		(4,284,396)
\$	185,901	\$	(110,574)	\$	10,303,871

SWEETWATER COUNTY, WYOMING

**STATEMENT OF ACTIVITIES – DISCRETELY PRESENTED
GOVERNMENTAL-TYPE COMPONENT UNITS
Years Ended June 30, 2021**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Southwest Counseling Services:				
Health, recreation, and welfare	\$ 13,741,655	\$ 1,913,607	\$ 11,716,675	\$ -
Events Complex:				
Health, recreation, and welfare	3,404,946	116,414	124,260	-
Library System:				
Health, recreation, and welfare	2,877,643	-	-	-
Museum Board:				
Health, recreation, and welfare	374,439	13,780	142	-
District Board of Health:				
Health, recreation, and welfare	2,280,031	427,013	2,097,367	50,358
Total component units	\$ 22,678,714	\$ 2,470,814	\$ 13,938,444	\$ 50,358

General Revenues
Taxes:
 Property taxes
 Sales and other taxes
State appropriations
Other income
Interest income
Total general revenues
Change in net position

Net Position, beginning

Net Position, ending

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Southwest Counseling Services	Events Complex	Library System	Museum Board	District Board of Health	Total Component Units
\$ (111,373)	\$ -	\$ -	\$ -	\$ -	\$ (111,373)
-	(3,164,272)	-	-	-	(3,164,272)
-	-	(2,877,643)	-	-	(2,877,643)
-	-	-	(360,517)	-	(360,517)
-	-	-	-	294,707	294,707
(111,373)	(3,164,272)	(2,877,643)	(360,517)	294,707	(6,219,098)
684,826	2,584,797	2,827,957	324,372	-	6,421,952
55,511	208,601	228,920	26,201	-	519,233
-	-	242,810	-	-	242,810
323,655	510,082	77,705	240	67	911,749
67	677	4,434	201	3,394	8,773
1,064,059	3,304,157	3,381,826	351,014	3,461	8,104,517
952,686	139,885	504,183	(9,503)	298,168	1,885,419
(156,390)	8,650,846	137,334	195,404	(408,742)	8,418,452
\$ 796,296	\$ 8,790,731	\$ 641,517	\$ 185,901	\$ (110,574)	\$ 10,303,871

NOTES TO FINANCIAL STATEMENTS

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies

Reporting entity: Sweetwater County, Wyoming (referred to as Sweetwater County or the County) (primary government) is a municipal corporation governed by five elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge maintenance and operation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The County is a political subdivision of the State of Wyoming.

The basic financial statements include all funds of the primary government, which is the County, as well as the component units determined to be included in the County's financial reporting entity. The decision to include a potential component unit in the County's reporting entity is based on several criteria, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the County's reporting entity.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, entities over which the County has significant operational or financial relationships such as boards, commissions, and authorities are considered component units. Component units are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in columns separate from the financial data of the primary government (the County). Blending requires the component unit's balances and transactions be reported with the balances and transactions of the County.

The following organizations comprise the County's discretely presented component units:

Memorial Hospital of Sweetwater County (the Hospital): The Hospital is a 99-bed general acute care facility located in Rock Springs, Wyoming. The Hospital is owned by Sweetwater County. The Hospital has a five-member board appointed by the County's governing board to oversee its daily operations. The Hospital participates in the County's tax levies. For Federal income tax purposes, the Hospital is considered to be part of the County and, therefore, under current regulations, is exempt from Federal income taxes. The Hospital is presented as a business-type component unit. Complete combined financial statements for Memorial Hospital of Sweetwater County may be obtained at the Hospital's administrative offices.

Memorial Hospital of Sweetwater County Foundation (the Hospital Foundation): The Hospital Foundation is a Wyoming nonprofit corporation and is reported as a blended component unit of the Hospital. The Hospital Foundation's sole purpose is to support the Hospital. The Hospital Foundation is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from Federal income taxes on related income pursuant to Section 501(c)(3) of the IRC. The Hospital Foundation has \$3,201,677 in assets and \$489,298 in revenue for the year ended June 30, 2021.

Sweetwater County Events Complex (the Events Complex): The Events Complex has a seven-member board appointed by the County's governing board to oversee the planning of the annual County fair and the daily operations of the Events Complex located in Rock Springs, Wyoming. The Events Complex participates in the County's tax levies and receives grants from the County. For Federal income tax purposes, the Events Complex is considered part of the County and, therefore, under current regulations, is exempt from Federal income taxes. The Events Complex is a discretely presented governmental-type component unit. No separate financial statements for the Events Complex are available.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies, *Continued*

Southwest Counseling Services: Southwest Counseling Services provides mental health and substance abuse treatment, counseling and training to the citizens of Sweetwater County. Southwest Counseling Services has a seven-member board appointed by the County's governing board to oversee its daily operations. Southwest Counseling Services participates in the County's tax levies. For Federal income tax purposes, Southwest Counseling Services is considered part of the County and, therefore, under current regulations, is exempt from Federal income taxes. Southwest Counseling Services is a discretely presented governmental-type component unit. No separate financial statements for Southwest Counseling Services are available.

Sweetwater County Library System (the Library System): The Library System has County libraries located in Green River, Wyoming and Rock Springs, Wyoming. The Library System has a five-member board appointed by the County's governing board to oversee its daily operations. The Library System participates in the County's tax levies and receives grants from the County. For Federal income tax purposes, the Library System is considered part of the County and, therefore, under current regulations, is exempt from Federal income taxes. The Library System is a discretely presented governmental-type component unit. No separate financial statements for the Library System are available.

Sweetwater County Museum Board (the Museum Board): The Sweetwater County Museum (the Museum) is a local historical museum located in Green River, Wyoming. The Museum has a five-member board appointed by the County's governing board to oversee its daily operations. The Museum Board participates in the County's tax levies and receives grants from the County. For Federal income tax purposes, the Museum Board is considered part of the County and, therefore, under current regulations, is exempt from Federal income taxes. The Museum Board is a discretely presented governmental-type component unit. No separate financial statements for the Museum Board are available.

Sweetwater County District Board of Health (the District Board of Health): The District Board of Health has a seven-member board, three of whom are appointed by the County's governing board to oversee the daily operations of the County health department and nurses. The District Board of Health receives grants from the County. For Federal income tax purposes, the District Board of Health is considered part of the County and, therefore, under current regulations, is exempt from Federal income taxes. The District Board of Health is a discretely presented governmental-type component unit. No separate financial statements for the District Board of Health are available.

Government-wide and fund financial statements: The government-wide financial statements (i.e., the Statement of Net Position and Statement of Activities) report on all of the nonfiduciary activities of the County. The effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not included among program revenues are reported instead as general revenues.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies, *Continued*

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor individual governmental funds are reported in a combined column.

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 taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Government 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 collectable within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

Those revenues susceptible to accrual are cigarette taxes, various grants, interest revenue, and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. Fines and permits are not susceptible to accrual because, generally, they are not measurable until received in cash.

Governmental fund: The County reports the following major governmental fund:

General Fund: The General Fund is the general operating fund of the County. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

The County's nonmajor governmental funds include special revenue funds used to account for resources legally restricted to expenditure for specified current operating purposes. Included as nonmajor special revenue funds of the County are the State/County (SC) Road Fund, the CDC Tax Fund and the County Road Improvements Tax Fund.

Proprietary fund: This fund type accounts for County activities that are similar to business operations in the private sector or where the reporting focus is on determining net income, financial position, and changes in financial position (economic resources measurement focus). 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.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies, *Continued*

Internal Service Fund: The Internal Service Fund is used to account for the financing of goods or services provided by the County to the County itself on a cost-reimbursement basis. The County's employee insurance plan is accounted for as an internal service fund. The principal operating revenues of the insurance fund are premiums paid by participating employees. Operating expenses for the fund are the claims incurred during the year and an estimate for claims incurred but not reported (IBNR).

Fiduciary funds: Custodial funds are used to account for assets held on behalf of outside parties, including other governments, as their agent. The County's responsibility for these funds is fiduciary in nature.

Interfund transactions: During the normal course of operations, transactions occur between individual funds for goods, services, and short-term interfund loans or transfers. As a general rule, the effect of the interfund activity has been eliminated from the government-wide financial statements.

Inventories: Inventories, consisting primarily of consumable supplies, are carried at the lower of cost (first-in, first-out method) or market. Reported inventories in governmental funds are equally offset by nonspendable fund balance, which indicates that they do not constitute "available spendable resources" even though such inventories are a component of the fund balance.

Designated net position – Hospital: Of the unrestricted net position reported in 2021, \$34,977,522 has been designated by the Hospital's Board of Trustees for capital acquisitions. Designated funds remain under the control of the Board of Trustees, which may, at its discretion, use the funds for other purposes at a later date.

Capital assets: Capital assets include land, buildings and improvements, equipment and furnishings, infrastructure (roads and bridges), and construction in progress. These assets are reported in the government-wide financial statements. The County defines capital assets as assets with a cost of more than \$10,000 for machinery and equipment, \$20,000 for infrastructure and improvements, \$25,000 for capital improvements, or \$2,000 for assets acquired by the Hospital. Assets purchased or constructed are stated at cost. Donated items are recorded at acquisition value at the date of donation. Expenditures that increase values or extend useful lives are capitalized. Routine maintenance and repairs are charged to expense in the year incurred. Depreciation has been provided over the estimated useful lives using the straight-line method. Estimated useful lives for the major classes of depreciable assets are as follows:

Buildings and improvements	5-50 years
Equipment and furnishings	4-20 years
Infrastructure	12-45 years

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies, *Continued*

Fund balance: The County reports fund balance in the governmental fund financial statements in one of the following five categories: (1) *Nonspendable fund balance* represents amounts that are not in spendable form, including prepaid items, inventories, and the long-term portion of notes receivable; (2) *Restricted fund balance* represents amounts constrained to a specific purpose by their providers, through constitutional provisions, or by enabling legislation; (3) *Committed fund balance* represents amounts constrained to a specific purpose by the County Commissioners through formal motion. Amounts reported as committed cannot be used for other purposes unless the County Commissioners make another formal motion; (4) *Assigned fund balance* represents amounts constrained by the County's intent to use them for a specific purpose. Although the County does not have a policy specific to assigned fund balance, other County policies authorize certain individuals to enter into purchase orders, which may result in encumbrances at year-end; and (5) *Unassigned fund balance* represents amounts that have not been restricted, committed or assigned to a specific purpose.

As of June 30, 2021, the County does not have a policy on the order in which unrestricted (committed, assigned, or unassigned) resources are to be used when any of these amounts are available for expenditure. As a result, the County assumes the default approach that resources be used in the following order: committed, assigned, and unassigned.

Restricted funds: Funds legally restricted for specific purposes are reported as restricted funds. These funds are included in the net position balance of the SC Road Fund, CDC Tax Fund, and County Road Improvements Tax Fund, as well as other state and County road reimbursements included in the General Fund. When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

Net position – Hospital: Net position of the Hospital is classified in one of four categories: *Net position invested in capital assets* consists of capital assets, net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. *Restricted for debt service reserve* and *restricted by contributors and grantors* is the non-capital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Hospital. *Unrestricted net position* is the remaining net position that does not meet the definition of *invested in capital assets* or *restricted*.

Compensated absences: Employees may accumulate and carry forward earned but unused sick leave up to a maximum of 120 days. Employees are paid 25% of the balance of their unused sick days upon voluntary or involuntary termination of employment at the County, but the full balance is forfeited at the Hospital. Accrued unused vacation days are paid in full upon termination. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

Defined benefit pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (WRS) and additions to/deductions from the WRS's fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies, *Continued*

Postemployment benefits other than pensions (OPEB): The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense associated with the County's post-retirement healthcare plan have been determined based on information maintained by the County. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Risk management – Hospital: The Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; medical malpractice; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Charity care – Hospital: To fulfill its mission of community service, the Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue the collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue.

The Hospital maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone for services and supplies furnished under its charity care policy and an estimated cost (based on cost-to-charge ratio) of those services and supplies. The estimated costs and expenses incurred to provide charity care for the year ended June 30, 2021 were approximately \$1,165,000.

Cash and investments: Cash consists of demand deposit accounts, money market accounts, and petty cash. Investments are carried at fair value and consist primarily of negotiable certificates of deposit and U.S. government agency bonds. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County had recurring fair value measurements as of June 30, 2021 of U.S., state, and local government securities and negotiable certificates of deposit, which are valued using a matrix pricing model and the market approach (Level 2 inputs).

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

Noncurrent cash and investments – Hospital: Interest and dividends are included in nonoperating revenues when earned. Interest earnings on borrowed proceeds for capital acquisition are capitalized.

The Hospital's investments are maintained in accordance with Wyoming State Statute 9-4-831. This Statute limits the types of investments in which the Hospital may invest, as listed in Section 9-4-831(a). The Hospital has adopted an investment policy as directed under Section 9-4-831(h).

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Significant Accounting Policies, *Continued*

Restricted investments consist of funds restricted in accordance with bond indenture agreements, funds restricted by donor for an endowment and purchase of equipment, and funds restricted by the Board of County Commissioners (the Board) for capital improvements. Restricted investments that are available for obligations classified as current liabilities are reported in current assets. All investments are carried at fair value. Fair value is determined using quoted market prices. The Hospital considers these investments to be valued per the valuation hierarchy as either Level 1 (money markets and certificates of deposit) or Level 2 inputs (U.S. government agency securities), as defined above.

Notes receivable – Hospital: Notes receivable are stated at principal amounts and are uncollateralized. Payments on notes receivable are allocated to the outstanding principal and accrued interest balances. Management reviews all notes receivable periodically and estimates a portion, if any, of the balance that will not be collected.

Note 2. Cash and Investments

Cash and investments as of June 30, 2021 as classified in the accompanying financial statements consist of the following:

	Statement of Net Position						
	Primary Government	Custodial Funds	Governmental-Type Component Units				District Board of Health
			Southwest Counseling Services	Events Complex	Library System	Museum Board	
Cash and investments:							
Deposits with financial institutions	\$ 52,942,085	\$ 11,362,791	\$ 5,544,215	\$ 848,298	\$ 1,574,995	\$ 396,417	\$ 1,268,908
Investments:							
FNMA	159,142	-	-	-	-	-	-
Money market	4,400,000	-	-	-	-	-	-
Certificates of deposit	3,141,186	-	-	-	-	-	-
Total cash and investments	\$ 60,642,413	\$ 11,362,791	\$ 5,544,215	\$ 848,298	\$ 1,574,995	\$ 396,417	\$ 1,268,908

Investments authorized by the County’s investment policy: The County follows the guidelines set forth in Wyoming State Statute 9-4-831 as it relates to the investment of public funds. The County’s investment policy requires investments to comply with Wyoming State Statutes, which generally allow the County to invest in U.S., state, and local government securities and accounts of any bank or savings association, which are Federally insured. All investments made during the year were made within these statutory limits. The County’s investment policy does not contain any specific provisions intended to limit the County’s exposure to interest rate risk, credit risk, or concentration of credit risk.

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 2. Cash and Investments, *Continued*

The credit risk for the County's investments is presented as follows:

Category:	Credit Rating	Market Value
FNMA	AAA	\$ 159,142
Money market	Not Rated	4,400,000
Certificates of deposit	Not Rated	3,141,186

Custodial credit risk: Custodial credit risk for deposits and certificates of deposit is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Certain deposits held in County bank accounts are insured by Federal depository insurance or are collateralized with securities held by the custodian bank under safekeeping or Federal Reserve receipts in the name of the County and the financial institution. As of June 30, 2021, the primary government, custodial funds, and the governmental-type component units had bank balances on deposit that were fully collateralized or insured.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. As of June 30, 2021, all investment securities were held by either of the County's two custodians and registered in the County's name. The County does not have a formal investment policy for custodial credit risk.

Concentration of credit risk: Because there is minimal credit risk associated with investments issued by the U.S. government agencies or investments in government investment pools, which represent all of the County's investments, no further disclosure regarding concentrations of credit risk is required.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. A majority of the bonds held in the County's investment portfolio have call structures allowing the issuer to call that bond at specific times during the life of the bond. These bonds are purchased because they add yield compared to buying a non-callable bond.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 2. Cash and Investments, *Continued*

The County has chosen the segmented time distribution method for its interest rate disclosure. Maturity assumptions have been made using a matrix analyzing interest rates versus final maturity dates of these callable securities. The maturity assumptions or average life of the County's securities, including those held within agency funds, are displayed in the following interest rate risk table as of June 30, 2021:

	Interest Rate Risk Organized by Investment Type Using Segmented Time Distribution				
	Market	Less than 1 Year	1-5 Years	5-10 Years	More than 10 Years
FNMA	\$ 159,142	\$ -	\$ -	\$ 159,142	\$ -
Money market	4,400,000	4,400,000	-	-	-
Certificates of deposit	3,141,186	2,890,519	250,667	-	-
	<u>\$ 7,700,328</u>	<u>\$ 7,290,519</u>	<u>\$ 250,667</u>	<u>\$ 159,142</u>	<u>\$ -</u>

Note 3. Cash and Investments – Hospital

The Hospital's deposits are subject to, and are in accordance with, Wyoming State Statutes. Under these Statutes, all uninsured deposits are fully collateralized. The eligible collateral pledged shall be held in custody of any Federal Reserve Bank, or branch thereof, or held in escrow by some other bank in a manner as the banking commissioner shall prescribe the rules and regulations, or may be segregated from the other assets of the eligible public depository and held in its own trust department. All collateral so held shall be clearly identified as being securely maintained or pledged for the aggregate amount of public deposits accepted and held on deposit by the eligible public depository. The depository has the right at any time to make substitutions of eligible collateral maintained or pledged and shall at all times be entitled to collect and retain all income derived from those investments with restrictions. The Hospital may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. government agencies and instrumentalities.

The Hospital's investments are recorded at fair value and consist of cash and cash equivalents and U.S. government agency obligations. As of June 30, 2021, management believes the investments were in compliance with the defined rating and risk criteria set forth under Wyoming regulations.

The Hospital provides for investment in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the Hospital's account balances.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 3. Cash and Investments – Hospital, *Continued*

The carrying values of deposits are included in the Statement of Net Position as follows:

Carrying value:	
Deposits	\$ 33,671,808
WYO-STAR State Pooled Funds	111,321
Investments	<u>14,927,066</u>
Total deposits and investments	<u>\$ 48,710,195</u>

Investment income: Investment income of \$144,783 for the year ended June 30, 2021 consists of \$154,361 of unrealized loss on investments and \$299,144 of interest income, which is made up entirely of interest income from deposits and patient accounts at collection.

Note 4. Accounts Receivable

Accounts receivable consist primarily of property taxes receivable and interest on delinquent property taxes. Receivables also exist relating to accrued interest and services provided. The following schedule summarizes the carrying amounts and fair values of accounts receivable at June 30, 2021:

	Statement of Net Position					
	Governmental-Type Component Units					
	Primary Government	Southwest Counseling Services	Events Complex	Library System	Museum Board	District Board of Health
Taxes and interest on taxes	\$ 17,222,022	\$ 653,967	\$ 2,509,829	\$ 3,043,946	\$ 309,229	\$ -
Accounts receivable	191,659	1,964,762	6,306	-	-	16,790
Allowance for doubtful accounts	<u>-</u>	<u>(1,705,704)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,411)</u>
Accounts receivable, net	<u>\$ 17,413,681</u>	<u>\$ 913,025</u>	<u>\$ 2,516,135</u>	<u>\$ 3,043,946</u>	<u>\$ 309,229</u>	<u>\$ 10,379</u>

Southwest Counseling Services and the District Board of Health provide services to patients under the Medicare and Medicaid programs, on the basis of prospectively determined contractual rates related to diagnosis or costs incurred. The programs' administrative procedures preclude final determination of amounts due to Southwest Counseling Services and the District Board of Health until such time as the appropriate reports have been reviewed and settled by the respective administrative agencies. In addition, laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 4. Accounts Receivable, *Continued*

Hospital: Accounts receivable at June 30, 2021 consist of the following:

Patient accounts receivable:	
Receivable from patients and their insurance carriers	\$ 14,636,155
Receivable from Medicare	1,467,738
Receivable from Medicaid	285,150
Total patient accounts receivable	<u>16,389,043</u>
Less estimated allowance for uncollectible amounts	<u>(5,658,000)</u>
Net patient accounts receivable	10,731,043
Other	<u>1,608,582</u>
Accounts receivable, net	<u><u>\$ 12,339,625</u></u>

Note 5. Property Taxes

Property taxes are assessed based on property values on January 1. Taxes are levied on July 31 and are payable in two installments on September 1 and March 1. The County bills and collects its own property taxes and also taxes for taxing entities within the County. The collection and remittance of property taxes for these entities are accounted for in the agency fund. County property tax revenues are recognized when levied to the extent that they result in current receivables (that is, collected within 60 days of the fiscal year-end). Property taxes that are not current receivables and have not been levied are offset by deferred inflows of resources on the fund financials. Property taxes receivable are recognized at the assessment date; however, revenue is not recognized until the levy date.

Note 6. Retirement Commitment – WRS

Plan description: Substantially all employees of the County and component units, excluding the Hospital, law enforcement employees and non-benefitted positions, are provided with pensions through the Public Employee Pension Plan (Public Employee), a statewide cost-sharing multiple-employer defined benefit pension plan administered by the WRS. Substantially all full-time County law enforcement employees are provided with retirement, disability and death benefits through the Law Enforcement Pension Plan (Law Enforcement), a statewide cost-sharing multiple-employer defined benefit pension plan administered by the WRS. The authority to establish and amend benefits and contribution rates rests with the Legislature of the State of Wyoming. The WRS is granted the authority to administer the plans by Wyoming State Statutes 9-3-401 through 432. The WRS issues a publicly available financial report that can be obtained through the WRS website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

Benefits provided: The determination of Law Enforcement retirement, disability and death benefits is dependent on years of service, average salaries and age at retirement. The determination of Public Employee retirement benefits is dependent upon the employee's initial employment date.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

Public Employee Service Retirement Tier 1: Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. Formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary over 15 years.

Public Employee Service Retirement Tier 2: Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. Formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

Public Employee disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties. To qualify, the member must have at least 10 years of service and must be “in service” at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his service retirement benefit as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

Public Employee survivors’ benefits: Certain surviving dependents receive benefits based on the deceased member’s compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

Law Enforcement retirement benefits: Benefits are based on a formula involving years of service, highest average salary, and age at retirement. Currently, the benefit formula entitles retirees to 2.5% of the highest average salary for each year of service, with a ceiling on the benefit at 75% of the highest average salary.

Law Enforcement disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his/her duties from an individual and specific act incurred while employed. To qualify for duty disability retirement, there is no age or service requirement, and the member receives a monthly disability retirement benefit for the period of his/her disability equal to 62.5% of final salary. To qualify for non-duty disability retirement, the member must have at least 10 years of service, and the member receives a monthly disability benefit for the period of his/her disability equal to 50% of final salary.

Law Enforcement survivors’ benefits: Surviving spouse receives benefits dependent on if the member was on-duty at time of death. Additional benefits are available for additional qualified dependents.

Contributions: Per Title 9-3-412 and 413 of Wyoming State Statutes, for the year ended June 30, 2021, Public Employee member contributions were required to be 9.00% of compensation and employer contributions were required to be 9.12% of compensation. Law Enforcement member contributions were required to be 8.60% of compensation and employer contributions were required to be 8.60% of compensation.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the County and component units can elect to pay a percentage of the members' contributions in addition to the employer's contribution. The County has elected to pay 8.60% of compensation to Law Enforcement and 9.00% of compensation for full-time employees to Public Employee. Total contributions for the year ended June 30, 2021 were \$1,896,706 to Public Employee and \$889,021 to Law Enforcement. The following percentages have been elected to be paid for member contributions, and resulted in the following total contributions to Public Employee for the year ended June 30, 2021 for the component units:

	Elected Percentage to Pay for Member Contributions	Total Contributions
Southwest Counseling Services	6.32%	\$ 891,049
Events Complex	9.00%	191,013
Library System	9.00%	281,612
Museum Board	9.00%	31,601
District Board of Health	9.00%	191,438

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2021, the County’s and component units’ proportionate shares of the net pension liability are shown in the following table. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2020. The County’s and component units’ proportions of the net pension liability were based on the relationship of the County’s and component units’ total contributions to the plans for the year ended December 31, 2020 to the contributions of all participating employers for the same period. The proportionate shares as of December 31, 2020 and 2019 are also shown in the following table:

	Net Pension Liability	Proportionate Share at December 31, 2020	Proportionate Share at December 31, 2019
County:			
Law Enforcement	\$ 1,910,118	2.8039587%	2.7540487%
Public Employee*	<u>12,725,460</u>	0.5855202%	0.5749529%
Total County	<u><u>\$ 14,635,578</u></u>		
Component units:			
Southwest Counseling Services	\$ 7,177,262	0.3302381%	0.3477523%
Events Complex	1,336,553	0.0614971%	0.0684673%
Library System	1,867,112	0.0859090%	0.0867780%
Museum Board	231,061	0.0106315%	0.0095944%
District Board of Health	1,243,870	0.0572326%	0.0583042%

* Effective July 1, 2019, the Recreation Board was dissolved and absorbed into the County, and as a result, the County’s December 31, 2019 proportionate share and net pension liability reflect this increase.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

For the year ended June 30, 2021, the County and component units recognized the following pension expenses:

	Pension Expense
County:	
Law Enforcement	\$ 267,195
Public Employee	656,746
	<hr/>
Total County	\$ 923,941
	<hr/>
Component units:	
Southwest Counseling Services	\$ 493,078
Events Complex	136,814
Library System	42,383
Museum Board	31,180
District Board of Health	57,651

At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources by plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Law Enforcement:		
Differences between expected and actual experience	\$ 471,678	\$ 99,593
Net difference between projected and actual earnings on pension plan investments	-	1,220,765
Changes in proportionate share of contributions	53,355	57,969
Assumption changes	1,128,636	1,700,932
Contributions subsequent to the measurement date	234,241	-
	<hr/>	<hr/>
	\$ 1,887,910	\$ 3,079,259
	<hr/>	<hr/>
Public Employee:		
Differences between expected and actual experience	\$ 241,823	\$ 110,654
Net difference between projected and actual earnings on pension plan investments	-	2,789,925
Changes in proportionate share of contributions	359,130	155,044
Assumption changes	79,032	-
Contributions subsequent to the measurement date	462,460	-
	<hr/>	<hr/>
	\$ 1,142,445	\$ 3,055,623
	<hr/>	<hr/>

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

At June 30, 2021, the component units reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Southwest Counseling Services:		
Differences between expected and actual experience	\$ 136,390	\$ 62,410
Net difference between projected and actual earnings on pension plan investments	-	1,573,540
Changes in proportionate share of contributions	453,806	358,077
Assumption changes	44,575	-
Contributions subsequent to the measurement date	255,735	-
	<u>\$ 890,506</u>	<u>\$ 1,994,027</u>
Events Complex:		
Differences between expected and actual experience	\$ 25,399	\$ 11,622
Net difference between projected and actual earnings on pension plan investments	-	293,025
Changes in proportionate share of contributions	138,199	138,031
Assumption changes	8,301	-
Contributions subsequent to the measurement date	46,572	-
	<u>\$ 218,471</u>	<u>\$ 442,678</u>
Library System:		
Differences between expected and actual experience	\$ 35,481	\$ 16,235
Net difference between projected and actual earnings on pension plan investments	-	409,345
Changes in proportionate share of contributions	2,589	42,356
Assumption changes	11,596	-
Contributions subsequent to the measurement date	69,617	-
	<u>\$ 119,283</u>	<u>\$ 467,936</u>

Continued

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

	Deferred Outflows of Resources	Deferred Inflows of Resources
Museum Board:		
Differences between expected and actual experience	\$ 4,391	\$ 2,009
Net difference between projected and actual earnings on pension plan investments	-	50,658
Changes in proportionate share of contributions	33,099	-
Assumption changes	1,435	-
Contributions subsequent to the measurement date	8,052	-
	<u>\$ 46,977</u>	<u>\$ 52,667</u>
District Board of Health:		
Differences between expected and actual experience	\$ 23,637	\$ 10,816
Net difference between projected and actual earnings on pension plan investments	-	272,706
Changes in proportionate share of contributions	74,815	34,864
Assumption changes	7,725	-
Contributions subsequent to the measurement date	50,208	-
	<u>\$ 156,385</u>	<u>\$ 318,386</u>

Deferred outflows of resources related to pensions resulting from County and component unit contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense for the County and component units, as follows:

	2022	2023	2024	2025	Total
County:					
Law Enforcement	\$ (196,081)	\$ (405,300)	\$ (695,481)	\$ (128,728)	\$ (1,425,590)
Public Employee	(775,865)	(187,393)	(1,095,083)	(317,297)	(2,375,638)
Component units:					
Southwest Counseling Services	(337,252)	(81,564)	(761,482)	(178,958)	(1,359,256)
Events Complex	(48,387)	(24,537)	(164,530)	(33,325)	(270,779)
Library System	(140,924)	(55,292)	(175,499)	(46,555)	(418,270)
Museum Board	(612)	7,336	(14,705)	(5,761)	(13,742)
District Board of Health	(63,025)	1,768	(119,936)	(31,016)	(212,209)

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

Actuarial assumptions: The total pension liability in the January 1, 2020 valuation was determined using the following actuarial assumptions adopted by the WRS Board effective August 23, 2017 and applied to all periods included in the measurement:

Inflation	2.25% (both plans)
Salary Increases	2.50%-6.50%, including inflation (Public Employee) 4.75%-8.75%, including inflation (Law Enforcement)
Payroll Growth Rate	2.50% (both plans)
Investment Rate of Return	7.00%, net of pension plan investment expense, including inflation (both plans)

Post-retirement mortality: Mortality rates were based on the RP-2014 Healthy Annuitant Mortality Tables for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2017.

Pre-retirement mortality: Mortality rates were based on the RP-2014 Employee Mortality Tables for Males or Females, as appropriate, with adjustments for mortality improvements based on scale MP-2017.

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Each major asset class is included in the pension plan’s target asset allocation for fiscal year 2020. These best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	2.00%	-1.00%	-1.00%
Fixed income	21.00%	1.00%	1.34%
Equity	48.50%	5.23%	7.34%
Marketable alternatives	19.00%	3.47%	4.50%
Private markets	9.50%	4.53%	5.82%
	100.00%		

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Retirement Commitment – WRS, *Continued*

Experience analysis: An experience study was conducted on behalf of all WRS plans covering the five-year period ended December 31, 2016. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination, and disability) and proposed assumptions consistent with the findings.

Discount rate: The discount rate used to measure the total pension liability was 7.00% for both Public Employee and Law Enforcement. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the employer’s proportionate share of the net pension liability to changes in the discount rate: The following presents the County’s and component units’ proportionate shares of the net pension liability calculated using the discount rate previously disclosed, as well as what the County’s and component units’ proportionate shares of the net pension liability would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	Proportionate Share of the Net Pension Liability (Asset)		
	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
County:			
Law Enforcement	\$ 5,048,934	\$ 1,910,118	\$ (655,761)
Public Employee	19,939,348	12,725,460	6,705,408
Southwest Counseling Services	11,245,952	7,177,262	3,781,904
Events Complex	2,094,227	1,336,553	704,268
Library System	2,925,551	1,867,112	983,834
Museum Board	362,046	231,061	121,753
District Board of Health	1,949,003	1,243,870	655,431

Pension plan fiduciary net position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued WRS financial report available from the WRS, 6101 Yellowstone Road, Cheyenne, Wyoming 82002 or through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Pension Plans – Hospital

The Hospital has a Section 457 defined contribution pension plan that is available to all qualified Hospital employees. Employees are eligible to participate in the plan upon completion of three months of service. The Hospital’s matching contributions are deposited into the 401(a) plan described below.

The Hospital has a Section 401(a) defined contribution pension plan that is available to all qualified Hospital employees. The Hospital’s contribution is based on a 100% match of employee contributions up to a maximum of 7% of participant salaries. Employees are eligible to participate in the plan upon completion of one year of service.

The pension expense for the year ended June 30, 2021 was \$1,739,138.

Note 8. General Obligation Debt

At June 30, 2021, the County had no general obligation debt outstanding.

The June 30, 2021 legal debt margin of the County is computed as follows:

Assessed valuation, June 30, 2020	<u>\$ 2,368,692,704</u>
Debt limit, 2% of assessed valuation	\$ 47,373,854
Debt applicable to debt limit	<u>-</u>
Legal debt margin	<u>\$ 47,373,854</u>

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

Primary government:

	Balance June 30, 2020	Additions	Deletions/ Transfers	Balance June 30, 2021
General government:				
Capital assets not being depreciated:				
Land	\$ 1,157,819	\$ -	\$ -	\$ 1,157,819
Construction in progress	1,349,764	3,021,274	(1,667,426)	2,703,612
Total capital assets not being depreciated	2,507,583	3,021,274	(1,667,426)	3,861,431
Capital assets being depreciated:				
Buildings and improvements	70,040,316	219,166	935,157	71,194,639
Equipment and furnishings	20,623,437	2,272,267	(1,377,189)	21,518,515
Infrastructure	136,748,907	637,297	700,120	138,086,324
Total capital assets being depreciated	227,412,660	3,128,730	258,088	230,799,478
Less accumulated depreciation:				
Buildings and improvements	(26,219,739)	(1,526,130)	32,149	(27,713,720)
Equipment and furnishings	(15,302,554)	(1,268,486)	1,270,590	(15,300,450)
Infrastructure	(100,889,922)	(3,222,585)	-	(104,112,507)
Total accumulated depreciation	(142,412,215)	(6,017,201)	1,302,739	(147,126,677)
Total capital assets being depreciated, net	85,000,445	(2,888,471)	1,560,827	83,672,801
Governmental activities capital assets, net	\$ 87,508,028	\$ 132,803	\$ (106,599)	\$ 87,534,232

Depreciation expense was charged to functions/programs of the primary government, as follows:

Governmental activities:

General government	\$ 909,540
Public safety	884,946
Road and bridge	3,865,613
Health, recreation, and welfare	357,102
Total depreciation, governmental activities	\$ 6,017,201

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital Assets, Continued

Discretely presented governmental-type component units: Capital assets activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Deletions/ Transfers	Balance June 30, 2021
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 1,193,159	\$ 327,111	\$ (741,792)	\$ 778,478
Capital assets being depreciated:				
Buildings and improvements	31,964,978	247,727	730,142	32,942,847
Equipment and furnishings	3,586,896	105,058	(600,800)	3,091,154
Total capital assets being depreciated	35,551,874	352,785	129,342	36,034,001
Less accumulated depreciation:				
Buildings and improvements	(19,720,926)	(1,062,779)	-	(20,783,705)
Equipment and furnishings	(2,630,816)	(169,000)	597,984	(2,201,832)
Total accumulated depreciation	(22,351,742)	(1,231,779)	597,984	(22,985,537)
Total capital assets being depreciated, net	13,200,132	(878,994)	727,326	13,048,464
Governmental activities capital assets, net	\$ 14,393,291	\$ (551,883)	\$ (14,466)	\$ 13,826,942

Depreciation expense was charged to functions/programs of the component units, as follows:

Governmental activities:

Health, recreation, and welfare	\$ 1,231,779
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SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 9. Capital Assets, Continued

Discretely presented business-type component units: Capital assets activity for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Deletions/ Transfers	Balance June 30, 2021
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 18,245	\$ -	\$ -	\$ 18,245
Construction in progress	3,843,664	12,453,013	(7,414,099)	8,882,578
Total capital assets not being depreciated	3,861,909	12,453,013	(7,414,099)	8,900,823
Capital assets being depreciated:				
Buildings and improvements	41,597,104	-	3,673,967	45,271,071
Equipment and furnishings	110,074,716	-	2,878,960	112,953,676
Total capital assets being depreciated	151,671,820	-	6,552,927	158,224,747
Less accumulated depreciation:				
Buildings and improvements	(18,986,466)	(1,163,837)	-	(20,150,303)
Equipment and furnishings	(73,578,046)	(5,635,621)	366,535	(78,847,132)
Total accumulated depreciation	(92,564,512)	(6,799,458)	366,535	(98,997,435)
Total capital assets being depreciated, net	59,107,308	(6,799,458)	6,919,462	59,227,312
Business-type activities capital assets, net	\$ 62,969,217	\$ 5,653,555	\$ (494,637)	\$ 68,128,135

Construction in progress at June 30, 2021 represents costs related to various projects throughout the Hospital.

Note 10. Joint Powers Agreements

Southwest Wyoming Regional Airport Board: Under a joint powers agreement, the County and the City of Rock Springs share in the funding of the Southwest Wyoming Regional Airport, formerly named the Rock Springs-Sweetwater County Airport. The County provided funding for the Southwest Wyoming Regional Airport in the amount of \$779,509 during the year ended June 30, 2021. This board consists of five members: two members from Rock Springs and three members from Sweetwater County.

The financial transactions of this board are not included in these financial statements. However, additional financial information of the board may be attained by contacting the Airport Manager, Devon Brubaker, P.O. Box 1987, Rock Springs, Wyoming 82901.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 10. Joint Powers Agreements, *Continued*

Rock Springs, Green River, Sweetwater County Joint Powers Water Board: Under certain provisions of Wyoming State Statutes, the County has entered into an agreement with the City of Rock Springs and the City of Green River to form a Joint Powers Board for the purchase, financing, rehabilitation, and operation of a water supply distribution system for domestic and other uses serving Green River, Wyoming, Rock Springs, Wyoming and other areas in Sweetwater County, Wyoming.

This board consists of five members: two members from Green River, two members from Rock Springs, and one member from the County.

Once the system began operations, the participating cities became responsible for the maintenance, operation, staffing, rate setting, and billing for each distribution system as well as the construction of storage facilities. The cities lease these facilities from the board on a year-to-year basis subject to annual appropriations by the cities.

The financial transactions of this board are not included in these financial statements. However, additional financial information of the board may be obtained by contacting the Water Board Office Manager, Sara Richardson, P.O. Box 1299, Green River, Wyoming 82935.

Rock Springs, Green River, Sweetwater County Combined Communications Center Joint Powers Board (CCCJPB): Under certain provisions of Wyoming State Statutes, the County has entered into an agreement with the City of Rock Springs and the City of Green River to form a Joint Powers Board for the establishment of a CCCJPB. The purpose of the CCCJPB is to provide an efficient, orderly and economically feasible method of planning, financing, constructing, operating, and maintaining a Combined Communications Center to maximize efficiency and coordination in communications and dispatching between the Sweetwater County Sheriff's Department, the Rock Springs Police Department, the Green River Police Department, and other law enforcement agencies.

The CCCJPB consists of nine members: three members from the County and three members from each of the two participating cities.

The County provided funding to the CCCJPB in the amount of \$708,367 during the year ended June 30, 2021.

The financial transactions of the CCCJPB are not included in these financial statements. However, additional financial information of the CCCJPB may be obtained by contacting the CCCJPB Executive Director, Rick Hawkins, P.O. Box 129, Green River, Wyoming 82935.

Sweetwater County 2013 Specific-Purpose Tax Joint Powers Board: Under certain provisions of Wyoming State Statutes, the County entered into a joint powers agreement with the cities of Rock Springs, Green River, Granger, Superior, and Wamsutter, and the Castle Rock Special Hospital District to form the Sweetwater County 2013 Specific-Purpose Tax Joint Powers Board to finance the construction of infrastructure of the participating entities in Sweetwater County using 1% specific-purpose sales and use tax proceeds. The total approved specific-purpose tax was \$81,816,412, with \$4,566,497 designated for various projects for Sweetwater County as well as related bond costs. The agreement includes lease payments that are required to be made to the Joint Powers Board. The 1% specific-purpose sales and use tax proceeds can only be used to make the lease payments to the Joint Powers Board.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 10. Joint Powers Agreements, *Continued*

The County’s share of the 1% specific-purpose sales and use tax collections were \$2,723 for the year ended June 30, 2021, which is recorded as revenue in the County Road Improvements Tax Fund. As the collection of specific-purpose sales and use tax has been quicker than anticipated, the County has made more payments to the Joint Powers Board compared to the original lease payment schedule for required minimum lease payments. At June 30, 2021, the County owes the Joint Powers Board \$0 in outstanding tax collections. The specific-purpose sales and use excise tax collections ceased in April 2018. On April 5, 2019, a final distribution for the excess sales and use excise tax collected was made to the participating agencies.

This board consists of seven members: one member from the County and one member from each of the six participating entities.

The financial transactions of the board are not included in these financial statements. However, additional financial information of the board may be obtained by contacting the Sweetwater County Commissioners at Sweetwater County, 80 West Flaming Gorge Way, Green River, Wyoming 82935.

Note 11. Liability for Compensated Absences

As described in Note 1, the general County and various County component units allow the accumulation of vested vacation and sick pay benefits, subject to set maximum hours. The liability recorded for compensated absences consists of the following:

	Primary Government	Governmental-Type Component Units				
		Southwest Counseling Services	Events Complex	Library System	Museum Board	District Board of Health
Beginning balance	\$ 1,329,996	\$ 321,751	\$ 151,239	\$ 196,987	\$ 40,675	\$ 70,073
Additions	1,038,466	581,186	109,984	166,864	19,975	74,337
Reductions	(1,025,502)	(577,448)	(106,798)	(165,009)	(40,675)	(64,818)
Ending balance	<u>\$ 1,342,960</u>	<u>\$ 325,489</u>	<u>\$ 154,425</u>	<u>\$ 198,842</u>	<u>\$ 19,975</u>	<u>\$ 79,592</u>
Due within one year	<u>\$ 1,025,502</u>	<u>\$ 325,489</u>	<u>\$ 154,425</u>	<u>\$ 165,008</u>	<u>\$ 19,975</u>	<u>\$ 79,592</u>
Due in more than one year	<u>\$ 317,458</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,834</u>	<u>\$ -</u>	<u>\$ -</u>

Note 12. Obligations under Capital Lease

The County has entered into a number of capital leases for equipment. During the year ended June 30, 2021, the County entered into one new lease agreement to acquire equipment and vehicles. The terms of this lease are, in effect, a purchase of the related assets contingent on the County’s ability to appropriate funds as required by Wyoming State Statutes.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 12. Obligations under Capital Lease, *Continued*

The assets acquired through capital leases are as follows:

	June 30, 2021 Balance
	<u> </u>
Primary government:	
2.182% lease to acquire equipment, payable in annual installments of \$385,711	\$ 377,622
1.1107% lease to acquire equipment, payable in annual installments of \$611,722	<u>1,203,360</u>
	<u>\$ 1,580,982</u>
	<u> </u>
	Governmental Activities
	<u> </u>
Assets:	
Machinery and equipment	\$ 3,084,558
Less accumulated depreciation	<u>(404,239)</u>
	<u>\$ 2,680,319</u>

Additionally, the Events Complex entered into one new lease agreement to acquire equipment and vehicles. The terms of this lease are, in effect, a purchase of the related assets contingent on the Events Complex's ability to appropriate funds as required by Wyoming State Statutes:

	June 30, 2021 Balance
	<u> </u>
Events Complex:	
3.870% lease to acquire equipment, payable in semi-annual installments of \$30,030	<u>\$ 171,162</u>
	<u> </u>
	Governmental Activities
	<u> </u>
Assets:	
Machinery and equipment	\$ 264,609
Less accumulated depreciation	<u>(54,075)</u>
	<u>\$ 210,534</u>

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 12. Obligations under Capital Lease, *Continued*

The following schedule summarizes the debt service requirements of the lease to maturity:

	Primary Government	Events Complex
Years ending June 30:		
2022	\$ 997,433	\$ 60,060
2023	611,723	60,060
2024	-	60,060
Total minimum lease payments	1,609,156	180,180
Less amount representing interest	(28,174)	(9,018)
Present value of net minimum lease payments	1,580,982	171,162
Less capital lease payable, due within one year	(975,979)	(54,881)
Capital leases payable, due in more than one year	\$ 605,003	\$ 116,281

Note 13. Changes in Long-Term Liabilities

Long-term liability activity of the County for the year ended June 30, 2021 was as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due within One Year
Primary government:					
Capital leases	\$ 1,128,799	\$ 1,803,399	\$ (1,351,216)	\$ 1,580,982	\$ 975,979
Discretely presented governmental- type component units:					
Events Complex, capital leases	223,979	-	(52,817)	171,162	54,881
Events Complex, note payable	200,000	-	(200,000)	-	-

Note 14. Long-Term Debt – Hospital

Long-term debt for the Hospital consists of the following:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due within One Year
Hospital Revenue Bonds:					
Series 2013A	\$ 26,790,000	\$ -	\$ -	\$ 26,790,000	\$ -
Siemens note payable	202,823	-	(99,000)	103,823	103,823
Capital lease obligations	570,695	-	(209,044)	361,651	215,543
Series 2013A Bond Premium	1,010,496	-	(57,743)	952,753	-
Total	\$ 28,574,014	\$ -	\$ (365,787)	\$ 28,208,227	\$ 319,366

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 14. Long-Term Debt – Hospital, *Continued*

The terms and due dates of the Hospital’s long-term debt at June 30, 2021 are as follows:

- Sweetwater County, Wyoming (Memorial Hospital) Hospital Revenue Refunding Bonds Series 2013A, dated June 20, 2013. Interest is due annually through September 2037 at a 5% rate. Bonds are secured by Hospital revenues.
- Siemens note payable, payable in monthly installments of \$8,877, including interest at 4.76%, through June 2022.
- Capital lease obligations, payable in monthly installments of \$18,230, including interest at 2.68%, through February 2023.

Restrictive covenants: The Hospital is required to meet certain financial and non-financial covenants. Management believes the Hospital was in compliance with the restrictive covenants as of June 30, 2021.

Scheduled principal and interest payments on long-term and capital leases debt are as follows:

	Principal	Interest	Total
Years ending June 30:			
2022	\$ 319,366	\$ 1,349,218	\$ 1,668,584
2023	146,108	1,340,968	1,487,076
2024	1,230,000	1,308,750	2,538,750
2025	1,295,000	1,245,625	2,540,625
2026	1,360,000	1,179,250	2,539,250
2027-2031	7,915,000	4,776,375	12,691,375
2032-2036	10,160,000	2,528,000	12,688,000
2037-2038	4,830,000	244,500	5,074,500
	<u>\$ 27,255,474</u>	<u>\$ 13,972,686</u>	<u>\$ 41,228,160</u>

The assets held under capital leases of the Hospital were as follows as of June 30, 2021:

	Business-Type Activity
Assets:	
Equipment	\$ 1,669,255
Less accumulated depreciation	<u>(1,111,621)</u>
	<u>\$ 557,634</u>

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 15. Contingencies and Commitments

The County and several of its component units participate in a number of Federally assisted grant programs that are monitored by various granting agencies. Expenditures may be disallowed by the granting agencies if these entities are not in compliance with applicable laws, regulations, or specific grant requirements. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although these entities expect the amounts, if any, to be immaterial.

Litigation: The County has multiple claims and pending legal proceedings that generally involve the operations of the County. These proceedings are, in the opinion of management, ordinary routine matters incidental to the normal business conducted by the County. In the opinion of management and the County's legal counsel, such proceedings are substantially covered by insurance, and the ultimate disposition of such proceedings is not expected to have a material adverse effect on the County's financial position, results of operations or cash flows.

Risk of loss: The County and its component units are subject to risk of loss from various events, including torts, theft, damage to assets, business interruption, errors and omissions, and job-related injuries to employees, as well as acts of God.

The County and its component units have purchased commercial insurance and workers' compensation coverage to minimize their risks of loss. These entities have not had significant settlements exceeding insurance coverage in any of the past three fiscal years. These entities have had no significant reductions in insurance coverage from coverage in the prior year.

Employees of the County and its component units are covered by the County's medical self-insurance plan. The entities' costs for this plan are reflected in the funds paying the coverage, premiums and administrative costs. The self-insurance fund is reported as an internal service fund in the accompanying financial statements. The County has a contract with a third-party administrator to process payments. The County also maintains a stop-loss policy to limit the potential for individual and aggregate claims. Management has estimated an accrual for IBNR claims.

At June 30, 2021, the IBNR was \$1,042,102. Changes in the IBNR during fiscal years 2021 and 2020 were as follows:

	Beginning of Fiscal Year Liability	Estimated Claims Incurred	Claim Payments	End of Fiscal Year Liability
Fiscal year 2019-2020	\$ 861,233	\$ 8,646,423	\$ (8,703,284)	\$ 804,372
Fiscal year 2020-2021	\$ 804,372	\$ 9,012,791	\$ (8,775,061)	\$ 1,042,102

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 15. Contingencies and Commitments, *Continued*

Operating lease commitments: The County has entered into a five-year lease agreement for a postage machine. The total minimum rental commitment at June 30, 2021 under this lease is as follows:

Years ending June 30:		
2022	\$	13,738
2023		13,738
2024		13,738
2025		6,869
		6,869
	\$	48,083

Construction commitments: As of June 30, 2021, the County has entered into several construction/engineering contracts resulting in commitments for future capital expenditures. The major projects are listed below. Although portions of the projects may have been completed and capitalized during 2021, the amounts below represent the activity pertaining to the County’s portion of the contract as a whole:

	Expended to Date at June 30, 2021	Total Contract	Total Commitment at June 30, 2021
Primary government:			
2020 Crack Sealant Project	\$ 68,048	\$ 70,250	\$ 2,202
FY21 Paint Striping Project	-	348,837	348,837
Folsom-Lester-Pyramid Reconstruction	-	1,475,468	1,475,468
Folsom-Lester-Pyramid Design and CA	60,383	181,170	120,787
County Wide Guardrail Inspection & Report	-	8,856	8,856
2021 Asphalt Overlay Project CR#27 Aspen Mtn Road	986,346	1,129,651	143,305
Relocation of Crossroads Park Effluent Line	-	235,000	235,000
2021 SWCO Detention Center Sewer Grinder	-	119,700	119,700
2021 SWCO Detention Center Sewer Grinder Design & CA	2,300	6,700	4,400
	2,300	6,700	4,400
Total primary government	\$ 1,117,077	\$ 3,575,632	\$ 2,458,555

Note 16. Contingencies and Commitments – Hospital

Malpractice insurance: The Hospital has malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of \$1 million per claim and an annual aggregate limit of \$3 million. There is additional excess coverage above this limit up to \$10 million. Effective May 1, 2020, this excess coverage was decreased to \$5 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 16. Contingencies and Commitments – Hospital, *Continued*

Self-funded health insurance: The Hospital self-funds health benefits for eligible employees and their dependents. Health insurance expense is recorded on an accrual basis. An accrued liability is recorded in the financial statements, which estimates IBNR claims and claims reported but not yet paid. The Hospital has stop-loss insurance to cover catastrophic claims. The Hospital expensed amounts representing the employer's portion of actual claims paid, adjusted for the actuarially determined estimates of liabilities relating to claims resulting from services provided prior to the respective fiscal period-end. The Hospital recognized approximately \$6,472,000 of expense during the year ended June 30, 2021. The estimated liability relating to self-funded health insurance was \$400,000 as of June 30, 2021.

Litigations, claims, and disputes: The Hospital is subject to the usual contingencies in the normal course of operations relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of litigation, claims and disputes in process will not be material to the financial position of the Hospital.

The healthcare industry is subject to numerous laws and regulations of Federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by healthcare providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services. Management believes that the Hospital is in substantial compliance with current laws and regulations.

Operating lease commitments: The Hospital leases certain facilities and equipment under long-term operating lease agreements for the year ended June 30, 2021. Total lease expense for all operating leases for the year ended June 30, 2021 was approximately \$746,000.

Minimum future lease payments for these operating leases total \$41,138 for the year ending June 30, 2022.

Note 17. Conduit Debt Obligations

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 18. Postemployment Benefits Other Than Pensions

General information about the OPEB plan:

Plan description: The County participates in one single-employer defined benefit post-retirement healthcare plan. Under this plan, the County allows retiring employees who meet certain age and/or service requirements as defined below to remain on the County's health insurance plan, as long as the retiring employees are required to pay their full premium each month, less the sum of Subsidies A, B and C, if applicable, where such amounts are defined as follows:

1. Subsidy A per month: A monthly factor, as shown in the following table, multiplied by the total number of years of service at retirement:

<u>Current Age</u>	<u>Monthly Factor</u>
< 65	\$11.50
65+	\$5.75

In the event that the retiree predeceases his or her spouse, Subsidy A will be applied to reduce the healthcare costs for 12 months following the retiree's death.

Subsidy A credits are not granted to participants who retire after March 15, 2011.

2. Subsidy B per month: Only applies to retirees who retired prior to July 1, 2009, and provides a fixed monthly factor ranging from \$42.02 to \$157.16, depending upon the retiree's age (under age 65 or 65 and above) and tier of benefits (i.e., employee only, employee and spouse, family, etc.). Subsidy B is not expected to increase in the future but will be adjusted for changes in the number and types of dependents covered, if and when they occur.
3. Subsidy C per month: Only applies to participants who elected to retire between November 22, 2010 and March 15, 2011 and signed the Early Retirement Agreement, and provides the Subsidy A monthly factor as defined in item 1 above. The limit on Subsidy C payments shall be \$30,000 less the amount of the cash incentive paid to the retiree at the time of retirement, if any.

The retired employee must meet the following age and/or service requirements in order to qualify for the plan:

1. All participants excluding law enforcement: The earlier of the following:
 - a. Age 60 and eight years of service with the County; or
 - b. Having eight years of service with the County and being eligible to retire with full benefits under the WRS by meeting one of the following criteria:
 - i. Age 60 if hired prior to July 1, 2012, or age 65 if hired on or after July 1, 2012, and four years of service with the WRS; or
 - ii. The sum age and service with the WRS equals 85.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 18. Postemployment Benefits Other Than Pensions, *Continued*

2. Law enforcement: Having eight years of service with the County and being eligible to retire with full benefits under the WRS by meeting one of the following criteria:
- a. Age 60 and four years of service with the WRS; or
 - b. 20 years of law enforcement service with the WRS.

The Board has the authority for establishing and amending this plan. This plan does not issue a separate report.

Benefits provided: The plan provides medical and prescription drug benefits for retirees, spouses, and their dependents through the subsidy of insurance premiums. Surviving spouses are allowed to continue coverage for 12 months following the retiree’s death provided they were covered at the time of death.

Funding policy: The County finances this program on a pay-as-you-go basis and has no assets held in trust. The Board has the authority for establishing and amending the funding policy.

Employees covered by the benefit terms: As of the valuation date, July 1, 2019, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries receiving benefits	81
Active plan members	451
Total plan members	532

OPEB liability, OPEB expense, and deferred inflows of resources related to OPEB: At June 30, 2021, the County reported a total OPEB liability of \$6,185,667. The total OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of July 1, 2019.

Changes in the total OPEB liability:

Total OPEB liability:	
Service cost	\$ 182,886
Interest on OPEB liability	141,755
Changes of benefit terms	-
Difference between expected and actual experience	(198,183)
Changes in assumptions	7,657
Benefit payments	(208,980)
Net change in OPEB liability	(74,865)
Total OPEB liability, beginning	6,260,532
Total OPEB liability, ending	\$ 6,185,667

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 18. Postemployment Benefits Other Than Pensions, *Continued*

For the year ended June 30, 2021, the County recognized OPEB expense of \$253,261. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 567,369	\$ 364,487
Changes of assumptions	726,593	49,137
	<u>\$ 1,293,962</u>	<u>\$ 413,624</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the County's OPEB expense, as follows:

Years ending June 30:	
2022	\$ 137,600
2023	137,600
2024	137,598
2025	170,514
2026	160,420
Thereafter	<u>136,606</u>
	<u>\$ 880,338</u>

Actuarial methods and assumptions: The total OPEB liability was determined by an actuarial valuation as of July 1, 2019 using the following actuarial assumptions, which were applied to all periods included in the measurement unless otherwise specified:

Measurement Date	June 30, 2021
Discount Rate	2.10%
Inflation	0.90%
Salary Increases	4.25%-6.00% (other than law enforcement personnel) 4.25%-8.00% (law enforcement)
Healthcare Cost Trend Rates	Initial rate: 8.50% Ultimate rate: 4.50% Grading period: 4 years

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 18. Postemployment Benefits Other Than Pensions, *Continued*

Participation Rate	60% will elect coverage
Spouse Age Differential	Males are assumed to be three years older than females.
Cost Method	Entry age

Mortality rates were based on the RP-2014 Mortality Table projected to 2024 using Scale BB, applied on a gender-specific basis.

Changes of assumptions reflect changes in the discount rate from 2.20% to 2.10% and the inflation rate from 1.00% to 0.90% as of July 1, 2020 and June 30, 2021, respectively.

Sensitivity of the County’s total OPEB liability to changes in the discount rate: The table below presents the County’s total OPEB liability calculated using the discount rate of 2.10%, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (1.10%) or one-percentage-point higher (3.10%) than the current discount rate:

	1% Decrease (1.10%)	Current Discount Rate (2.10%)	1% Increase (3.10%)
Total OPEB liability	\$ 6,942,174	\$ 6,185,667	\$ 5,552,873

Sensitivity of the County’s total OPEB liability to changes in the healthcare cost trend rates: The table below presents the County’s total OPEB liability, as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Total OPEB liability	\$ 5,695,144	\$ 6,185,667	\$ 6,768,357

Note 19. COVID-19 Global Pandemic

During March 2020, a global pandemic was declared by the World Health Organization related to the rapidly growing outbreak of a novel strain of coronavirus (COVID-19). The pandemic has impacted, and continues to significantly impact, the economic conditions in the U.S. as Federal, state and local governments react to the public health crisis, and has created significant uncertainties in the U.S. economy. It is unknown how long the adverse economic conditions associated with the coronavirus will last and what the complete financial impact will be, if any, on the County.

SWEETWATER COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 20. Subsequent Events

Events Complex obligation under notes payable: To assist in covering operating cash flow needs, the Events Complex entered into a tax anticipation warrant on July 6, 2021. The Events Complex can draw up to 75% of the anticipated 2021-2022 fiscal year property tax revenue remaining uncollected, up to \$1,721,350 at any given time. All funds borrowed, if any, must be repaid by June 30, 2022.

Note 21. Recent Pronouncements

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. GASB Statement No. 84 enhances the consistency and comparability of fiduciary activity reporting. This statement is effective for years beginning after December 15, 2019. Management has adopted this statement for the year ended June 30, 2021. The adopted accounting changes conform to the provisions of this statement and were applied beginning in the year ended June 30, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

The County's Required Supplementary Information includes the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund, the Schedule of Changes in Total OPEB Liability and Related Ratios, the Schedules of Proportionate Share of the Net Pension Liability, and the Schedules of Contributions for all County and component unit participation in pension plans, and the Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS) –
GENERAL FUND
Year Ended June 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 29,852,171	\$ 29,852,171	\$ 31,016,648	\$ 1,164,477
Licenses and permits	1,543,524	1,543,524	1,531,257	(12,267)
Intergovernmental	6,929,175	7,348,616	11,912,160	4,563,544
Charges for services	1,720,348	1,720,348	1,529,442	(190,906)
Investment income	355,626	355,626	240,198	(115,428)
Miscellaneous	35,681	35,681	66,068	30,387
Total revenues	40,436,525	40,855,966	46,295,773	5,439,807
Expenditures				
General government	19,032,723	19,181,697	17,510,891	1,670,806
Public safety	14,961,407	14,942,407	14,057,421	884,986
Road and bridge	6,251,373	6,251,373	4,065,057	2,186,316
Health, recreation, and welfare	4,068,873	5,362,623	5,186,450	176,173
Conservation of natural resources	277,150	277,150	271,544	5,606
Capital outlay	7,969,954	7,215,508	5,706,007	1,509,501
Total expenditures	52,561,480	53,230,758	46,797,370	6,433,388
(Deficiency) excess of revenues over expenditures	(12,124,955)	(12,374,792)	(501,597)	11,873,195
Other Financing Sources				
Proceeds from sale of capital assets	75,000	75,000	87,962	12,962
Net change in fund balance	\$ (12,049,955)	\$ (12,299,792)	\$ (413,635)	\$ 11,886,157

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND
RELATED RATIOS**

Last Four Fiscal Years*

	Service Cost	Interest Cost	Changes in Benefit Terms	Difference between Actual and Expected Experience	Changes in Assumptions
2018	\$ 113,684	\$ 168,173	\$ -	\$ (115,751)	\$ (114,649)
2019	115,152	176,159	-	(106,785)	177,443
2020	172,667	169,481	-	649,225	824,663
2021	182,886	141,755	-	(198,183)	7,657

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

Benefit Payments	Net Change in Total OPEB Liability	Total OPEB Liability	Covered Employee Payroll	Total OPEB Liability as a Percentage of Covered Employee Payroll
\$ (148,850)	\$ (97,393)	\$ 4,460,402	\$ 22,820,209	19.5%
(152,732)	209,237	4,669,639	22,820,209	20.5%
(225,143)	1,590,893	6,260,532	23,945,987	26.1%
(208,980)	(74,865)	6,185,667	25,263,016	24.5%

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE COUNTY'S LAW ENFORCEMENT PLAN
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Law Enforcement Pension Plan
Last Eight Fiscal Years***

	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	2.987954290%	\$ 545,580	\$ 4,567,161	11.95%	96.53%
2015	3.002446160%	884,631	4,647,234	19.04%	94.76%
2016	2.874460682%	2,159,294	4,642,728	46.51%	87.49%
2017	2.890782700%	2,182,308	4,802,152	45.44%	88.11%
2018	2.989686700%	2,572,459	4,906,401	52.43%	87.99%
2019	2.778508200%	6,725,998	4,650,612	144.63%	71.22%
2020	2.754048700%	2,373,955	4,695,686	50.56%	89.05%
2021	2.803958700%	1,910,118	4,980,839	38.35%	91.82%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE COUNTY'S LAW ENFORCEMENT PLAN
CONTRIBUTIONS**

**Law Enforcement Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 389,381	\$ 389,381	\$ -	\$ 4,527,691	8.60%
2015	400,392	400,392	-	4,655,733	8.60%
2016	426,225	426,225	-	4,780,855	8.92%
2017	443,296	443,296	-	4,932,384	8.99%
2018	424,379	424,379	-	4,662,156	9.10%
2019	423,076	423,076	-	4,633,517	9.13%
2020	441,867	441,867	-	4,874,645	9.06%
2021	467,251	467,251	-	5,168,724	9.04%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE COUNTY'S PUBLIC EMPLOYEE PLAN
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	County's Proportion of the Net Pension Liability	County's Proportionate Share of the Net Pension Liability	County's Covered Payroll	County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.563744203%	\$ 8,571,169	\$ 9,825,385	87.23%	81.10%
2015	0.580266903%	10,239,925	10,075,160	101.64%	79.08%
2016	0.582288997%	13,563,536	10,453,614	129.75%	73.40%
2017	0.583648200%	14,109,697	10,565,229	133.55%	73.42%
2018	0.570511200%	13,003,894	10,153,177	128.08%	76.35%
2019	0.564956700%	17,204,575	9,964,894	172.65%	69.17%
2020**	0.574952900%	13,510,969	10,237,021	131.98%	76.83%
2021**	0.585520200%	12,725,460	10,737,045	118.52%	79.24%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.

** Effective 7/1/2019, the Recreation Board was dissolved and absorbed into the County, and as a result, beginning in 2020, the County's proportionate share, net pension liability, covered payroll, and contributions reflect this increase.

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE COUNTY'S PUBLIC EMPLOYEE PLAN
CONTRIBUTIONS**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 703,561	\$ 703,561	\$ -	\$ 9,881,491	7.12%
2015	783,632	783,632	-	10,283,896	7.62%
2016	898,447	898,447	-	10,612,487	8.47%
2017	886,118	886,118	-	10,461,791	8.47%
2018	834,178	834,178	-	9,839,276	8.48%
2019	870,846	870,846	-	10,049,897	8.67%
2020**	942,811	942,811	-	10,557,553	8.93%
2021**	962,393	962,393	-	10,467,904	9.19%

** This schedule is to be built prospectively until it contains 10 years of data.*

*** Effective 7/1/2019, the Recreation Board was dissolved and absorbed into the County, and as a result, beginning in 2020, the County's proportionate share, net pension liability, covered payroll, and contributions reflect this increase.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF SOUTHWEST COUNSELING SERVICES'
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Southwest Counseling Services' Proportion of the Net Pension Liability	Southwest Counseling Services' Proportionate Share of the Net Pension Liability	Southwest Counseling Services' Covered Payroll	Southwest Counseling Services' Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.302358710%	\$ 4,597,063	\$ 5,182,760	88.70%	81.10%
2015	0.312837446%	5,520,618	5,442,343	101.44%	79.08%
2016	0.330763380%	7,758,506	5,948,053	130.44%	73.40%
2017	0.317320700%	7,671,229	5,675,666	135.16%	73.42%
2018	0.305420100%	6,961,565	5,366,819	129.71%	76.35%
2019	0.316253200%	9,630,830	5,502,168	175.04%	69.17%
2020	0.347752300%	8,171,923	6,186,064	132.10%	76.83%
2021	0.330238100%	7,177,262	6,017,740	119.27%	79.24%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF SOUTHWEST COUNSELING SERVICES'
CONTRIBUTIONS**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 375,062	\$ 375,062	\$ -	\$ 5,267,727	7.12%
2015	432,592	432,592	-	5,677,059	7.62%
2016	502,032	502,032	-	5,997,988	8.37%
2017	454,225	454,225	-	5,426,818	8.37%
2018	446,758	446,758	-	5,337,612	8.37%
2019	505,762	505,762	-	5,895,807	8.58%
2020	548,021	548,021	-	6,178,365	8.87%
2021	526,319	526,319	-	5,771,042	9.12%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

SCHEDULE OF THE EVENTS COMPLEX'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Events Complex's Proportion of the Net Pension Liability	Events Complex's Proportionate Share of the Net Pension Liability	Events Complex's Covered Payroll	Events Complex's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.045428711%	\$ 690,698	\$ 808,724	85.41%	81.10%
2015	0.047081478%	830,843	809,863	102.59%	79.08%
2016	0.047851282%	1,114,623	854,973	130.37%	73.40%
2017	0.051980500%	1,256,628	929,734	135.16%	73.42%
2018	0.054541500%	1,243,186	958,394	129.72%	76.35%
2019	0.060135200%	1,831,292	1,050,356	174.35%	69.17%
2020	0.068467300%	1,608,931	1,215,365	132.38%	76.83%
2021	0.061497100%	1,336,553	1,134,554	117.80%	79.24%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE EVENTS COMPLEX'S CONTRIBUTIONS
Public Employee Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 55,217	\$ 55,217	\$ -	\$ 775,525	7.12%
2015	63,161	63,161	-	828,888	7.62%
2016	73,421	73,421	-	877,192	8.37%
2017	80,841	80,841	-	965,841	8.37%
2018	81,908	81,908	-	978,590	8.37%
2019	97,826	97,826	-	1,140,385	8.58%
2020	107,590	107,590	-	1,212,965	8.87%
2021	96,139	96,139	-	1,054,156	9.12%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE LIBRARY SYSTEM'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Library System's Proportion of the Net Pension Liability	Library System's Proportionate Share of the Net Pension Liability	Library System's Covered Payroll	Library System's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.104692704%	\$ 1,591,748	\$ 1,794,535	88.70%	81.10%
2015	0.100240768%	1,768,941	1,741,842	101.56%	79.08%
2016	0.102706021%	2,392,380	1,832,980	130.52%	73.40%
2017	0.095261500%	2,302,947	1,703,872	135.16%	73.42%
2018	0.087785000%	2,000,920	1,542,550	129.72%	76.35%
2019	0.088233800%	2,686,976	1,535,626	174.98%	69.17%
2020	0.086778000%	2,039,219	1,545,901	131.91%	76.83%
2021	0.085909000%	1,867,112	1,568,048	119.07%	79.24%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE LIBRARY SYSTEM'S CONTRIBUTIONS
Public Employee Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 123,438	\$ 123,438	\$ -	\$ 1,733,675	7.12%
2015	136,149	136,149	-	1,786,732	7.62%
2016	153,312	153,312	-	1,831,683	8.37%
2017	133,695	133,695	-	1,597,322	8.37%
2018	127,028	127,028	-	1,517,657	8.37%
2019	133,655	133,655	-	1,558,053	8.58%
2020	135,426	135,426	-	1,526,787	8.87%
2021	141,739	141,739	-	1,559,637	9.12%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

SCHEDULE OF THE MUSEUM BOARD'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Museum Board's Proportion of the Net Pension Liability	Museum Board's Proportionate Share of the Net Pension Liability	Museum Board's Covered Payroll	Museum Board's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.011829708%	\$ 179,859	\$ 202,814	88.68%	81.10%
2015	0.011059981%	195,175	196,740	99.20%	79.08%
2016	0.006399272%	149,062	120,768	123.43%	73.40%
2017	0.007814100%	188,905	139,765	135.16%	73.42%
2018	0.008523000%	194,268	149,762	129.72%	76.35%
2019	0.008736100%	266,040	152,032	174.99%	69.17%
2020	0.009594400%	225,462	170,462	132.27%	76.83%
2021	0.010631500%	231,061	193,863	119.19%	79.24%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE MUSEUM BOARD'S CONTRIBUTIONS
Public Employee Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 14,440	\$ 14,440	\$ -	\$ 202,814	7.12%
2015	12,523	12,523	-	164,338	7.62%
2016	9,944	9,944	-	118,807	8.37%
2017	12,338	12,338	-	147,406	8.37%
2018	12,568	12,568	-	150,155	8.37%
2019	13,327	13,327	-	155,357	8.58%
2020	17,813	17,813	-	200,823	8.87%
2021	15,905	15,905	-	174,397	9.12%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE DISTRICT BOARD OF HEALTH'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	District Board of Health's Proportion of the Net Pension Liability	District Board of Health's Proportionate Share of the Net Pension Liability	District Board of Health's Covered Payroll	District Board of Health's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.065231195%	\$ 991,775	\$ 1,118,435	88.68%	81.10%
2015	0.066036780%	1,165,346	1,149,415	101.39%	79.08%
2016	0.063783654%	1,485,743	1,169,788	127.01%	73.40%
2017	0.059604900%	1,440,948	1,066,109	135.16%	73.42%
2018	0.053675900%	1,223,456	962,259	127.14%	76.35%
2019	0.052281800%	1,592,133	935,198	170.25%	69.17%
2020	0.058320420%	1,370,105	1,038,344	131.95%	76.83%
2021	0.057232600%	1,243,870	1,066,293	116.65%	79.24%

** The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF THE DISTRICT BOARD OF HEALTH'S
CONTRIBUTIONS**

**Public Employee Pension Plan
Last Eight Fiscal Years***

	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 80,446	\$ 80,446	\$ -	\$ 1,129,862	7.12%
2015	89,365	89,365	-	1,172,775	7.62%
2016	91,543	91,543	-	1,093,701	8.37%
2017	83,169	83,136	-	993,267	8.37%
2018	77,494	77,494	-	925,854	8.37%
2019	81,151	81,151	-	946,000	8.58%
2020	95,568	95,568	-	1,077,430	8.87%
2021	96,353	96,353	-	1,056,502	9.12%

** This schedule is to be built prospectively until it contains 10 years of data.*

See Notes to Required Supplementary Information.

SWEETWATER COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION **Year Ended June 30, 2021**

Note 1. Budgets

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Budgetary Basis) presents a comparison of the legally adopted budget with actual data. Sweetwater County, Wyoming (the County) prepares its budget on a cash basis, and the revenues and expenditures presented in the aforementioned schedule are on the budgetary basis. Such basis is not consistent with accounting principles generally accepted in the United States of America (U.S. GAAP). Appropriations lapse at fiscal year-end. All budget amendments are approved by the Board of County Commissioners and are presented within the final budget figures.

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

Wyoming State Statutes require the preparation of an annual budget that provides documentation that all sources and uses of County resources are properly planned, budgeted, and approved. The budget, upon adoption, is the legal document that places restrictions and limitations on the purposes and amounts for which County monies may be expended.

The budget is adopted according to the following schedule:

1. On or before May 15, the Budget Officer shall prepare a tentative budget for each fund and file the budget with the governing body.
2. A summary of the tentative budget shall be entered into the minutes and the governing body shall publish the summary at least one week before the public hearing to adopt the budget.
3. The public hearing is held on or before the third Monday in July.
4. On the day of or the day following the public hearing, the Board of County Commissioners, by resolution, makes the necessary appropriations and adopts the budget, which, subject to future amendment, shall be in effect for the next fiscal year.

SWEETWATER COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2021

Note 2. Explanation of Differences between Budgetary Basis and U.S. GAAP Basis

	<u>General Fund</u>
Revenues	
Actual amounts (budgetary basis) from the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)	\$ 46,295,773
Differences - Budget Basis to GAAP:	
Modified accrual adjustments	<u>(3,967,709)</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 42,328,064</u>
Expenditures	
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)	\$ 46,797,370
Differences - Budget Basis to GAAP:	
Capital outlay from capital leases	1,351,216
Modified accrual adjustments	<u>(282,214)</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 47,866,372</u>
Other Financing Sources	
Actual amounts (budgetary basis) from the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)	\$ 87,962
Differences - Budget Basis to GAAP:	
Proceeds from capital leases	<u>1,803,398</u>
Total other financing sources as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 1,891,360</u>

Note 3. Retirement Commitment – Wyoming Retirement System (WRS)

Changes in benefit terms: There were no changes in benefit terms between the December 31, 2013 and December 31, 2020 measurement dates.

SWEETWATER COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2021

Note 3. Retirement Commitment – Wyoming Retirement System (WRS), *Continued*

Changes in assumptions: Healthcare trend rates were updated, along with assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the WRS December 31, 2016 actuarial experience study. Further, there have been various assumption changes in discount rates, investment rates of return, inflation rates, and payroll growth rates from the initial December 31, 2013 measurement date through the December 31, 2020 measurement date. See tables below:

Public Employee Pension Plan					
Measurement Date (Plan Year-End)	Discount Rate	Investment Rate of Return	Inflation Increase Rate	Salary Increases Rate (Including Inflation)	Payroll Growth Rate
2013	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%
2014	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%
2015	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%
2016	7.75%	7.75%	3.25%	4.25%-6.00%	4.25%
2017	7.00%	7.75%	3.25%	4.25%-6.00%	4.25%
2018	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%
2019	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%
2020	7.00%	7.00%	2.25%	2.50%-6.50%	2.50%

Law Enforcement Pension Plan					
Measurement Date (Plan Year-End)	Discount Rate	Investment Rate of Return	Inflation Increase Rate	Salary Increases Rate (Including Inflation)	Payroll Growth Rate
2013	7.75%	7.75%	3.25%	4.75%-8.00%	4.25%
2014	7.75%	7.75%	3.25%	4.75%-8.00%	4.25%
2015	7.75%	7.75%	3.25%	4.75%-8.00%	4.25%
2016	7.75%	7.75%	3.25%	4.75%-8.00%	4.25%
2017	7.00%	7.75%	3.25%	4.75%-8.00%	4.25%
2018	5.92%	7.00%	2.25%	4.75%-8.75%	2.50%
2019	7.00%	7.00%	2.25%	4.75%-8.75%	2.50%
2020	7.00%	7.00%	2.25%	4.75%-8.75%	2.50%

Note 4. Postemployment Benefits Other Than Pensions (OPEB)

The County’s post-retirement healthcare plan administered by the County does not have assets accumulated in trust. Following are changes in the OPEB liability valuation:

Changes in benefit terms: There were no changes in benefit terms between the initial measurement date and the June 30, 2021 measurement date.

SWEETWATER COUNTY, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2021

Note 4. Postemployment Benefits Other Than Pensions (OPEB), *Continued*

Changes in assumptions: With the exception of the discount rate and inflation rate, there have been no changes in assumptions between the initial measurement date and the June 30, 2021 measurement date. The discount rate and inflation rate, by each measurement date, are as follows:

	Discount Rate	Inflation Rate
2018	3.85%	1.85%
2019	3.50%	1.50%
2020	2.00%	1.00%
2021	2.10%	0.90%

SUPPLEMENTARY INFORMATION

OTHER GOVERNMENTAL FUNDS

Sweetwater County, Wyoming's (the County) nonmajor special revenue funds are described below:

State/County (SC) Road Fund: Used to account for resources legally restricted to expenditures for state and county road construction.

CDC Tax Fund: Used to account for resources legally restricted to expenditures for purchasing, renovating and maintaining a child developmental center (CDC).

County Road Improvements Tax Fund: Used to account for resources legally restricted to expenditures for County Road Improvements.

SWEETWATER COUNTY, WYOMING

COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS

June 30, 2021

	SC Road Fund	CDC Tax Fund	County Road Improvements Tax Fund	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 6,762,839	\$ 1,716,468	\$ 458,925	\$ 8,938,232
Due from Other Governments	143,695	-	-	143,695
Accrued Interest Receivable	-	267	-	267
Total assets	\$ 6,906,534	\$ 1,716,735	\$ 458,925	\$ 9,082,194
LIABILITIES AND FUND BALANCES				
Liabilities				
Warrants and vouchers payable	\$ 2,582	\$ -	\$ -	\$ 2,582
Total liabilities	2,582	-	-	2,582
Fund Balances				
Restricted for:				
State and county roads	6,903,952	-	-	6,903,952
CDC building	-	1,716,735	-	1,716,735
County road improvements	-	-	458,925	458,925
Total fund balances	6,903,952	1,716,735	458,925	9,079,612
Total liabilities and fund balances	\$ 6,906,534	\$ 1,716,735	\$ 458,925	\$ 9,082,194

SWEETWATER COUNTY, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – NONMAJOR
GOVERNMENTAL FUNDS
Year Ended June 30, 2021**

	SC Road Fund	CDC Tax Fund	County Road Improvements Tax Fund	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ -	\$ -	\$ 2,723	\$ 2,723
Intergovernmental revenue	997,033	-	-	997,033
Investment income	22,690	2,335	1,652	26,677
Total revenues	1,019,723	2,335	4,375	1,026,433
Expenditures				
Current:				
Health, recreation, and welfare	-	100,000	-	100,000
Capital outlay	63,382	-	-	63,382
Total expenditures	63,382	100,000	-	163,382
Excess (deficiency) of revenues over expenditures	956,341	(97,665)	4,375	863,051
Fund Balance, beginning	5,947,611	1,814,400	454,550	8,216,561
Fund Balance, ending	\$ 6,903,952	\$ 1,716,735	\$ 458,925	\$ 9,079,612

SWEETWATER COUNTY, WYOMING

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of the Interior Direct Programs:				
Payments in lieu of taxes:				
Administered by Sweetwater County	15.226		\$ -	\$ 3,521,117
National Wildlife Refuge Fund:				
Administered by Sweetwater County	15.659			
Total U.S. Department of the Interior Direct Programs			-	16,181
			-	3,537,298
U.S. Department of Health and Human Services:				
Temporary Assistance for Needy Families Cluster:				
Passed through State of Wyoming Department of Health:				
Temporary Assistance for Needy Families:				
Administered by Sweetwater County District Board of Health	93.558	N/A	-	211,137
Passed through State of Wyoming Department of Family Services:				
Temporary Assistance for Needy Families:				
Administered by Sweetwater County	93.558	205930	37,226	37,226
Administered by Sweetwater County	93.558	186161	53,953	53,953
Subtotal Temporary Assistance for Needy Families			91,179	302,316
Passed through State of Wyoming Department of Health:				
Public Health Emergency Preparedness:				
Administered by Sweetwater County District Board of Health	93.069	CDC-RFA-TP19-1901	-	113,568
Administered by Sweetwater County District Board of Health	93.069	CDC-RFA-TP19-1901-01	-	9,600
Subtotal Public Health Emergency Preparedness			-	123,168
Substance Abuse and Mental Health Services Projects of Regional and National Significance:				
Administered by Southwest Counseling Services	93.243	Prevention BYE 22	-	53,525
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC):				
Administered by Sweetwater County District Board of Health	93.323	NU50CK000540-01-04	-	159,391
Public Health Emergency Response: Cooperative Agreement for Emergency Response:				
Administered by Sweetwater County District Board of Health	93.354	CDC-RFA-TP18-1802	-	28,972
National and State Tobacco Control Program:				
Administered by Southwest Counseling Services	93.387	Prevention BYE 22	-	23,827

Continued

SWEETWATER COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services, <i>Continued</i> :				
Passed through State of Wyoming Department of Health, <i>Continued</i> :				
Community Services Block Grant:				
Administered by Sweetwater County	93.569	2001WYCOSR	\$ 126,497	\$ 127,471
Administered by Sweetwater County	93.569	19B1WYCOSR	59,366	61,166
Administered by Sweetwater County	93.569	CSBGCARES	161,784	161,784
Subtotal Community Services Block Grant			<u>347,647</u>	<u>350,421</u>
COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19:				
Administered by Southwest Counseling Services	93.665	1H79FG000213-01	-	720,773
Opioid STR:				
Administered by Southwest Counseling Services	93.788	N/A	-	153,516
Administered by Southwest Counseling Services	93.788	N/A	-	410,219
Subtotal Opioid STR			<u>-</u>	<u>563,735</u>
Block Grants for Community Mental Health Services:				
Administered by Southwest Counseling Services	93.958	MHBG	-	115,196
Block Grants for Prevention and Treatment of Substance Abuse:				
Administered by Southwest Counseling Services	93.959	SABG	-	924,698
Administered by Southwest Counseling Services	93.959	Prevention BYE 22	-	36,018
Subtotal Block Grants for Prevention and Treatment of Substance Abuse			<u>-</u>	<u>960,716</u>
Total U.S. Department of Health and Human Services			<u>438,826</u>	<u>3,402,040</u>
U.S. Department of Agriculture Programs:				
Forest Service Schools and Roads Cluster:				
Schools and Roads - Grants to Counties:				
Administered by Sweetwater County	10.666		-	37,563
Passed through the Wyoming State Forestry Division:				
Cooperative Forestry Assistance:				
Administered by Sweetwater County	10.664	2021-2022 SFA	-	5,000
Administered by Sweetwater County	10.664	2020 VFA	-	5,000
Administered by Sweetwater County	10.664	18-DG-1102	-	1,077
Subtotal Cooperative Forestry Assistance			<u>-</u>	<u>11,077</u>
Total U.S. Department of Agriculture Programs			<u>-</u>	<u>48,640</u>
U.S. Department of Justice:				
Domestic Cannabis Eradication/Suppression Program:				
Administered by Sweetwater County	16.U01	2020-126	-	21,290
Administered by Sweetwater County	16.U01	2021-116	-	2,950
Subtotal Domestic Cannabis Eradication/Suppression Program			<u>-</u>	<u>24,240</u>

Continued

SWEETWATER COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice, <i>Continued</i> :				
COVID-19 Coronavirus Emergency Supplemental Funding Program:				
Administered by Sweetwater County	16.034	2020-VD-BX-0609	\$ -	\$ 49,060
Bulletproof Vest Partnership Program:				
Administered by Sweetwater County	16.607	2019	-	8,355
Passed through Volunteers of America:				
Juvenile Justice and Delinquency Prevention:				
Administered by Sweetwater County	16.540	2018-JX-FX-K056	-	6,650
Passed through State of Wyoming Office of the Attorney General Division of Criminal Investigation:				
Missing Children's Assistance:				
Administered by Sweetwater County	16.543		-	1,651
Passed through State of Wyoming Division of Victim Services:				
Crime Victim Assistance:				
Administered by Sweetwater County	16.575	2019-V2-GX-002	-	18,434
Administered by Sweetwater County	16.575	2018-V2-GX-0016	-	3,104
Subtotal Crime Victim Assistance			-	21,538
Total U.S. Department of Justice			-	111,494
U.S. Department of Homeland Security:				
Passed through State of Wyoming Office of Homeland Security:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters):				
Administered by Sweetwater County	97.036	4535-DR-WY-PISW Y500	-	48,503
Homeland Security Grant Program:				
Administered by Sweetwater County	97.067	20-SHSP-SWE-LS-HIT20	-	30,626
Emergency Management Performance Grants:				
Administered by Sweetwater County	97.042	20-EMPG-SWE-GCF20	-	60,000
Total U.S. Department of Homeland Security			-	139,129
U.S. Department of Transportation:				
Passed through State of Wyoming Department of Transportation:				
Highway Planning and Construction:				
Administered by Sweetwater County	20.205	CM20303	-	279,831
Passed through Wyoming Association of Sheriffs and Chiefs of Police:				
Alcohol Open Container Requirements:				
Administered by Sweetwater County	20.607	FFY 2020	-	1,739
Total U.S. Department of Transportation			-	281,570

Continued

SWEETWATER COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
Office of National Drug Control Policy (ONDCP):				
Passed through State of Wyoming Division of Criminal Investigation:				
High Intensity Drug Trafficking Areas Program:				
Administered by Sweetwater County	95.001		\$ -	\$ 82,729
Total Office of National Drug Control Policy (ONDCP)			-	82,729
The Institute of Museum and Library Services:				
Passed through Wyoming State Library:				
Grants to States:				
Administered by Sweetwater County Museum Board	45.310		-	231
Total The Institute of Museum and Library Services			-	231
U.S. Department of Treasury:				
Passed through State of Wyoming Governor's Office:				
COVID-19 Coronavirus Relief Fund:				
Administered by Sweetwater County	21.019	SLT0035	-	741,067
Passed through State of Wyoming Office of State Lands & Investments:				
COVID-19 Coronavirus Relief Fund:				
Administered by Sweetwater County	21.019	SLT0035 (CRF-004)	-	176,914
Administered by Sweetwater County	21.019	SLT0035 (CRF-380)	-	617
Administered by Sweetwater County	21.019	SLT0035 (CRF-196)	-	2,990
Administered by Sweetwater County	21.019	SLT0035 (CRF-204)	-	2,925
Administered by Sweetwater County	21.019	SLT0035 (CRF-238)	-	19,618
Administered by Sweetwater County	21.019	SLT0035 (CRF-241)	-	20,724
Administered by Sweetwater County	21.019	SLT0035 (CRF-283)	55,235	55,235
Administered by Sweetwater County	21.019	SLT0035 (CRF-379)	-	184,063
Administered by Sweetwater Events Complex	21.019	SLT0035 (CRF-284)	-	68,227
Administered by Sweetwater Events Complex	21.019	SLT0035 (CRF-381)	-	17,776
Administered by Southwest Counseling Services	21.019	SLT0035 (CRF-224)	-	155,102
Administered by Southwest Counseling Services	21.019	SLT0035 (CRF-123)	-	88,931
Administered by Southwest Counseling Services	21.019	SLT0035 (CRF-379)	-	280,778
Passed through State of Wyoming Department of Health:				
Administered by Southwest Counseling Services	21.019		-	197,811
Administered by Sweetwater County District Board of Health	21.019		-	142,418
Administered by Sweetwater County District Board of Health	21.019		-	330,835
Subtotal Coronavirus Relief Fund			55,235	2,486,031
Total U.S. Department of Treasury			55,235	2,486,031
Total expenditures of Federal awards			\$ 494,061	\$ 10,089,162

See Notes to Schedule of Expenditures of Federal Awards.

SWEETWATER COUNTY, WYOMING

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

Expenditures reported on the accompanying Sweetwater County, Wyoming (the County) Schedule of Expenditures of Federal Awards (the Schedule) are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 2. Indirect Cost Rate

The County did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Basis of Presentation

The Schedule includes the Federal award activity of the County under programs of the Federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the County.

Note 4. Timing of Expenditures

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted to, among other provisions, provide emergency assistance for state and local governments affected by the coronavirus pandemic. Subsequent to June 30, 2020, the Wyoming State Loan and Investment Board authorized CARES Act funds for the County based on applications submitted to the State of Wyoming. However, due to the time of authorization of the funds, expenditures incurred prior to June 30, 2020 were not included on the Schedule for the year ended June 30, 2020. As a result, the Schedule for the year ended June 30, 2021 includes expenditures for the CARES Act incurred between March 27, 2020 and June 30, 2020.

COMPLIANCE AND INTERNAL CONTROL



**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***

To the Board of County Commissioners
Sweetwater County, Wyoming
Green River, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sweetwater County, Wyoming (the County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 21, 2021. Our report includes a reference to other auditors who audited the combined financial statements of Memorial Hospital of Sweetwater County (the Hospital), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Cheyenne, Wyoming
December 21, 2021



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

To the Board of County Commissioners
Sweetwater County, Wyoming
Green River, Wyoming

Report on Compliance for Each Major Federal Program

We have audited Sweetwater County, Wyoming's (the County) compliance with the types of compliance requirements described in the *Office of Management and Budget 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, 2021. The County's major Federal programs are identified in the summary of independent auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

The County's basic financial statements include the operations of Memorial Hospital of Sweetwater County, a discretely presented component unit. Our audit, described below, did not include the operations of Memorial Hospital of Sweetwater County because those combined financial statements were audited by other auditors.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

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 the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the 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, 2021.

Report on Internal Control over Compliance

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

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

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

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

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
December 21, 2021

SWEETWATER COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major Federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

Type of auditor's report issued on compliance for major Federal programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? Yes No

Identification of major Federal programs:

AL Number	Name of Federal Program or Cluster
15.226	Payments in Lieu of Taxes
93.665	COVID-19 Emergency Grants to Address Mental and Substance Use Disorders During COVID-19
93.959	Block Grants for Prevention and Treatment of Substance Abuse
21.019	COVID-19 Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

II. FINANCIAL STATEMENT FINDINGS

None.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

SWEETWATER COUNTY, WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2021

I. FINANCIAL STATEMENT FINDINGS

2020-001: Collateralization of Deposits

Criteria: The County is required by Wyoming State Statutes to maintain collateral on its depository balances that exceed Federal depository insurance limits.

Condition/context: As of June 30, 2020, the County was under-collateralized by \$387,146 within one bank.

Status: Upon the audit findings, the Sweetwater County Treasurer’s Office immediately put the amount of pledged collateral on the daily balance sheet right next to each one of the banks. We will add additional collateral to that amount on the day we receive it or decrease the amount on the balance sheet if a pledged collateral is called or expires. Therefore, it is much easier to see the amounts we have in the banks and the collateral that is in place.

Auditor’s comments: Based on current-year testing, we determined that the County implemented the above procedures. This finding is considered resolved.

2020-002: Internal Controls and Audit Adjustment to Intergovernmental Revenue

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the state’s financial statements prepared in accordance with accounting principles generally accepted in the United States of America.

Condition/context: An adjusting journal entry was proposed and recorded within Southwest Counseling Services, a discretely presented component unit, to increase intergovernmental revenue and grants receivable by \$678,119.

Status: The CFO monitored the dates in which the state payments were processed and the date of the deposit into the bank account. This is to ensure payments are reported in the correct fiscal year and prevent the need for a grants receivable. This corrective action will remain in effect to ensure accuracy of the timeliness of revenues.

Auditor’s comments: Based on current-year testing, we determined that the County and Southwest Counseling Services implemented the above procedures. This finding is considered resolved.

2020-003: Schedule of Expenditures of Federal Awards (SEFA)

<i>Assistance Listing (AL) Numbers and Titles:</i> <ol style="list-style-type: none">1. AL #93.958 Block Grants for Community Mental Health Services2. AL #93.959 Block Grants for Prevention and Treatment of Substance Abuse
<i>Federal Agency Names:</i> <ol style="list-style-type: none">1. U.S. Department of Health and Human Services2. U.S. Department of Health and Human Services

SWEETWATER COUNTY, WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2021

I. FINANCIAL STATEMENT FINDINGS, *Continued*

<i>Pass-Through Entity Names (if applicable):</i> 1. State of Wyoming Department of Health 2. State of Wyoming Department of Health
<i>Award Numbers/Names:</i> 1. MHBG 2. SABG
<i>Award Years:</i> 1. October 1, 2018 - September 30, 2020 2. October 1, 2018 - June 30, 2020
<i>Counties/Component Units:</i> 1. Southwest Counseling Services 2. Southwest Counseling Services

Criteria: Per 2 CFR 200.510, the auditee must prepare a SEFA for the period covered by the auditee's financial statements, which must include toward Federal awards expended, as determined in accordance with §200.502, basis for determining Federal awards expended.

Condition/context: The County and Southwest Counseling Services did not provide a SEFA that properly identified all Federal funds expended. During testing performed on the initial SEFA provided for audit, we noted the following:

1. \$39,547 of expenditures were improperly excluded from expenditures reported under AL #93.958, Block Grants for Community Mental Health Services.
2. \$216,807 of expenditures were improperly excluded from expenditures reported under AL #93.959, Block Grants for Prevention and Treatment of Substance Abuse.

Status: Corrective action was implemented on December 11, 2020 to ensure expenditures are reported in the correct fiscal year. This internal control is a process that remains valid and is utilized at least monthly to ensure proper reporting.

Auditor's comments: Based on current-year testing, we determined that the County and Southwest Counseling Services implemented the above procedures. This finding is considered resolved.