



Town of Jackson, Wyoming
Annual Comprehensive Financial Report
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

**TOWN OF JACKSON
WYOMING**



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023**

**Tyler Sinclair
Town Manager**

**Roxanne DeVries Robinson
Assistant Town Manager**

**Prepared by:
Department of Finance**

**Kelly Thompson
Finance Director**

**Melanie Adams
Finance Manager**

Annual Comprehensive Financial Report

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INTRODUCTORY SECTION





Administration and Finance

December 27, 2023

To the Honorable Mayor, Members of the Town Council, and the Citizens of the Town of Jackson:

The Wyoming statutes require all cities, towns, and counties to issue an annual report on its financial position and activity prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Wyoming Office of State Audit. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Town of Jackson for the fiscal year ended June 30, 2023.

The Town of Jackson's financial statements have been audited by Jones Simkins LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Jackson for the fiscal year ended June 30, 2023, are free of misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Jackson's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments this

letter of transmittal and should be read in conjunction with it. The MD&A can be found on 11s 13-21.

PROFILE OF THE GOVERNMENT

The Town of Jackson, incorporated in 1914, is located in Teton County near the Wyoming and Idaho border south of the Grand Teton and Yellowstone National Parks. The town currently has a land area of nearly 4 square miles and an estimated population of 10,760. The Town of Jackson is empowered to levy 8 mills of property tax on both real and personal properties located within its boundaries. The Town implemented a property tax of 0.5 mills during 2022. This is the first property tax assessment by the Town since 1977. It is also empowered by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the Town Council.

The Town of Jackson is governed by city code under Wyoming Statutes with a council-mayor form of government. Policy-making and legislative authority are vested in a Town Council consisting of the mayor and four council members. The Town Council is responsible, among other things, for passing ordinances, resolutions, adopting the budget, appointing commissions, authorities, and committees, and hiring the town manager, town attorney and municipal judge. The town manager is responsible for carrying out the policies and ordinances of the Town Council, for overseeing the day-to-day operations of the town government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. All four council members and the mayor are elected at large. Council members serve staggered four-year terms, with elections occurring every even year. Effective 2017, the mayor serves a four-year term.

The Town of Jackson provides a full range of services, including police and fire protection; construction and maintenance of streets and infrastructure; recreational facilities and pathways, water, sewage, and transit services. Additionally, the town owns rental properties for employees.



FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town of Jackson operates.

Local economy. The Town of Jackson is located at the southern entrance to Grand Teton and Yellowstone National Parks in the northwest corner of Wyoming. Dramatic mountain peaks, including the Tetons, the Gros Ventres, and Snow King form a breathtaking backdrop to our valley (called Jackson Hole). The Town of Jackson is home to a little over 10,700 people and another 12,900 live in the unincorporated county (Teton).

Jackson's economy is centered on tourism and lifestyle. Approximately four million guests visit each year and more than 700,000 skier days are tallied at the Jackson Hole Mountain Resort. The abundance of outdoor recreation opportunities, the unsurpassed scenic beauty, the prevalence of many species of wildlife, the lack of individual state income tax, and the high quality of life give Jackson unsurpassed appeal as a place to live, visit and recreate.

At fiscal year-end, the Town of Jackson's employment picture, at a 1.7% unemployment rate (Teton County), is healthier than the 3.8% national average. The state of Wyoming has an unemployment rate of 3.1%.

FINANCIAL INFORMATION

Management of the town is responsible for establishing and maintaining internal control designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

This report consists of management's representations concerning the finance of the town. As a result, management assumes full responsibility for the completeness and reliability of all the information and content presented in this ACFR. Additionally, management asserts that, to the best of their knowledge and belief, this financial report is complete and reliable in all material respects.

Budgetary Controls. The annual budget serves as the foundation for the Town of Jackson's financial planning and control. All departments, authorities, and commissions of the town submit requests for appropriation to the town manager in February of each year. The town manager uses these requests as the starting point for developing a proposed budget. The town manager then presents this recommended budget to the council for review prior to May 15. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30, the close of the town's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), department (e.g., police), and division (e.g., patrol). Department heads may make transfers of appropriation within a departmental division. Transfers of appropriations between funds and departments, however, require the approval of the Town Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented starting on page 28 of the basic financial statements. For non-major special revenue funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 65.

Long-term Financial Planning. The Town's strategic vision is laid out in a Council bi-annual Work Plan, supported by a five-year financial model and Capital Improvement Program. The Plan identifies the Town's strategic intent and identifies areas for emphasis and funding. The Town's near-term and long-term fiscal planning are focused on accomplishing Work Plan objectives. A five-year financial model and Capital Improvement Program are maintained to assess the attainability and sustainability of these objectives.

The Town Council supports and understands that the main area of focus for the Town of Jackson is the provision of core services, maintaining the current level of service already supported and approved through the annual budget, and most importantly those services that directly contribute to and maintain the health, safety, and welfare of the citizens and guests to our community. A brief summary includes:

Safety and security provided through law enforcement, fire protection, building safety and inspection, animal control, contractor licensing, and municipal court and prosecution services.

Infrastructure, facility and public asset management provided through street, sidewalk and right of way maintenance and snow removal services, engineering, preventive and proactive facility management, and parking enforcement.

Health and well-being provided through water treatment and distribution, sewer collection and treatment, emergency medical services, and victim services.

Development and economic oversight provided through code compliance, planning and development review, permit processing, and business, liquor, taxi, special event, and rental licensing.

Accessibility and livability provided through public transit, community and affordable housing, parks and recreation, and pathway creation and maintenance.

Internal services for the Town of Jackson organization that support the efficiency and effectiveness of our local government provided through information technology support, records management and access, fleet maintenance, public information, legal services, personnel services, financial accounting, and overall coordination, administration, leadership and management of government services and day to day operations.

Major Budget Initiatives.

To continue to be a resilient community, we will need to preserve and maintain General Fund Reserves to have the resources to adapt to uncertain times ahead. Looking ahead, recurring expenses are expected to exceed recurring revenues. We must continue evaluating our revenue streams and expenditures, to determine how to ensure a balanced budget into the future.

Due in part to COVID-19 pandemic we reinforced the importance of our fiduciary responsibility to maintain and continue building a strong, resilient community in the short, mid, and long-term. Due to years of prudent budgeting and planning, the Town was able to respond to reduced revenues projected and maintain a well-resourced and responsive Town government to close fiscal year 2023.

The Town will need to prioritize our core services, capital projects and consider reducing funding to the areas of lower priority and/or work to consider a new funding source(s) to maintain current Town program services and capital improvement projects. As our community changes, various core services continue to see increased need year-over-year. The Town simply does not have the capacity to absorb such continuous growth without increasing revenue or reducing existing program services and capital projects.

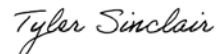
Single Audit. As a recipient of federal awards, the town is also responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. The internal controls are subject to periodic evaluations by town management and external auditors.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Jackson, Wyoming for its comprehensive financial report for the fiscal year ending June 30, 2022. This is the 37th year the town has received this prestigious award. In order to be awarded the Certificate of Achievement, the government must publish an easily readable and efficiently organized annual comprehensive financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the professional, efficient services of the Finance Department staff. We would like to express our appreciation to all members of the staff, with special recognition for the assistance contributed by Finance Manager Melanie Adams and Senior Deputy Treasurer Pauline Scholes. Due credit also should be given to the mayor and the council for their support in planning and conducting the operations of the town in a responsible and progressive manner.



Tyler Sinclair
Interim Town Manager



Kelly Thompson
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Jackson
Wyoming**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrell

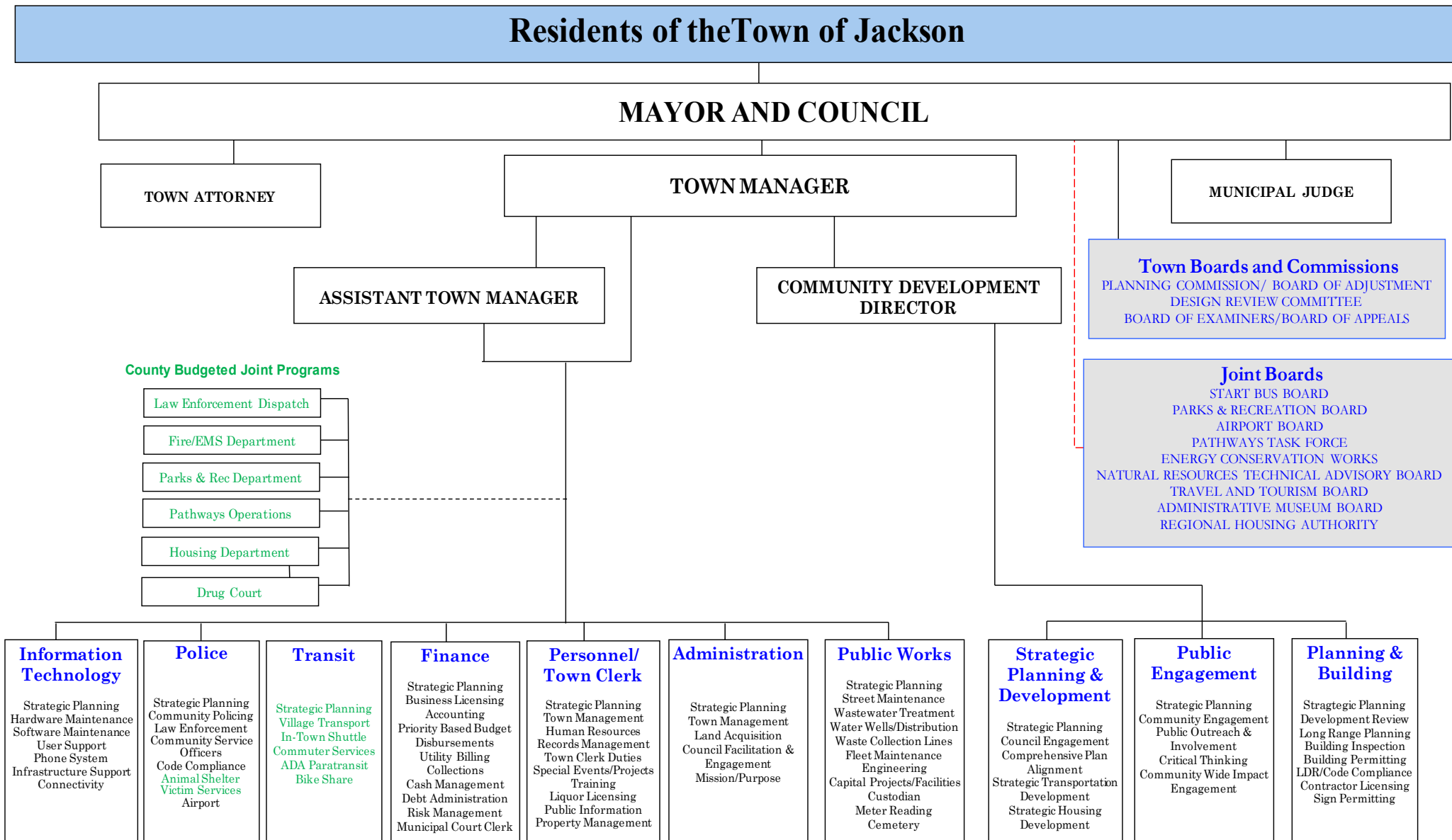
Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to the Town of Jackson, Wyoming for its annual comprehensive financial report for the fiscal year ended June 30, 2022.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

TOWN OF JACKSON ORGANIZATION



MAYOR & TOWN COUNCIL

| <u>Position</u> | <u>Name</u> | <u>Term Expires</u> |
|--------------------------|------------------------|---------------------|
| Mayor..... | Hailey Morton Levinson | 12/31/2024 |
| Council, Vice Mayor..... | Arne Jorgensen | 12/31/2022 |
| Council..... | Jonathan Schechter | 12/31/2022 |
| Council..... | Jessica Chambers | 12/31/2024 |
| Council..... | Jim Rooks | 12/31/2024 |

TOWN STAFF

| | |
|------------------------------|-------------------|
| Interim Town Manager..... | Tyler Sinclair |
| Town Attorney | Lea Colasuonno |
| Municipal Judge..... | Chris Leigh |
| Assistant Town Manager | Roxanne Robinson |
| Finance Director | Kelly Thompson |
| Police Chief | Michelle Weber |
| Planning Director | Paul Anthony |
| Public Works Director | Floren Poliseo |
| Transit Director | Bruce Able |
| IT Director | Michael Palazzolo |

JOINT TOWN/COUNTY STAFF

| | |
|--------------------------------------------------------|----------------|
| Fire/EMS Chief | Stephen Jellie |
| Parks & Recreation Director | Steve Ashworth |
| Jackson/Teton County Affordable Housing Director | April Norton |



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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Council
Town of Jackson, Wyoming

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming (the Town), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and START Bus System Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, the schedule of proportionate share of the net pension liability, and the schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Town’s basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The supplementary 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, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Change in Accounting Principle

As described in the notes to the financial statements, the Town adopted new accounting guidance, GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2023 on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.



JONES SIMKINS LLC
Logan, Utah
December 27, 2023

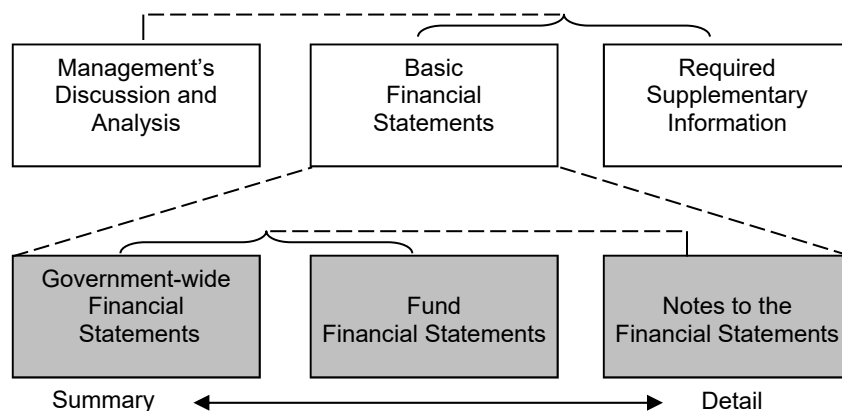
Management's Discussion and Analysis

As management of the Town of Jackson (Town), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-4 of this report.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's 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 other supplementary information in addition to the basic financial statements themselves.

COMPONENTS OF THE ANNUAL FINANCIAL REPORT



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

The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over

time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net positions are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Town of Jackson that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, health and welfare, community development, transit, and recreation and culture. The business-type activities of the Town include water and sewage utilities.

The government-wide financial statements can be found on pages 22-23 of this report.

Fund financial statements. The fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific or attaining certain objectives in accordance with special regulations, restriction or limitations. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds, and proprietary funds. The Town does not maintain any 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, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near term

financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains four major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, one special revenue fund, and two capital project funds, all of which are considered major funds. Data from eleven other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for its general and special revenue funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24-30 of this report.

Proprietary funds. The Town of Jackson maintains 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. The Town uses enterprise funds to account for its water and sewage operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the Town's various functions. The Town uses internal service funds to account for its fleet management, employee insurance (self insurance), information technology (IT), and central equipment operations. Because all of these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewage utilities. Both are considered major funds of the Town. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 31-35 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Town of Jackson's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Town of Jackson currently maintains no fiduciary funds.

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 on pages 36-56 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Town's funding obligation related to participation in a defined benefit plan. Required supplementary information can be found on pages 57-60 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds can be found immediately following the required supplementary information.

Combining and individual fund statements can be found on pages 61-75.

FINANCIAL HIGHLIGHTS

- The Town's net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) increased by 8.8% as a result of this year's operations. The net position of the Town's governmental activities increased \$19,915,715 (10.8%) and net position of the Town's business-type activities increased \$454,813 (1.0%).
- Overall, capital assets (net of accumulated depreciation and amortization) increased \$25,374,043. Capital assets of governmental activities increased \$25,283,216 (20%) and capital assets of business-type activities increased \$90,827 (0.3%). Significant governmental capital assets acquisitions included: \$15,065,925 for Core Services Maintenance Facility construction, \$5,271,683 for 12 transit buses, \$2,282,561 in street and sidewalk improvements, and \$609,581 in fleet equipment and vehicles. Significant business-type capital assets acquisitions included: \$654,089 in water line infrastructure, \$156,669 for well #9 development, and \$416,131 in sewer line installation. The capital increases in the business activities are offset by \$1,712,635 in current year depreciation and amortization.

- The Town's long-term liabilities increased \$6,887,382 (63%). The increase was a result of a \$6,168,664 increase in net pension liability, \$520,005 increase in lease liabilities and \$278,519 increase in subscription liability to implement GASB 96. See note I-J "Implementation of new accounting principles" on page 43 for detailed disclosure.
- At the close of the current fiscal year, the Town's governmental funds reported total ending fund balances of \$61,048,419, a decrease of \$3,583,517 (6%). The decrease is mainly due to a \$6,556,465 decrease in the 2019 SPET Fund for construction of the Core Services Maintenance Facility.
- The General Fund's total fund balance decreased \$6,153,012 (25%) to \$18,726,713. The ending fund balance is 48% of General Fund expenditures. \$4,035,491 of the fund balance is assigned to the FY2024 budget to fund several one-time projects.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

NET POSITION

| | Governmental Activities | | Business-type Activities | | Total Government | |
|----------------------------------|----------------------------|----------------|-----------------------------|---------------|---------------------|----------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Current and other assets | \$ 76,877,407 | \$ 78,274,826 | \$ 15,267,241 | \$ 14,274,490 | \$ 92,144,648 | \$ 92,549,316 |
| Capital assets | 149,811,574 | 124,528,358 | 34,501,043 | 34,410,216 | 184,312,617 | 158,938,574 |
| Total assets | 226,688,981 | 202,803,184 | 49,768,284 | 48,684,706 | 276,457,265 | 251,487,890 |
| Deferred outflow of resources | 5,596,771 | 5,151,419 | 367,478 | 227,738 | 5,964,249 | 5,379,157 |
| Other liabilities | 8,531,540 | 6,424,782 | 879,938 | 268,632 | 9,411,478 | 6,693,414 |
| Long-term liabilities | 15,642,971 | 9,349,677 | 2,239,996 | 1,645,908 | 17,882,967 | 10,995,585 |
| Total Liabilities | 24,174,511 | 15,774,459 | 3,119,934 | 1,914,540 | 27,294,445 | 17,688,999 |
| Deferred inflow of resources | 4,051,994 | 8,036,612 | 8,332 | 445,221 | 4,060,326 | 8,481,833 |
| Net position: | | | | | | |
| Net investment in capital assets | 147,278,595 | 123,866,253 | 33,465,147 | 33,500,073 | 180,743,742 | 157,366,326 |
| Restricted | 18,054,440 | 26,238,326 | - | - | 18,054,440 | 26,238,326 |
| Unrestricted | 38,726,212 | 34,038,953 | 13,542,349 | 13,052,610 | 52,268,561 | 47,091,563 |
| Total net position | \$ 204,059,247 | \$ 184,143,532 | \$ 47,007,496 | \$ 46,552,683 | \$ 251,066,743 | \$ 230,696,215 |

By far the largest portion of the Town's net position (74%) reflects investments in capital assets (e.g. land, buildings, structures, systems, machinery, equipment, infrastructure, and intangible assets), net of any related debt used to acquire those assets that is still outstanding. The Town uses assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt

must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

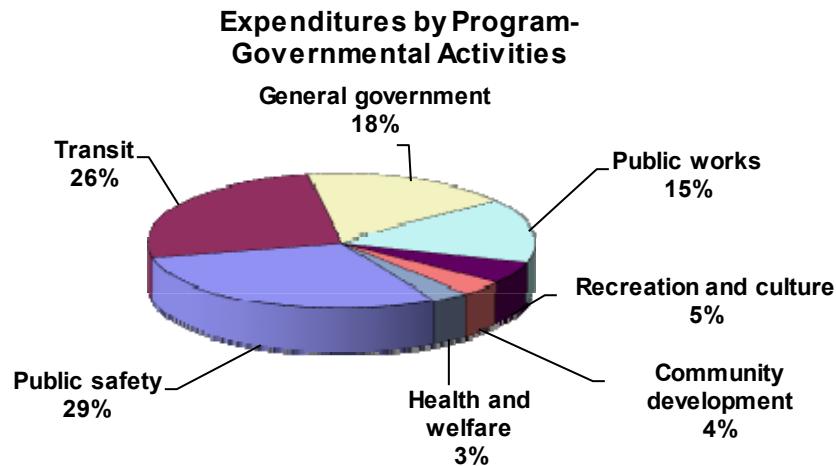
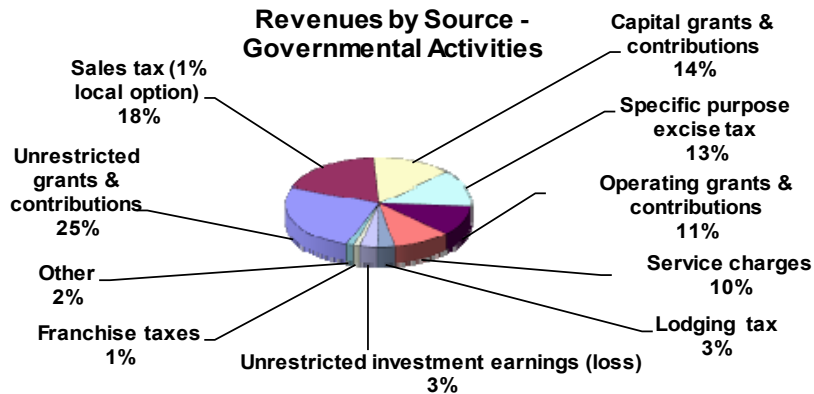
A small portion of the Town's net position (7%) represents resources that are subject to external restrictions on how they can be used. The \$8,183,886 decrease in governmental activities restricted net position is primarily due to 2019 Special Purpose Excise Tax (SPET) project expenditures for Core Services Maintenance Facility.

The remaining unrestricted net position of \$52,268,561 may be used to meet one-time obligations to citizens and creditors. Of the unrestricted net positions, \$13,542,349 (26%) is attributable to business-type activities. The unrestricted governmental activities net position increased \$4,687,259 (14%), while business-type activities unrestricted net position increased \$489,739

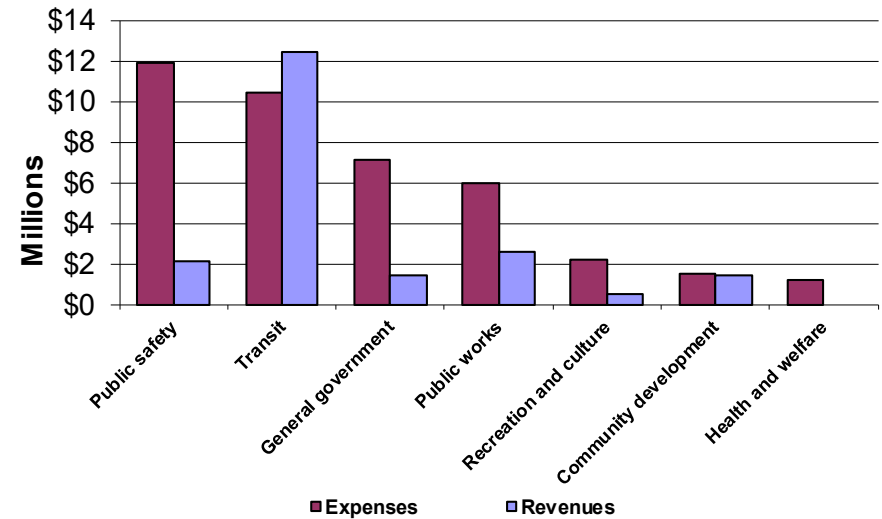
(3.8%). The government-wide total unrestricted net position increase of \$5,176,998 (9.9%) is primarily due to specific purpose excise tax increases and interest earnings. Business-type capital assets increased by \$90,827 (0.3%) due to FY2023 additions previously discussed.

CHANGE IN NET POSITION

| | Governmental Activities | | Business-type Activities | | Total Government | |
|-------------------------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| REVENUES | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | \$ 5,993,164 | \$ 5,412,370 | \$ 5,456,307 | \$ 4,992,527 | \$ 11,449,471 | \$ 10,404,897 |
| Operating grants and contributions | 6,316,912 | 3,700,869 | 16,313 | 119,048 | 6,333,225 | 3,819,917 |
| Capital grants and contributions | 8,222,615 | 1,180,351 | 1,174,196 | 897,205 | 9,396,811 | 2,077,556 |
| General revenues: | | | | | | |
| Sales tax (1% local option) | 10,505,372 | 10,179,620 | - | - | 10,505,372 | 10,179,620 |
| Specific purpose excise taxes | 7,617,460 | 6,185,931 | - | - | 7,617,460 | 6,185,931 |
| Lodging tax | 1,820,925 | 1,708,272 | - | - | 1,820,925 | 1,708,272 |
| Franchise taxes | 652,950 | 637,102 | - | - | 652,950 | 637,102 |
| Property taxes | 407,834 | 280,131 | - | - | 407,834 | 280,131 |
| Unrestricted grants and contributions | 14,760,164 | 14,260,640 | - | - | 14,760,164 | 14,260,640 |
| Unrestricted investment earnings (loss) | 1,792,501 | (353,778) | 334,133 | (91,843) | 2,126,634 | (445,621) |
| Other | 793,060 | 547,514 | - | - | 793,060 | 547,514 |
| Total revenues | <u>58,882,957</u> | <u>43,739,022</u> | <u>6,980,949</u> | <u>5,916,937</u> | <u>65,863,906</u> | <u>49,655,959</u> |
| EXPENSES | | | | | | |
| Program activities: | | | | | | |
| Governmental activities: | | | | | | |
| General government | 7,109,167 | 6,684,116 | - | - | 7,109,167 | 6,684,116 |
| Public safety | 11,910,706 | 9,535,325 | - | - | 11,910,706 | 9,535,325 |
| Public works | 6,009,580 | 5,191,777 | - | - | 6,009,580 | 5,191,777 |
| Transit | 10,412,575 | 7,828,576 | - | - | 10,412,575 | 7,828,576 |
| Health and welfare | 1,231,374 | 1,025,496 | - | - | 1,231,374 | 1,025,496 |
| Community development | 1,490,139 | 835,500 | - | - | 1,490,139 | 835,500 |
| Recreation and culture | 2,191,905 | 2,691,991 | - | - | 2,191,905 | 2,691,991 |
| Interest on long-term debt | 54,993 | 30,268 | - | - | 54,993 | 30,268 |
| Business-type activities | | | | | | |
| Water | - | - | 2,151,531 | 1,971,891 | 2,151,531 | 1,971,891 |
| Sewage | - | - | 2,931,407 | 2,403,170 | 2,931,407 | 2,403,170 |
| Total expenses | <u>40,410,440</u> | <u>33,823,049</u> | <u>5,082,938</u> | <u>4,375,061</u> | <u>45,493,378</u> | <u>38,198,110</u> |
| Excess (deficiency) before transfers | 18,472,517 | 9,915,973 | 1,898,011 | 1,541,876 | 20,370,528 | 11,457,849 |
| Transfers in (out) | <u>1,443,198</u> | <u>1,144,664</u> | <u>(1,443,198)</u> | <u>(1,144,664)</u> | <u>-</u> | <u>-</u> |
| Increase (decrease) in net position | 19,915,715 | 11,060,637 | 454,813 | 397,212 | 20,370,528 | 11,457,849 |
| Net position at the beginning of the year | 184,143,532 | 166,698,351 | 46,552,683 | 46,155,471 | 230,696,215 | 212,853,822 |
| Prior period adjustment | - | 6,384,544 | - | - | - | 6,384,544 |
| Net position at the end of the year | <u>\$ 204,059,247</u> | <u>\$ 184,143,532</u> | <u>\$ 47,007,496</u> | <u>\$ 46,552,683</u> | <u>\$ 251,066,743</u> | <u>\$ 230,696,215</u> |



EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL ACTIVITIES



Governmental Activities. The most significant revenue (25%) of the governmental activities are \$14.8M in unrestricted grants and state shared revenue. The majority of the revenue in the state-shared category consists of the 4% state-shared sales and use tax (\$12.9M) followed by federal mineral royalties (\$0.5M), gasoline tax (\$0.5M), severance tax (\$0.4M) and in various Teton County reimbursements (\$0.4M). The 1% local option (5th cent) sales tax makes up the second highest source of revenue (\$10.5M or 18%) in the governmental funds. The revenue generated from the 5th cent sales tax is split evenly between the general fund and capital projects fund. Capital grants and contributions make up the third highest source of revenue (\$8.2M or 14%) in the governmental funds.

Public Safety (police, fire/EMS, building inspector, victim services, animal shelter and dispatch) expenses (29%) was the most significant followed by Transit (26%), General Government (18%), Public Works (15%), Recreation and Culture (5%), Community Development (4%), and Health and Welfare (3%). Included in these amounts is \$5,781,952 of depreciation and amortization expense, which is 14% of the total expenses for governmental activities.

Governmental revenues increased \$15,143,935 (35%), in the current year, with the most significant portion of the increase attributable to higher capital grants and contributions (\$7,042,264) and operating grants and contributions (\$2,616,043). Capital grants were significantly higher due to federal grants for

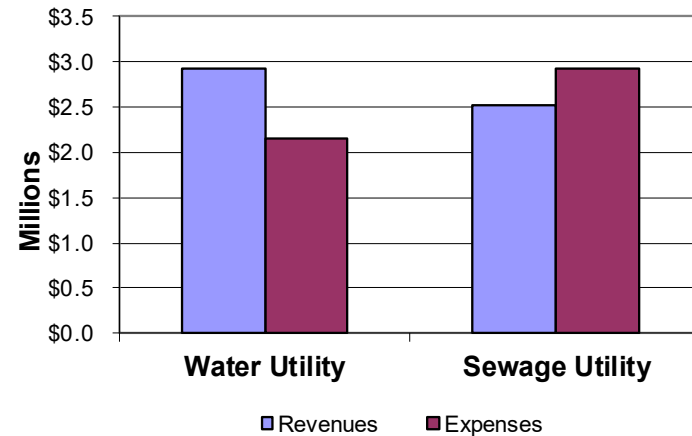
twelve transit bus purchases. Operating grants were higher due to Teton County and federal matches for START Bus System service increases.

Governmental activities expenses increased \$6,587,391 (20%) in the current year. The most significant changes in program expenses were as follows:

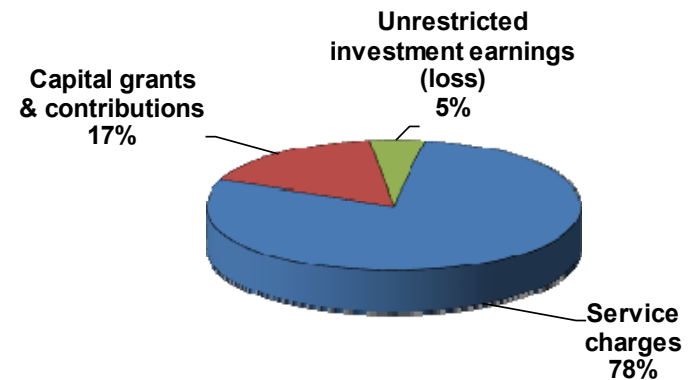
- General government expenses increased \$425,051 (6%). The majority of the increase is due to total compensation increases.
- Public safety expenses increased \$2,375,381 (25%). The increase is related to pension expense, total compensation increases, and contributions to Dispatch (Teton County).
- Public works expenses increased \$817,803 (16%). The increase is related to increases in total compensation and street maintenance.
- Health & Welfare expenses increased \$205,878 (20%) to meet request increases from local non-profits.
- Transit operating expenses increased \$2,583,999 (33%). The increase is related to total compensation increases, increased service levels and BUILD grant administration.
- Recreation and culture expenses decreased \$500,086 (19%), primarily due to a decrease in operating match for Parks and Recreation (Teton County) department.
- Interest expense increased \$24,725 (82%) due to GASB 87 lease and GASB 96 subscription arrangement accounting.

There were no other programs with significant or unusual changes.

REVENUES AND EXPENSES - BUSINESS-TYPE ACTIVITIES



REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



Business-type activities. Business-type activities increased the Town's net position by \$454,813 (1%). In the prior year, the business-type activities increased the Town's net position by 397,212 (0.9%).

Key elements of the change are as follows:

Water Fund operating revenues increased \$312,480 (12%), which is reflective rate increases effective July 1, 2022. Sewage Fund operating revenues increased \$151,300 (6%), rate increases effective July 1, 2022.

Capital grants and contributions totaled \$1,174,196, 31% higher than the prior year total of \$897,205. Capital grants and contributions include capacity and tap fees charged to new customers and intergovernmental grants for capital improvements. Capacity and tap fees increased due to a few large developments in the current year coupled with fee increases. Depreciation and amortization expenses in the water and sewage utilities for fiscal year 2023 were \$699,865 and \$1,012,750, respectively.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

Governmental funds. The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, spendable fund balances may serve as a useful measure of a government's net resources available for expenditure at the end of the fiscal year.

At June 30, 2023, the Town's governmental funds reported total ending fund balances of \$61,048,419, a decrease of \$3,583,517 (6%) when compared with the prior year. Nearly 30% or \$18,054,440 of the total ending fund balances constituted restricted fund balances, which are considered unavailable for appropriation for general operations. The prior year restricted fund balances totaled \$26,238,326. The decrease is mostly attributable to 2019 SPET project expenditures for the Core Services Maintenance Facility exceeding tax revenues.

At the end of the fiscal year, the General Fund reported a fund balance of \$18,726,713 decreasing \$6,153,012 (25%) from the prior year. General fund operating revenues were \$1,673,209 (6%) more than the prior fiscal year and operating expenditures increased by \$2,348,567 (12%). Transfers in increased by \$557,215 (42%), primarily due to indirect cost allocations for staff. Transfers out increased by \$8,967,912 (115%). This is due to one-time transfers to the Capital Projects Fund to fund multiple, large capital projects.

General Fund expenditures increased \$2,348,567 (12%). Salaries and salary related expenditures (Wyoming Retirement, Workers' Compensation, health insurance, etc.) increased \$1,303,468 (13%) for all functions. Increase is primarily due to wage increases and 3.5 additional full-time equivalents.

The START Bus System Fund net change in fund balance was negative by \$214,997 (11%). Operating expenditures were \$14,812,016. Much of the fund balance decrease is due to labor increases and contracted services to meet approximately 7,000 additional service hours. There were \$6,289,989 in capital outlays during the fiscal year related to purchasing twelve transit buses. Intergovernmental revenues increased to \$10,477,320 from the prior year total of \$3,735,481. This is due to US Department of Transportation grant matches of approximately 80% for eleven bus purchases. Transit fares increased \$36,169 from the prior year reflecting increased ridership. The Town contributed \$1,797,732 and Teton County contributed \$1,928,990 for a total of \$3,726,722 to the fund in fiscal year 2023.

The 5th Cent Capital Project Fund saw its fund balance increase \$12,127,222 (271%) to \$16,599,149. The General Fund transferred \$16,106,207 in 5th Cent sales tax to the fund in FY2023, an increase of \$9,855,965 from FY2022. This is due to one-time transfers to the Capital Projects Fund to fund multiple, large capital projects.

The 2019 SPET Fund saw its fund balance decrease \$6,556,465 to \$11,548,282. This is due to construction beginning on the Core Services Maintenance Facility and project expenditures exceeding tax collections. This fund will collect taxes specific to voter approved projects and begin to decrease when those projects begin in future years.

Proprietary funds. The proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in greater detail.

The water utility's net position increased \$536,869 (3%) from the prior fiscal year. In 2023, operating revenues increased \$312,480 (12%). Capital contributions increased to \$299,683 from \$224,754 in the previous year (33%). Operating expenses increased \$158,281 (8%) to \$2,110,181. The 2023 operating income of \$821,586 includes \$699,885 in depreciation and amortization.

The sewage utility's net position decreased \$92,663 (.3%) in the fiscal year ending June 30, 2023. Sewage utility operating revenues increased \$151,300 (6%) to \$2,524,540 and the utility's operating expenses increased \$514,075 (21%) to \$2,946,328. Capital contributions increased \$202,062 (30%) from \$672,451 to \$874,513. The \$421,788 operating loss includes \$1,012,750 in depreciation and amortization.

Other factors of the changes in income from operations have previously been discussed in the government-wide financial analysis of business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the 2023 original budget and the final amended budget are adopted by council resolution throughout the year.

General Fund revenues totaled \$30,636,180 and fell short the final budget by \$655,548 (2%). General taxes and intergovernmental revenues were \$615,452 (5%) and \$748,737 (5%) lower than budget, respectively. This is due to sales tax related revenues which were budgeted to increase 8% over FY2023 actuals. However, this major revenue source increased 3.1%. This decrease is directly attributable to tourism and sales tax generating transactions returning to historical norms after the COVID-19 pandemic spikes.

General Fund operating expenditures totaled \$21,909,840. This was \$2,774,217 (11%) less than the final amended budget and \$2,504,887 (10%) less than the

adopted budget. Including transfers out, supplemental appropriations from budget amending council actions increased the original budget by \$434,987 (1%). The majority of this increase was for a mid-year compensation study implementation resulting in employee wage and benefit increases. In fiscal year 2023, no divisions finished the year over budget.

The General Fund year end fund balances since 2013 are as follows:

| Year | Amount | Year | Amount |
|------|--------------|------|--------------|
| 2014 | \$ 5,450,770 | 2019 | \$ 8,683,289 |
| 2015 | 7,049,752 | 2020 | 12,158,856 |
| 2016 | 7,484,300 | 2021 | 18,020,470 |
| 2017 | 7,650,890 | 2022 | 24,879,725 |
| 2018 | 8,329,716 | 2023 | 18,726,713 |

CAPITAL ASSETS AND DEBT ADMINISTRATION**CAPITAL ASSETS**

(net of accumulated depreciation and amortization)

| | Governmental Activities | | Business-type Activities | | Total Government | |
|------------------------------------------|----------------------------|-----------------------|-----------------------------|----------------------|-----------------------|-----------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Land | \$ 33,351,431 | \$ 32,699,452 | \$ 1,100,404 | \$ 1,100,404 | \$ 34,451,835 | \$ 33,799,856 |
| Construction in progress | 19,713,986 | 1,961,843 | 2,423,171 | 761,112 | 22,137,157 | 2,722,955 |
| Building, structures, & improvements | 44,124,278 | 46,224,833 | 29,317,369 | 30,786,475 | 73,441,647 | 77,011,308 |
| Machinery and equipment | 16,828,745 | 12,205,745 | 1,615,074 | 1,705,944 | 18,443,819 | 13,911,689 |
| Intangible assets | 5,773,005 | 2,757,988 | - | - | 5,773,005 | 2,757,988 |
| Right to use assets -buildings | 801,220 | 287,966 | - | - | 801,220 | 287,966 |
| Right to use assets - easements | - | - | 45,025 | 56,281 | 45,025 | 56,281 |
| Right to use assets - subscription asset | 370,924 | - | - | - | 370,924 | - |
| Infrastructure | 28,847,985 | 28,390,531 | - | - | 28,847,985 | 28,390,531 |
| Total | <u>\$ 149,811,574</u> | <u>\$ 124,528,358</u> | <u>\$ 34,501,043</u> | <u>\$ 34,410,216</u> | <u>\$ 184,312,617</u> | <u>\$ 158,938,574</u> |

Capital assets. The Town's investment in capital assets for its governmental and business-type activities at June 30, 2023 totaled \$184,312,617 (net of accumulated depreciation and amortization). This investment in capital assets included land, construction in progress, structures, systems, machinery and equipment, intangible assets, right to use assets and infrastructure. Right to use assets – subscription asset is a new asset implemented this fiscal year due to GASB 96 as previously discussed.

Major governmental activities capital assets include: \$15,065,925 for Core Services Maintenance Facility construction, \$5,271,683 for 12 transit buses, \$2,282,561 in street and sidewalk improvements. The total government-wide capital asset increase over the prior fiscal year is approximately \$25,374,043; governmental activities increased 20% and business-type activities increased 0.3%.

Additional information on the Town's capital assets can be found in the notes to the financial statements on pages 47-48.

LONG-TERM LIABILITIES

| | Governmental Activities | | Business-type Activities | | Total Government | |
|----------------------------------|----------------------------|---------------------|-----------------------------|---------------------|----------------------|----------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Accrued interest payable | \$ 764 | \$ 825 | \$ 20,435 | \$ 21,145 | \$ 21,199 | \$ 21,970 |
| Lease payable | 849,256 | 307,782 | 46,068 | 67,537 | 895,324 | 375,319 |
| Subscription liability | 278,519 | - | - | - | 278,519 | - |
| Note payable - Snow King | 612,863 | 662,105 | - | - | 612,863 | 662,105 |
| Notes payable - State of Wyoming | - | - | 879,579 | 910,143 | 879,579 | 910,143 |
| Net pension liability | 13,902,333 | 8,379,790 | 1,314,349 | 668,228 | 15,216,682 | 9,048,018 |
| Total | <u>\$ 15,643,735</u> | <u>\$ 9,350,502</u> | <u>\$ 2,260,431</u> | <u>\$ 1,667,053</u> | <u>\$ 17,904,166</u> | <u>\$ 11,017,555</u> |

Long-term liabilities. The Town's outstanding long-term liabilities—including notes payable, accrued interest payable, and net pension liability—totaled \$17,904,166 at June 30, 2023. Governmental long-term and business-type long-term liabilities increased primarily due to net pension liability increase and GASB 96 subscription liability implementation.

Additional information on the Town's long-term liabilities can be found in the notes to the financial statements on pages 50-56 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Teton County, Wyoming area for June 30, 2023 was 1.7%, which is below the state average (3.1%) and below the national average (3.8%).
- Due in part to COVID-19 pandemic we reinforced the importance of our fiduciary responsibility to maintain and continue building a strong, resilient community in the short, mid, and long-term. Due to years of prudent budgeting and planning, the Town was able to respond to reduced revenues projected and maintain a well-resourced and responsive Town government to close fiscal year 2023.
- To continue to be a resilient community, we will need to preserve and maintain General Fund Reserves to have the resources to adapt to uncertain times ahead. Looking ahead, recurring expenses are expected to exceed recurring revenues. We must continue evaluating our revenue

streams and expenditures, to determine how to ensure a balanced budget into the future.

- The Town will need to prioritize our core services, capital projects and consider reducing funding to the areas of lower priority and/or work to consider a new funding source(s) to maintain current Town program services and capital improvement projects. As our community changes, various core services continue to see increased need year-over-year. The Town simply does not have the capacity to absorb such continuous growth without increasing revenue or reducing existing program services and capital projects.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those interested in governmental finance. Questions concerning any information in the report or requests for additional information should be addressed to Town of Jackson, Finance Department, P.O. Box 1687, Jackson, WY 83001.



Statement of Net Position

June 30, 2023

| | Primary Government | | |
|--------------------------------------------|----------------------------|-----------------------------|-----------------------|
| | Governmental Activities | Business-type Activities | Total |
| ASSETS | | | |
| Cash and cash equivalents | \$ 10,065,053 | \$ 2,575,488 | \$ 12,640,541 |
| Investments | 47,417,116 | 11,928,063 | 59,345,179 |
| Accrued interest receivable | 60,073 | - | 60,073 |
| Accounts receivable, net | 1,320,886 | 608,221 | 1,929,107 |
| Taxes receivable | 455,156 | - | 455,156 |
| Due from other governmental units | 13,967,820 | - | 13,967,820 |
| Lease receivable | 2,731,179 | - | 2,731,179 |
| Prepaid items | 71,541 | 9,526 | 81,067 |
| Deposits | 20,775 | - | 20,775 |
| Inventories | 501,308 | 145,943 | 647,251 |
| Notes receivable - housing | 266,500 | - | 266,500 |
| Capital assets: | | | |
| Nondepreciable | 53,065,417 | 3,523,575 | 56,588,992 |
| Depreciable, net | 96,746,157 | 30,977,468 | 127,723,625 |
| TOTAL ASSETS | 226,688,981 | 49,768,284 | 276,457,265 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred outflows related to pensions | 5,596,771 | 367,478 | 5,964,249 |
| LIABILITIES | | | |
| Accounts payable | 6,142,841 | 815,735 | 6,958,576 |
| Accrued wages payable | 355,881 | 36,768 | 392,649 |
| Accrued interest payable | 764 | 20,435 | 21,199 |
| Unearned revenue | 2,032,054 | 7,000 | 2,039,054 |
| Long-term liabilities: | | | |
| Portion due or payable within one year: | | | |
| Lease liability | 186,472 | 11,118 | 197,590 |
| Subscription liability | 103,253 | - | 103,253 |
| Notes payable | 49,488 | 31,787 | 81,275 |
| Portion due or payable after one year: | | | |
| Lease liability | 662,784 | 34,950 | 697,734 |
| Subscription liability | 175,266 | - | 175,266 |
| Notes payable | 563,375 | 847,792 | 1,411,167 |
| Net pension liability | 13,902,333 | 1,314,349 | 15,216,682 |
| TOTAL LIABILITIES | 24,174,511 | 3,119,934 | 27,294,445 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue - property taxes | 448,089 | - | 448,089 |
| Unavailable revenue - lease related | 2,521,197 | - | 2,521,197 |
| Deferred inflows related to pensions | 1,082,708 | 8,332 | 1,091,040 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 4,051,994 | 8,332 | 4,060,326 |
| NET POSITION | | | |
| Net investment in capital assets | 147,278,595 | 33,465,147 | 180,743,742 |
| Restricted for: | | | |
| Community development | 2,536,235 | - | 2,536,235 |
| Capital projects | 15,504,473 | - | 15,504,473 |
| Public safety programs | 13,732 | - | 13,732 |
| Unrestricted | 38,726,212 | 13,542,349 | 52,268,561 |
| TOTAL NET POSITION | \$ 204,059,247 | \$ 47,007,496 | \$ 251,066,743 |

The notes to the financial statements are an integral part of this statement.

Statement of Activities

Year Ended June 30, 2023

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---------------------------------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|---------------------------------------------------|--------------------------|-----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| Governmental activities: | | | | | | | |
| General government | \$ 7,109,167 | \$ 1,450,143 | \$ - | \$ - | \$ (5,659,024) | \$ - | \$ (5,659,024) |
| Public safety | 11,910,706 | 1,897,349 | 196,675 | - | (9,816,682) | - | (9,816,682) |
| Public works | 6,009,580 | 69,786 | - | 2,532,632 | (3,407,162) | - | (3,407,162) |
| Transit | 10,412,575 | 710,323 | 6,048,237 | 5,689,983 | 2,035,968 | - | 2,035,968 |
| Health and welfare | 1,231,374 | - | - | - | (1,231,374) | - | (1,231,374) |
| Community development | 1,490,139 | 1,357,220 | 72,000 | - | (60,919) | - | (60,919) |
| Recreation and culture | 2,191,905 | 508,343 | - | - | (1,683,562) | - | (1,683,562) |
| Interest on long-term liabilities | 54,993 | - | - | - | (54,993) | - | (54,993) |
| Total governmental activities | <u>\$ 40,410,440</u> | <u>\$ 5,993,164</u> | <u>\$ 6,316,912</u> | <u>\$ 8,222,615</u> | <u>(19,877,749)</u> | <u>-</u> | <u>(19,877,749)</u> |
| Business-type activities | | | | | | | |
| Water Utility | \$ 2,151,531 | \$ 2,931,767 | \$ - | \$ 299,683 | - | 1,079,919 | 1,079,919 |
| Sewage Utility | 2,931,407 | 2,524,540 | 16,313 | 874,513 | - | 483,959 | 483,959 |
| Total business-type activities | <u>5,082,938</u> | <u>5,456,307</u> | <u>16,313</u> | <u>1,174,196</u> | <u>-</u> | <u>1,563,878</u> | <u>1,563,878</u> |
| Total primary government | <u>\$ 45,493,378</u> | <u>\$ 11,449,471</u> | <u>\$ 6,333,225</u> | <u>\$ 9,396,811</u> | <u>(19,877,749)</u> | <u>1,563,878</u> | <u>(18,313,871)</u> |
| General Revenues: | | | | | | | |
| Sales tax (1% local option) | | | | | 10,505,372 | - | 10,505,372 |
| Specific purpose excise tax | | | | | 7,617,460 | - | 7,617,460 |
| Lodging tax | | | | | 1,820,925 | - | 1,820,925 |
| Franchise taxes | | | | | 652,950 | - | 652,950 |
| Property taxes | | | | | 407,834 | - | 407,834 |
| Unrestricted grants and contributions (revenue sharing) | | | | | 14,760,164 | - | 14,760,164 |
| Unrestricted interest and investment earnings | | | | | 1,792,501 | 334,133 | 2,126,634 |
| Other | | | | | 793,060 | - | 793,060 |
| Transfers | | | | | 1,443,198 | (1,443,198) | - |
| Total general revenues | | | | | <u>39,793,464</u> | <u>(1,109,065)</u> | <u>38,684,399</u> |
| Change in Net Position | | | | | 19,915,715 | 454,813 | 20,370,528 |
| Net position - July 1 | | | | | 184,143,532 | 46,552,683 | 230,696,215 |
| Net Position - June 30 | | | | | <u>\$ 204,059,247</u> | <u>\$ 47,007,496</u> | <u>\$ 251,066,743</u> |

The notes to the financial statements are an integral part of this statement.

Balance Sheet

Governmental Funds

June 30, 2023

| | General | START Bus System | 5th Cent Capital Projects | 2019 SPET | Other Governmental Funds | Total Governmental Funds |
|-------------------------------------------|----------------------|---------------------|---------------------------------|----------------------|--------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 1,974,049 | \$ - | \$ 3,098,837 | \$ 1,858,101 | \$ 2,535,274 | \$ 9,466,261 |
| Investments | 9,973,068 | - | 15,296,919 | 9,172,221 | 9,233,641 | 43,675,849 |
| Interfund receivable - pooled cash | 6,006,140 | - | - | - | - | 6,006,140 |
| Interest receivable | 60,073 | - | - | - | - | 60,073 |
| Accounts receivable | - | 510,548 | - | 8,145 | 461,488 | 980,181 |
| Leases receivable | 2,731,179 | - | - | - | - | 2,731,179 |
| Taxes receivable | 455,156 | - | - | - | - | 455,156 |
| Due from other governmental units | 4,002,326 | 7,467,286 | 8,869 | 2,436,428 | - | 13,914,909 |
| Prepaid items | 4,537 | 4,714 | 5,000 | - | - | 14,251 |
| Deposits | - | 6,400 | - | - | 14,375 | 20,775 |
| Notes receivable - housing | - | - | - | - | 266,500 | 266,500 |
| TOTAL ASSETS | 25,206,528 | 7,988,948 | 18,409,625 | 13,474,895 | 12,511,278 | 77,591,274 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Interfund payable - pooled cash | - | 5,423,487 | - | - | - | 5,423,487 |
| Accounts payable | 1,070,370 | 729,091 | 1,780,861 | 1,926,613 | 50,348 | 5,557,283 |
| Accrued wages payable | 275,168 | 61,223 | - | - | - | 336,391 |
| Unearned revenue | 1,940,637 | 1,600 | 29,615 | - | 60,202 | 2,032,054 |
| Total liabilities | 3,286,175 | 6,215,401 | 1,810,476 | 1,926,613 | 110,550 | 13,349,215 |
| Deferred inflows of resources: | | | | | | |
| Unavailable revenue - leases | 2,745,551 | - | - | - | - | 2,745,551 |
| Unavailable revenue - property taxes | 448,089 | - | - | - | - | 448,089 |
| | 3,193,640 | - | - | - | - | 3,193,640 |
| Fund balance: | | | | | | |
| Nonspendable | 4,537 | 4,714 | 5,000 | - | - | 14,251 |
| Restricted | 13,732 | - | - | 11,548,282 | 6,492,426 | 18,054,440 |
| Assigned | 4,035,491 | 1,768,833 | 16,594,149 | - | 5,908,302 | 28,306,775 |
| Unassigned | 14,672,953 | - | - | - | - | 14,672,953 |
| Total fund balance | 18,726,713 | 1,773,547 | 16,599,149 | 11,548,282 | 12,400,728 | 61,048,419 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 25,206,528 | \$ 7,988,948 | \$ 18,409,625 | \$ 13,474,895 | \$ 12,511,278 | \$ 77,591,274 |

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2023

Total fund balances - governmental funds \$ 61,048,419

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 funds.

| | | |
|-------------------------------------------|---------------------|-------------|
| Land | \$ 33,351,431 | |
| Construction in progress | 19,713,986 | |
| Buildings, structures and improvements | 73,998,356 | |
| Machinery and equipment | 24,619,126 | |
| Intangible | 6,119,667 | |
| Right to use asset - buildings | 1,062,808 | |
| Infrastructure | 59,459,054 | |
| Accumulated depreciation and amortization | <u>(71,778,632)</u> | 146,545,796 |

Deferred outflows of resources related to pensions are not reported in the funds. 5,596,771

Long-term liabilities, including bonds payable, are not due and payable in the
current period and therefore are not reported in the funds.

| | |
|--------------------------|--------------|
| Accrued interest payable | (764) |
| Lease liability | (849,256) |
| Note payable | (612,863) |
| Net pension liability | (13,902,333) |

Deferred inflows of resources related to pensions are not reported in the funds. (1,082,708)

Certain lease revenues are considered unavailable and therefore not reported in the funds. 224,354

Internal service funds are used by management to charge the costs of employee insurance, fleet
management, IT services, and central equipment to individual funds. The assets and liabilities of
the internal service funds are included in governmental activities in the statement of net position:

| | | |
|----------------------------------------|------------------|-----------|
| Cash and cash equivalents | \$ 598,792 | |
| Investments | 3,741,267 | |
| Accounts receivable | 340,705 | |
| Due from other governmental units | 52,911 | |
| Inventories | 501,308 | |
| Prepaid items | 57,290 | |
| Machinery and equipment, net | 2,894,854 | |
| Right to Use - subscription asset, net | 370,924 | |
| Interfund Payable - pooled cash | (582,653) | |
| Accounts payable | (585,558) | |
| Accrued wages payable | (19,490) | |
| Subscription liability | <u>(278,519)</u> | 7,091,831 |

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 204,059,247

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Funds

Year Ended June 30, 2023

| | General | START Bus System | 5th Cent Capital Projects | 2019 SPET | Other Governmental Funds | Total Governmental Funds |
|---------------------------------------------------|----------------------|---------------------|---------------------------------|----------------------|--------------------------------|--------------------------------|
| Revenues: | | | | | | |
| General taxes | \$ 12,021,387 | \$ - | \$ - | \$ 7,617,460 | \$ 1,365,694 | \$ 21,004,541 |
| Licenses and permits | 1,636,675 | - | - | - | 1,450,595 | 3,087,270 |
| Intergovernmental | 14,875,386 | 10,477,320 | 2,303,667 | - | 300,965 | 27,957,338 |
| Charges for services | 776,335 | 710,324 | - | - | - | 1,486,659 |
| Fines and forfeitures | 466,907 | - | - | - | - | 466,907 |
| Interest and investment income (loss) | 620,649 | 60,845 | 270,200 | 414,209 | 336,026 | 1,701,929 |
| Other revenues | 238,841 | 1,296,207 | 265,135 | - | 675,542 | 2,475,725 |
| Total revenues | <u>30,636,180</u> | <u>12,544,696</u> | <u>2,839,002</u> | <u>8,031,669</u> | <u>4,128,822</u> | <u>58,180,369</u> |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government | 6,444,602 | - | - | - | 301,721 | 6,746,323 |
| Public safety | 9,498,218 | - | - | - | 255,072 | 9,753,290 |
| Public works | 3,075,623 | - | - | - | - | 3,075,623 |
| Transit | - | 8,417,491 | - | - | - | 8,417,491 |
| Health and welfare | 1,216,307 | - | - | - | - | 1,216,307 |
| Community development | 352,002 | - | - | - | 438,190 | 790,192 |
| Recreation and culture | 1,003,087 | - | - | - | 549,517 | 1,552,604 |
| Other expenditures | 267,449 | - | - | - | - | 267,449 |
| Capital outlay | - | 6,289,989 | 6,496,156 | 14,588,134 | 4,604,589 | 31,978,868 |
| Debt Service | | | | | | |
| Principal | 49,302 | 68,238 | - | - | 90,503 | 208,043 |
| Interest | 3,250 | 36,298 | - | - | 14,252 | 53,800 |
| Total expenditures | <u>21,909,840</u> | <u>14,812,016</u> | <u>6,496,156</u> | <u>14,588,134</u> | <u>6,253,844</u> | <u>64,059,990</u> |
| Excess (deficiency) of revenues over expenditures | <u>8,726,340</u> | <u>(2,267,320)</u> | <u>(3,657,154)</u> | <u>(6,556,465)</u> | <u>(2,125,022)</u> | <u>(5,879,621)</u> |
| Other financing sources (uses): | | | | | | |
| Transfers in | 1,894,246 | 1,797,732 | 16,106,207 | - | 1,435,227 | 21,233,412 |
| Transfers out | (16,773,598) | (114,345) | (321,831) | - | (2,427,749) | (19,637,523) |
| Leases issued | - | 368,936 | - | - | 331,279 | 700,215 |
| Total other financing sources (uses) | <u>(14,879,352)</u> | <u>2,052,323</u> | <u>15,784,376</u> | <u>-</u> | <u>(661,243)</u> | <u>2,296,104</u> |
| Net change in fund balances | (6,153,012) | (214,997) | 12,127,222 | (6,556,465) | (2,786,265) | (3,583,517) |
| Fund balance at beginning of year | 24,879,725 | 1,988,544 | 4,471,927 | 18,104,747 | 15,186,993 | 64,631,936 |
| Fund balance at end of year | <u>\$ 18,726,713</u> | <u>\$ 1,773,547</u> | <u>\$ 16,599,149</u> | <u>\$ 11,548,282</u> | <u>\$ 12,400,728</u> | <u>\$ 61,048,419</u> |

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2023

Net change in fund balances--total governmental funds

\$ (3,583,517)

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

Governmental funds reported 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 and amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense.

| | | |
|-------------------------------|--------------------|------------|
| Capital outlays | \$ 29,981,614 | |
| Depreciation and amortization | <u>(4,997,243)</u> | 24,984,371 |

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

49,302

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

(1,251,524)

The net effect of transactions involving leases issued, debt service on lease liabilities, and lease conversion is to decrease net position.

(436,824)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities.

153,907

Change in net position of governmental activities

\$ 19,915,715

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|-----------------------------------------|------------------|---------------|---------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| General taxes | \$ 12,557,825 | \$ 12,636,839 | \$ 12,021,387 | \$ (615,452) |
| Licenses and permits | 1,318,843 | 1,318,843 | 1,636,675 | 317,832 |
| Intergovernmental | 15,578,938 | 15,624,123 | 14,875,386 | (748,737) |
| Charges for services | 726,000 | 746,000 | 776,335 | 30,335 |
| Fines and forfeitures | 375,000 | 375,000 | 466,907 | 91,907 |
| Interest and investment earnings (loss) | 245,000 | 245,000 | 620,649 | 375,649 |
| Other revenues | 324,923 | 345,923 | 238,841 | (107,082) |
| Total revenues | 31,126,529 | 31,291,728 | 30,636,180 | (655,548) |
| Expenditures: | | | | |
| Current: | | | | |
| General government | | | | |
| Mayor & town council | 413,833 | 418,833 | 385,957 | (32,876) |
| Town attorney | 580,125 | 659,484 | 610,517 | (48,967) |
| Municipal judge | 294,552 | 310,900 | 305,625 | (5,275) |
| Administration | 514,148 | 557,424 | 403,528 | (153,896) |
| Personnel & town clerk | 889,638 | 948,859 | 901,097 | (47,762) |
| Finance | 695,330 | 741,218 | 710,489 | (30,729) |
| Information technology | 918,763 | 972,959 | 911,188 | (61,771) |
| Community Development | 933,825 | 943,049 | 592,439 | (350,610) |
| Planning | 892,445 | 920,009 | 895,269 | (24,740) |
| Town hall building | 774,853 | 853,434 | 728,493 | (124,941) |
| Public safety | | | | |
| Police - administration | 702,763 | 731,716 | 696,855 | (34,861) |
| Police - investigation | 708,737 | 732,221 | 583,103 | (149,118) |
| Police - patrol | 3,695,011 | 3,946,923 | 3,636,912 | (310,011) |
| Police - community service | 746,624 | 774,838 | 644,795 | (130,043) |
| Police - special operations | 25,300 | 25,300 | 13,917 | (11,383) |
| Fire/EMS (county service) | 1,884,930 | 2,056,855 | 1,820,776 | (236,079) |
| Emergency Management (county service) | 84,767 | 84,767 | 65,953 | (18,814) |
| Dispatch (county service) | 805,802 | 805,802 | 805,802 | - |
| Victim services | 355,288 | 388,364 | 345,592 | (42,772) |
| Animal shelter/control | 418,035 | 439,765 | 403,933 | (35,832) |
| Building inspections | 486,026 | 501,993 | 480,580 | (21,413) |

(continued)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2023 (continued)

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|----------------------|----------------------|----------------------|-------------------------------|
| | Original | Final | | |
| Expenditures (continued): | | | | |
| Public works | | | | |
| Administration | 374,782 | 412,057 | 397,729 | (14,328) |
| Streets | 2,077,515 | 2,112,423 | 1,889,596 | (222,827) |
| Town engineer | 690,797 | 728,209 | 719,484 | (8,725) |
| Public works yard operations | 79,153 | 79,153 | 68,814 | (10,339) |
| Health and welfare | | | | |
| Social services | 1,321,307 | 1,321,307 | 1,216,307 | (105,000) |
| Community initiatives | | | | |
| Community initiatives | 423,450 | 453,450 | 352,002 | (101,448) |
| Recreation and culture | | | | |
| Parks and recreation (county service) | 952,569 | 952,569 | 935,219 | (17,350) |
| Pathways operations (county service) | 48,162 | 48,162 | 46,796 | (1,366) |
| Memorial park (cemetery) | 26,929 | 27,960 | 21,072 | (6,888) |
| Other expenditures | | | | |
| Town-wide | 1,599,268 | 734,054 | 320,001 | (414,053) |
| Total expenditures | <u>24,414,727</u> | <u>24,684,057</u> | <u>21,909,840</u> | <u>(2,774,217)</u> |
| Excess (deficiency) of revenues over expenditures | <u>6,711,802</u> | <u>6,607,671</u> | <u>8,726,340</u> | <u>2,118,669</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 2,132,267 | 2,225,734 | 1,894,246 | (331,488) |
| Transfers out | <u>(17,157,983)</u> | <u>(17,323,640)</u> | <u>(16,773,598)</u> | <u>550,042</u> |
| Total other financing sources (uses) | <u>(15,025,716)</u> | <u>(15,097,906)</u> | <u>(14,879,352)</u> | <u>218,554</u> |
| Net change in fund balance | (8,313,914) | (8,490,235) | (6,153,012) | 2,337,223 |
| Fund balance at beginning of year | <u>24,879,725</u> | <u>24,879,725</u> | <u>24,879,725</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 16,565,811</u> | <u>\$ 16,389,490</u> | <u>\$ 18,726,713</u> | <u>\$ 2,337,223</u> |

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - START Bus System Fund

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 16,619,092 | \$ 16,771,751 | \$ 10,477,320 | \$ (6,294,431) |
| Charges for services | 1,657,725 | 1,657,725 | 710,324 | (947,401) |
| Investment earnings (loss) | 14,000 | 14,000 | 60,845 | 46,845 |
| Contributions and Donations | 3,000 | 3,000 | - | (3,000) |
| Other revenues | 666,622 | 666,622 | 1,296,207 | 629,585 |
| Total revenues | <u>18,960,439</u> | <u>19,113,098</u> | <u>12,544,696</u> | <u>(6,568,402)</u> |
| Expenditures: | | | | |
| Current: | | | | |
| Transit | 9,200,349 | 9,585,168 | 8,417,491 | (1,167,677) |
| Capital outlay | 12,805,765 | 12,805,765 | 6,289,989 | (6,515,776) |
| Debt service: | | | | |
| Principal | - | - | 68,238 | 68,238 |
| Interest | - | - | 36,298 | 36,298 |
| Total expenditures | <u>22,006,114</u> | <u>22,390,933</u> | <u>14,812,016</u> | <u>(7,578,917)</u> |
| Excess (deficiency) of revenues over expenditures | <u>(3,045,675)</u> | <u>(3,277,835)</u> | <u>(2,267,320)</u> | <u>1,010,515</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 3,105,675 | 3,235,717 | 1,797,732 | (1,437,985) |
| Transfers out | (120,355) | (128,601) | (114,345) | 14,256 |
| Leases issued | - | - | 368,936 | 368,936 |
| Total other financing sources (uses) | <u>2,985,320</u> | <u>3,107,116</u> | <u>2,052,323</u> | <u>(1,054,793)</u> |
| Net change in fund balance | (60,355) | (170,719) | (214,997) | (44,278) |
| Fund balance at beginning of year | 1,988,544 | 1,988,544 | 1,988,544 | - |
| Fund balance at end of year | <u>\$ 1,928,189</u> | <u>\$ 1,817,825</u> | <u>\$ 1,773,547</u> | <u>\$ (44,278)</u> |

The notes to the financial statements are an integral part of this statement.

Statement of Net Position

Proprietary Funds

June 30, 2023

| | Business-Type Activities – Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|--------------------------------------------|---------------------------------------------|--------------------------|--------------------------|-----------------------------------------------------------|
| | Water | Sewage | Totals | |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and cash equivalents | \$ 1,255,463 | \$ 1,160,915 | \$ 2,416,378 | \$ 757,902 |
| Investments | 6,197,392 | 5,730,671 | 11,928,063 | 3,741,267 |
| Account receivable (net) | 256,012 | 352,209 | 608,221 | 340,705 |
| Due from other governmental units | - | - | - | 52,911 |
| Inventories | 72,971 | 72,972 | 145,943 | 501,308 |
| Prepaid items | 4,763 | 4,763 | 9,526 | 57,290 |
| Total current assets | <u>7,786,601</u> | <u>7,321,530</u> | <u>15,108,131</u> | <u>5,451,383</u> |
| Noncurrent assets: | | | | |
| Capital assets: | | | | |
| Right to Use, easements | 67,537 | - | 67,537 | - |
| Right to Use, subscription asset | - | - | - | 464,823 |
| Land | 128,404 | 972,000 | 1,100,404 | - |
| Buildings and systems | 22,862,267 | 36,265,723 | 59,127,990 | - |
| Machinery and equipment | 1,340,025 | 2,794,745 | 4,134,770 | 7,915,214 |
| Construction in progress | 1,366,668 | 1,056,503 | 2,423,171 | - |
| Total capital assets | <u>25,764,901</u> | <u>41,088,971</u> | <u>66,853,872</u> | <u>8,380,037</u> |
| Less accumulated depreciation/amortization | <u>(12,660,919)</u> | <u>(19,691,910)</u> | <u>(32,352,829)</u> | <u>(5,114,259)</u> |
| Total capital assets (net) | <u>13,103,982</u> | <u>21,397,061</u> | <u>34,501,043</u> | <u>3,265,778</u> |
| Total noncurrent assets | <u>13,103,982</u> | <u>21,397,061</u> | <u>34,501,043</u> | <u>3,265,778</u> |
| TOTAL ASSETS | <u><u>20,890,583</u></u> | <u><u>28,718,591</u></u> | <u><u>49,609,174</u></u> | <u><u>8,717,161</u></u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred outflows related to pensions | <u>153,841</u> | <u>213,637</u> | <u>367,478</u> | <u>179,107</u> |

(continued)

Statement of Net Position

Proprietary Funds

June 30, 2023 (continued)

| | Business-Type Activities – Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|----------------------------------------------------------------------------------------------|---------------------------------------------|----------------------|----------------------|-----------------------------------------------------------|
| | Water | Sewage | Totals | |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Interfund Payable - pooled cash | \$ - | \$ - | \$ - | \$ 582,653 |
| Accounts payable | 246,624 | 569,111 | 815,735 | 585,558 |
| Accrued wages payable | 17,864 | 18,904 | 36,768 | 19,490 |
| Customer deposit payable | 7,000 | - | 7,000 | - |
| Accrued note interest payable | 20,435 | - | 20,435 | - |
| Lease liability - current | 11,118 | - | 11,118 | - |
| Subscription liability - current | - | - | - | 103,253 |
| Notes payable - current | 31,787 | - | 31,787 | - |
| Total current liabilities | 334,828 | 588,015 | 922,843 | 1,290,954 |
| Noncurrent liabilities: | | | | |
| Lease liability - net current portion | 34,950 | - | 34,950 | - |
| Subscription liability - net of current portion | - | - | - | 175,266 |
| Notes payable - net current portion | 847,792 | - | 847,792 | - |
| Net pension liability | 550,239 | 764,110 | 1,314,349 | 640,607 |
| Total noncurrent liabilities | 1,432,981 | 764,110 | 2,197,091 | 815,873 |
| TOTAL LIABILITIES | 1,767,809 | 1,352,125 | 3,119,934 | 2,106,827 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred inflows related to pensions | 3,488 | 4,844 | 8,332 | 4,061 |
| NET POSITION | | | | |
| Net investment in capital assets | 12,124,961 | 21,340,186 | 33,465,147 | 2,987,259 |
| Unrestricted | 7,148,166 | 6,235,073 | 13,383,239 | 3,798,121 |
| TOTAL NET POSITION | \$ 19,273,127 | \$ 27,575,259 | 46,848,386 | \$ 6,785,380 |
| Adjustment to reflect the consolidation of internal service fund related to enterprise funds | | | 159,110 | |
| Net position of business-type activities | | | <u>\$ 47,007,496</u> | |

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

Year Ended June 30, 2023

| | Business-Type Activities – Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|----------------------------------------------------------------------------------------------|---------------------------------------------|----------------------|-------------------|-----------------------------------------------------------|
| | Water | Sewage | Totals | |
| Operating revenues: | | | | |
| Water charges | \$ 2,931,439 | \$ - | \$ 2,931,439 | \$ - |
| Sewer charges | - | 2,524,440 | 2,524,440 | - |
| Other | 328 | 100 | 428 | 7,361,665 |
| Total operating revenues | <u>2,931,767</u> | <u>2,524,540</u> | <u>5,456,307</u> | <u>7,361,665</u> |
| Operating expenses: | | | | |
| Operations and maintenance | 1,195,737 | 1,761,683 | 2,957,420 | 6,496,712 |
| Administration | 214,559 | 171,895 | 386,454 | - |
| Depreciation & amortization | 699,885 | 1,012,750 | 1,712,635 | 784,709 |
| Total operating expenses | <u>2,110,181</u> | <u>2,946,328</u> | <u>5,056,509</u> | <u>7,281,421</u> |
| Operating income (loss) | <u>821,586</u> | <u>(421,788)</u> | <u>399,798</u> | <u>80,244</u> |
| Nonoperating revenues (expenses) | | | | |
| Intergovernmental | - | 16,313 | 16,313 | - |
| Investment earnings (loss) | 174,235 | 159,898 | 334,133 | 90,572 |
| Contributions and donations | - | - | - | 65,000 |
| Gain (loss) on disposal of property | (925) | - | (925) | 9,150 |
| Interest expense | (36,111) | - | (36,111) | (1,193) |
| Total Nonoperating revenues (expenses) | <u>137,199</u> | <u>176,211</u> | <u>313,410</u> | <u>163,529</u> |
| Income (loss) before transfers and contributions | <u>958,785</u> | <u>(245,577)</u> | <u>713,208</u> | <u>243,773</u> |
| Capital contributions | 299,683 | 874,513 | 1,174,196 | - |
| Insurance proceeds | - | - | - | 64,280 |
| Transfers in | 3,513 | 3,513 | 7,026 | 32,164 |
| Transfers out | (725,112) | (725,112) | (1,450,224) | (184,855) |
| Change in net position | <u>536,869</u> | <u>(92,663)</u> | <u>444,206</u> | <u>155,362</u> |
| Net position at the beginning of year | <u>18,736,258</u> | <u>27,667,922</u> | | <u>6,630,018</u> |
| Net position at end of year | <u>\$ 19,273,127</u> | <u>\$ 27,575,259</u> | | <u>\$ 6,785,380</u> |
| Adjustment to reflect the consolidation of internal service fund related to enterprise funds | | | 10,607 | |
| Changes in net position of business-type activities | | | <u>\$ 454,813</u> | |

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2023

| | Business-Type Activities – Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|--------------------------------------------------------------------------|----------------------------------------------------|---------------------|---------------------|---------------------------------------------------------------------|
| | Water | Sewage | Totals | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from customers | \$ 2,817,910 | \$ 2,479,022 | \$ 5,296,932 | \$ 7,109,695 |
| Other receipts | 328 | 100 | 428 | - |
| Payments to suppliers and service providers | (600,682) | (584,347) | (1,185,029) | (5,347,903) |
| Payments to employees for salaries and benefits | (688,002) | (873,111) | (1,561,113) | (739,885) |
| Net cash provided (used) by operating activities | <u>1,529,554</u> | <u>1,021,664</u> | <u>2,551,218</u> | <u>1,021,907</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Proceeds from Interfund loan repayments | 377,553 | 377,553 | 755,106 | - |
| Transfers from other funds | 3,513 | 3,513 | 7,026 | 32,164 |
| Transfers to other funds | (725,112) | (725,112) | (1,450,224) | (184,855) |
| Operating grants | 3,000 | 16,313 | 19,313 | - |
| Net cash (used for) noncapital financing activities | <u>(341,046)</u> | <u>(327,733)</u> | <u>(668,779)</u> | <u>(152,691)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Capital contributions | 299,683 | 874,513 | 1,174,196 | - |
| Acquisition of capital assets | (810,756) | (993,630) | (1,804,386) | (609,581) |
| Principal payments on capital debt | (30,565) | - | (30,565) | - |
| Interest paid on capital debt | (36,407) | - | (36,407) | - |
| Principal payments on lease liability | (21,469) | - | (21,469) | - |
| Interest paid on lease liability | (415) | - | (415) | - |
| Principal payments on subscription liability | - | - | - | (99,273) |
| Interest paid on subscription liability | - | - | - | (1,193) |
| Net cash provided by (used for) capital and related financing activities | <u>(599,929)</u> | <u>(119,117)</u> | <u>(719,046)</u> | <u>(635,897)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of investments | (1,069,926) | (1,012,327) | (2,082,253) | (903,033) |
| Interest received on investments | 284,822 | 262,157 | 546,979 | 157,333 |
| Proceeds from sales and maturities of investments | - | - | - | 363,693 |
| Net cash provided by investing activities | <u>(785,104)</u> | <u>(750,170)</u> | <u>(1,535,274)</u> | <u>(382,007)</u> |
| Net increase (decrease) in cash and cash equivalents | (196,525) | (175,356) | (371,881) | (148,688) |
| Cash and cash equivalents - July 1 | <u>1,451,988</u> | <u>1,336,271</u> | <u>2,788,259</u> | <u>906,590</u> |
| Cash and cash equivalents - June 30 | <u>\$ 1,255,463</u> | <u>\$ 1,160,915</u> | <u>\$ 2,416,378</u> | <u>\$ 757,902</u> |

(continued)

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2023 (continued)

| | <u>Water</u> | <u>Sewage</u> | <u>Totals</u> | <u>Governmental Activities - Internal Service Funds</u> |
|---------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------------------------------------------------------|
| Reconciliation of operating income (loss) to net cash provided by (used for) operating activities: | | | | |
| Operating income (loss) | \$ 821,586 | \$ (421,788) | \$ 399,798 | \$ 80,244 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | | |
| Depreciation and amortization expense | 699,885 | 1,012,750 | 1,712,635 | 784,710 |
| Pension expense | 3,394 | 66,097 | 69,492 | 34,822 |
| Increase in accounts receivable | (113,527) | (45,417) | (158,944) | (259,689) |
| Decrease in due from other government units | - | - | - | 7,718 |
| (Increase) decrease in inventory | (37,126) | (37,126) | (74,252) | 19,632 |
| Decrease in prepaid items | (4,763) | (4,763) | (9,526) | 32,508 |
| Increase in interfund payable - pooled cash | - | - | - | 143,696 |
| Increase (decrease) accounts payable | 152,888 | 460,826 | 613,714 | 172,155 |
| Increase (decrease) customer deposit payable | 2,500 | - | 2,500 | - |
| Increase (decrease) unearned revenue | - | (16,313) | (16,313) | - |
| (Decrease) in accrued wages payable | 4,717 | 7,398 | 12,115 | 6,111 |
| Total Adjustments | 707,968 | 1,443,452 | 2,151,421 | 941,663 |
| Net Cash Provided Operating Activities | <u>\$ 1,529,554</u> | <u>\$ 1,021,664</u> | <u>\$ 2,551,219</u> | <u>\$ 1,021,907</u> |
| Schedule of noncash investing, capital and financing activities: | | | | |
| Increase (Decrease) in fair value of investments | \$ (110,587) | \$ (102,259) | \$ (212,846) | \$ (66,760) |
| Increase (Decrease) in right to use - subscription asset | - | - | - | 464,823 |
| Increase (Decrease) in subscription liability | - | - | - | 377,792 |

The notes to the financial statements are an integral part of this statement.

I. Summary of significant accounting policies

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

B. Reporting entity

The Town of Jackson was incorporated in 1914 and is a municipal corporation governed by an elected mayor and four-member governing council. The five-member mayor-council is elected on staggered, even-numbered years. The mayor and council members are elected at-large to four-year terms. The governing body appoints a manager to implement policies and oversee daily operations.

The accompanying financial statements present the governmental entities for which the government is considered to be financially accountable. The Town does not report any component units.

C. Basis of presentation - government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the Town's enterprise funds. Separate financial statements are provided for governmental funds and proprietary funds.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses 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 given function or segment and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular

function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

D. Basis of presentation - fund financial statements

The fund financial statements provide information about the Town's funds. Separate statements for each fund category; governmental and proprietary, are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

- The general fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.
- The 5th cent capital projects fund accounts for the acquisition and construction of the government's major capital facilities, other than those financed by the propriety funds and Specific Purpose Excise Tax (SPET) funds.
- The Southern Teton Area Rapid Transit (START) fund is a special revenue fund. It accounts for operational and capital transit system expenditures primarily financed by state and federal transit grants.
- The 2019 SPET fund accounts for expenditures related to the revenue generated by the 2019 specific purpose excise tax.

The Town reports the following enterprise funds:

- Water Fund. This enterprise fund accounts for the operations of the Town-owned water treatment and distribution system.
- Sewage Fund. This enterprise fund accounts for the operations of the Town-owned sewage collection and treatment system.

Additionally, the Town reports the following fund type:

Internal Service Funds. The operating activities for Employee Insurance, Fleet Management, Central Equipment, and Information Technology (IT) Services are reported in internal service funds because they provide services to other Town departments on a cost reimbursement basis.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal service fund balances in the business-type activities column. Internal service fund services provided and used by other funds are not eliminated in consolidation. No overhead costs are charged to internal service funds requiring elimination.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital outlay related to leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Budgetary information

1. Budgetary basis of accounting

The Town uses the following procedures in establishing the budgetary data reflected in the accompanying financial statements:

- According to the laws of the State of Wyoming, all town budgets must be approved by their governing board not later than the third Tuesday in June.
- In May, the recommended budget for the following fiscal year is presented by the Town Manager to the Town Council. The budget includes recommended expenditures and the means of

financing them. Public meetings are held to obtain citizen comment.

- Prior to June 30, the Town Council legally adopts the budget through the passage of a resolution. The resolution sets the limit for expenditures for the year.
- The maximum legal expenditure permitted for the year is the total budget as adopted. The expenditure appropriations in the adopted budget are maintained in the Town's financial system by department within individual funds. Departmental appropriations may be amended during the year if approved by Council in the form of a budget amendment resolution.
- Department directors are generally authorized to transfer budgeted amounts within any specific department's expenditure appropriation. Any budget revisions requiring a transfer between departments must be approved by the Town Council. Additionally, budget revisions involving personnel or capital asset expenditures/expenses must be approved by the Town Council.
- Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related committed contracts. While all appropriations lapse at year end, valid outstanding committed contracts (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget.

2. Excess of expenditures over appropriations

For the year ended June 30, 2023, expenditures exceeded appropriation in the Employee Housing Fund. This was due to GASB 87 implementation, non-cash basis budgetary transaction. Through four formal supplementary appropriations, the General Fund original budget increased 1%. Actual expenditures and other uses are 7.9% under the final amended budget.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The government's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Cash and investment balances from all funds are combined and invested to the extent authorized by state statutes and Town investment policy. Earnings from such investments are allocated to respective funds on the basis of applicable cash balance participation by each fund. The interest receivable balance is reported as one amount in the General Fund while all other funds receive interest revenue distributions in cash.

Investments for the Town are reported at fair value.

3. Receivables

Account (trade) receivables are carried at original billing amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a regular basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. With council approval, trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

A receivable is considered past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on receivables that are outstanding for more than 30 days. Accrual of interest is not suspended until a receivable is determined to be uncollectible. Provisions for bad debts would be insignificant and immaterial and none has been made for 2023.

4. Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term inter-fund loans are classified as "interfund receivables/payables." Due to and due from other funds are closed to cash and cash equivalents at year end.

5. Inventories, prepaid items, and deposits

Materials and supplies are valued at cost, which approximates market value, using the first-in/first-out (FIFO) method. The consumption method is used to account for inventories. Inventory costs are recorded as expenditures when individual inventory items are consumed. In governmental funds, reported inventories are equally offset by nonspendable fund balance amounts, indicating that they do not constitute "available spendable resources" even though they are a component of net current assets. The net change in nonspendable fund balances is not presented because the combined statements of revenues, expenditures, and changes in fund balances reflects

the changes in total fund balances rather than just the spendable and nonspendable fund balances.

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

Certain payments made to lessors are considered security deposits. These funds are considered assets that will be returned. In the event any deposit is kept by lessor, an expenditure/expense will be recorded.

6. *Leases and Service-Based IT Arrangements (Subscription)*

A. Town as Lessee

The Town is a lessee for various buildings and an easement. The Town recognizes a lease liability and an right-to-use lease asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$50,000 or more and the lease must be longer than one year including expected extensions.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for subscription agreements.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if

certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

B. Town as Lessor

The Town is a lessor for multiple facilities and easements. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

C. Subscription based IT Arrangements

The Town is committed under various subscription agreements. The Town recognizes a subscription liability and an right-to-use subscription asset in the government-wide financial statements. The Town recognizes subscription liabilities with an initial, individual value of \$50,000 or more and the agreement must be longer than one year including expected extensions.

At the commencement of a contract, the Town initially measures the subscription liability at the present value of payments expected to be made during the contract term. Subsequently, the subscription liability is reduced by the principal portion of contract payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for contract payments made at or before the contract commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to contracts include how the Town determines (1) the discount rate it uses to discount the expected contract payments to present value, (2) contract term, and (3) contract payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The contract term includes the noncancellable period of the contract.
- Contract payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its contract and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term debt on the statement of net position.

7. Capital assets

Capital assets, including property, plant, and equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 (\$20,000 for buildings and improvements and \$50,000 for infrastructure) and an estimated useful life in excess of two years. Right to use assets are discussed in note below. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value on date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and intangible assets with exhaustible useful lives are capitalized when acquired, and depreciation is provided using the straight-line method applied over the following estimated useful lives of the assets:

| | |
|-----------------------------------------|-------|
| Buildings | 10-50 |
| Distribution systems | 20-50 |
| Infrastructure | 20-50 |
| Machinery and equipment | 5-15 |
| Right-to-use asset - buildings | 2-99 |
| Right-to-use asset – easements | 2-99 |
| Right-to-use asset – subscription asset | 2-10 |
| Other improvements | 5-99 |
| Intangible assets | 5-99 |

Intangible assets lack physical substance, are nonfinancial in nature, and have an estimated useful life extending beyond a single reporting period. The term depreciation, as used in this footnote, includes amortization of intangible assets.

Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

8. Deferred outflows and inflows of resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Town has reported deferred outflows of resources related to pensions on the government-wide statement of net position, each proprietary fund statement of position, and the Fleet Management Fund within the Internal Service Fund statement of net position.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The Town has reported three deferred inflows of resources: pension related items, leases and property taxes. Pension items are reported on the government-wide statement of net position, each proprietary fund statement of position, and the Fleet Management Fund within the Internal Service Fund statement of net position. Leases are reported in both the governmental funds balance sheet and the entity-wide statement of net position. These amounts represent future revenues that will be collected per lease agreements and are not currently available to finance operations.

Property taxes for future periods are reported in both the governmental funds balance sheet and the entity-wide statement of net position. Property tax revenues are not recognized prior to the period which they are intended to finance, even if an enforceable lien is in place prior to the beginning of the intended period. Thus, property taxes received or receivable as of year-end, which are intended to finance the following fiscal year, are recorded as deferred inflows.

9. Pension related assets, liabilities, deferred outflows and inflows of resources

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

10. Net position flow assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the Town's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

11. Fund balance flow assumption

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

12. Fund balance policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The Town council is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as committed. The Town council has, by resolution, authorized the Town Manager to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

13. Long-term obligations

In the government-wide financial statements and in the proprietary fund types of the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. If any, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt

proceeds received, are reported as debt service expenditures. The Town's current debt obligations were issued without discounts or premiums and issuance costs were insignificant and immaterial.

14. Use of estimates

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

15. Reclassifications

Where presented, certain 2022 financial statement amounts have been reclassified to conform to the 2023 presentation.

H. Revenues and expenditures/expenses

1. Property Tax

Teton County assesses all taxable property other than centrally assessed property, which is assessed by the State of Wyoming, by January 1 of each year. The Town notifies its levy to Teton County by July 31. Properties taxes are levied on or about August 1 and are payable in two installments on September 1 and March 1. The Teton County Treasurer is responsible for billing and collecting property taxes for the Town. The Town receives monthly distributions for the prior month's collections by the County. Property tax revenues are recognized when levied to the extent that they result in current receivables which means collected within the current period or expected to be collected within 60 days after the period end to be used to pay liabilities of the current period.

2. Sales Tax

The Town imposes a 1% local optional sales and use tax (5th cent). The 5th cent sales tax is collected by the state and remitted monthly to the Town. Sales tax revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Additionally, the Town imposes a 1% specific purpose excise tax (SPET) for various voter-approved projects.

3. Lodging Tax

The lodging tax is a 2% tax that is added to a visitor's stay in any Teton County hotel, motel or rental property. It was approved by voters in November, 2010. The tax was reapproved on the ballot in November 2018. The Jackson Hole Travel and Tourism Joint Powers board is responsible for allocating 60% of the collected funds. Teton County and the Town of Jackson governments are responsible for the remaining 40% of the funds collected.

4. Entitlements, state shared revenues and grants (Intergovernmental revenues)

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized in the fund financial statements as revenue when the qualifying expenditures have been incurred, all eligibility requirements have been met, and reimbursement is received within availability period. Included below are the ongoing state shared revenues and grants received by the Town.

Sales tax. The state levies a 4% general sales and use tax, with 31% of it returned to Wyoming towns and counties based on populations and location of sales.

America Rescue Plan (ARPA) Act. These are program allocation driven, one-time funds related to the COVID-19 pandemic. Funds were received via the United States Department of the Treasury.

Gasoline, cigarette, and severance taxes. These three taxes are all imposed by the state and returned to cities, towns and counties by various percentages determined by the Wyoming legislature.

Mineral Royalties. These are federal royalties paid to the state and passed down to cities, towns, and counties by percentages determined by the Wyoming legislature.

Federal Transit Administration (FTA). The FTA provides funding for 80% of administration, 57.5% of operations, and 80% of capital for qualifying bus system expenditures. In FY2023, the FTA provided additional Coronavirus Aid, Relief, and Economic Security (CARES) Act funds which provided for 100% of operations costs.

5. Program revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the

operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

6. *Compensated absences*

Employees can sell-back up to 40 hours of accumulated paid time off (PTO) before the end of each fiscal year provided they meet certain requirements. All other accumulated PTO is forfeited. There are no accumulated balances for PTO. Compensatory time, if any, is accrued as wages payable at year end.

7. *Proprietary funds operating and nonoperating revenues and expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water fund, sewer fund, and internal service funds are charges to customers for sales and services. The water fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

I. Federal Audit Requirements

The U.S. Office of Management and Budget (OMB) issued Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), which establishes uniform cost principles and audit requirements for federal awards to non-federal entities and administrative requirements for all federal grants.

For 2023, the Town of Jackson audit was performed in accordance with Uniform Guidance. The auditor's report on consideration of the Town's internal control over financial reporting and tests of other matters are issued with this report.

J. Implementation of new accounting principles

For the year ending June 30, 2023, the Town reviewed the applicability of the following new pronouncement of the Governmental Accounting Standards

Board (GASB): GASB Statement No. 96 Subscription Based IT Arrangements "subscription agreement." This Statement requires recognition of certain subscription-based information technology assets and liabilities that previously were classified as operating, subscription based agreements and recognized as inflows of resources or outflows of resources based upon the payment provisions of the agreement. It establishes a single model for information technology agreement accounting based upon the principle that software subscriptions are financing arrangements for the right to use an underlying asset. Subscription agreements with less than one-year terms or under \$50,000 capitalization threshold do not qualify as technology agreements under this standard. Perpetual software licenses and subscription agreements that transfer ownership and contain no cancellation provisions are reported as debt by the Town and sale of an asset by the vendor. The requirements of this Statement apply to the Town and are implemented in this report.

II. Stewardship, compliance and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted by council resolution for all funds.

Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Budgetary control for Capital Project Funds is based on a project completion time cycle rather than on an annual basis, therefore, budgetary comparisons on an annual basis would not present meaningful information.

The Town follows these legal compliance procedures in establishing the budgetary data reflected in the financial statements:

1. The Town administrator submits a proposed operating budget, including proposed expenditures and means of financing them, to the town council prior to the beginning of the fiscal year commencing July 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through the passage of a budget resolution.
4. Management may not legally exceed budgeted expenditures at the division level. Monitoring of budgets is maintained at the division level (i.e., police administration, police investigations, police patrols, etc.) and the category level (i.e., personal services; supplies; other services and charges; capital outlay)

within each division. Management can alter the budget at the category level within their division but cannot exceed the total budgeted expenditures for the division that was approved by the town council. During the year, four formal supplementary appropriations were made. However, the town council approves all payments of vouchers and payroll at its regular meetings held twice a month.

5. All budgeted appropriations lapse at the end of the fiscal year. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the department level.

Deficit fund equity

At June 30, 2023, there was one internal service fund (Fleet Management) with a deficit fund balance. Fleet management deficit is due mostly to net pension liability calculations.

IIII. Detailed notes on all activities and funds

A. Cash, cash equivalents and investments

Cash, cash equivalents, and investments at June 30, 2023 are classified in the accompanying financial statements as follows:

Statement of net position:

| | |
|----------------------------|----------------------|
| Cash and cash equivalents | \$ 12,640,541 |
| Investments | 59,345,179 |
| Total cash and investments | <u>\$ 71,985,720</u> |

Cash and investments at June 30, 2023 consist of the following:

| | |
|-----------------------------------------------|----------------------|
| Cash: | |
| Cash on hand | \$ 300 |
| Deposit with financial institutions | 86,496 |
| Cash equivalents: | |
| Short-term certificate of deposit | 2,089,954 |
| Money market funds | 10,463,791 |
| Investments: | |
| Federal agencies | 13,562,360 |
| WYO-STAR | 45,782,819 |
| Total cash, cash equivalents, and investments | <u>\$ 71,985,720</u> |

Investments authorized by Wyoming statutes and Town investment policy

The following table identifies the investment types that are authorized for the Town by Wyoming state statute. The Town's investment policy does not restrict investment types beyond the limits set forth by state statute. The table also identifies any provisions in Town policy and state statutes that address interest rate risk, credit risk, and concentration risk. This table also applies to investments of debt proceeds held by bond trustee that are governed by provisions of debt agreements and similarly restricted by state statute.

| Authorized Investment Type | Maximum Maturity | Maximum Percentage of Portfolio | Maximum Investment in One Issuer |
|----------------------------------------|------------------|---------------------------------|----------------------------------|
| U.S. treasury obligations | None | None | None |
| U.S. agency securities | None | None | None |
| Banker's acceptances | None | 25% | None |
| Commercial paper | 270 days | 25% | None |
| Negotiable certificates of deposit | None | None | \$250,000 |
| Non-negotiable certificates of deposit | None | None | None |
| Repurchase agreements | None | 25% | None |

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

guaranteed by the State of Wyoming, and participants share proportionally in any realized gains or losses on investments. WYO-STAR operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of WYO-STAR are allocated monthly based on the participant's average balance in relation to the total balance of the pool. The fair value of the WYO-STAR investment pool is approximately equal to the value of the pool shares, \$45,782,819.

B. Disclosures related to investment 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. Town policies restrict investments to the safest security types and require portfolio diversification so that potential losses on individual securities will be minimized. As of June 30, 2023, the Town's investments in U.S. Agencies are rated AA+ by Standard & Poor's and AAA by Moody's Investors Service. The Town's investments in negotiable certificates of deposit are below the F.D.I.C. \$250,000 insurance limit per institution. Non-negotiable certificates of deposits exceeding \$250,000 per institution must be collateralized by the limits defined in the custodial credit risk section of this footnote. The Town's investment in the brokerage money market mutual fund is unrated. Town investment policy limits investments to the safest types of securities, pre-qualifies financial institutions, brokers/dealers, intermediaries, and advisors, and requires investment portfolio diversification.

Custodial risk: Custodial risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government 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. The custodial risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to cover the value of its investment or collateral securities that are in possession of another party. Wyoming statutes do not contain legal requirements that would limit the exposure to custodial risk for deposits or investments, other than the following provision for deposits: Wyoming statutes require that all Town deposits be protected by insurance, surety bond, or collateral. Authorized collateral includes the legal investment described earlier, as well as certain first mortgage notes, and certain other state or local obligations. Wyoming statutes require that securities pledged as collateral be held in safekeeping by the public funds depositor or by any bank, other than the depository bank, chartered by the state of Wyoming, any national bank, other than the depository bank, authorized to do business in the state, any federal reserve bank or branch thereof, or any federal reserve system member bank. According to Town

policies, the market value of the collateral must be a minimum of 105% of deposits not covered by insurance or bonds.

Interest Rate Risk: Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. According to its investment policy, the Town manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments. The Town also manages this risk by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide cash flow and liquidity for operations. Further, the Town purchases some securities that have interest rates that step-up over time. The Town monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The Town has no specific limitations with respect to this metric.

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Maturity (in years)</u> |
|-------------------------------------------|----------------------|--------------------------------|
| Federal Agencies: | | |
| Federal National Mortgage Assn. | \$ 1,976,480 | 0.98 |
| Federal Farm Credit Bank | 3,806,960 | 1.01 |
| Federal Home Loan Banks | 7,778,920 | 0.86 |
| WYO-STAR | 45,782,819 | 0.00 |
| | <u>\$ 59,345,179</u> | |
| Portfolio weighted average maturity (yrs) | | 0.15 |

Concentration of Credit Risk: State statutes contain no limitations on the amount that can be invested in any one issuer. Investments in any one issuer representing approximately 5% or more of the Town's total investments are as follows:

| <u>Investment Type</u> | <u>Fair Value</u> | <u>Percent of Investment Portfolio</u> |
|---------------------------------|-------------------|------------------------------------------------|
| Federal Agencies: | | |
| Federal National Mortgage Assn. | \$ 1,976,480 | 3.3% |
| Federal Farm Credit Bank | 3,806,960 | 6.4% |
| Federal Home Loan Banks | 7,778,920 | 13.1% |
| WYO-STAR | 45,782,819 | 77.1% |

Fair Value: The Town 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; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of June 30, 2023:

The \$13,562,360 in U.S. agency securities are determined by an independent pricing service using recently executed transactions, market price quotations, and pricing models that factor in, when applicable, interest rates, bond spreads, and volatility (Level 2 inputs).

Cash, cash equivalents, and investments are presented in the government-wide financial statements as follows:

| | Cash and Cash Equivalents | Investments | Total |
|----------------------------|---------------------------------|---------------|---------------|
| Governmental activities: | | | |
| General Fund | \$ 1,974,049 | \$ 9,973,068 | \$ 11,947,117 |
| Start Fund | - | - | - |
| 5th Cent Capital Projects | 3,098,837 | 15,296,919 | 18,395,756 |
| 2019 SPET | 1,858,101 | 9,172,221 | 11,030,322 |
| Nonmajor governmental | 2,535,274 | 9,233,641 | 11,768,915 |
| Internal service funds | 747,295 | 3,741,267 | 4,488,562 |
| Total | 10,213,556 | 47,417,116 | 57,630,672 |
| Business-type activities: | | | |
| Water | 1,255,463 | 6,197,392 | 7,452,855 |
| Sewage | 1,160,915 | 5,730,671 | 6,891,586 |
| Internal service funds | 10,607 | - | 10,607 |
| Total | 2,426,985 | 11,928,063 | 14,355,048 |
| Government-wide total | 12,640,541 | 59,345,179 | 71,985,720 |
| Total cash and investments | \$ 12,640,541 | \$ 59,345,179 | \$ 71,985,720 |

(1%) of total sales. Snow King water purchases account for \$107,655 (4%) of the Water Fund's operating revenue and sewage charges account for \$33,727 (1%) of the Sewage Fund's operating revenue.

C. Concentration of sales and revenues

Teton County School District and Snow King Resort (and affiliates) are the two largest customers of water and sewage. Teton County School District water purchases account for \$95,455 (3%) and sewage charges account for \$24,998

D. Capital assets

Capital asset activities for the year end June 30, 2023 are as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance | Internal Service Fund Assets | Governmental Activities Total | Internal Service Fund Additons | Governmental Activities Additions |
|------------------------------------------------------|----------------------|---------------|--------------|-------------------|---------------------------------|----------------------------------|-----------------------------------|--------------------------------------|
| Governmental activities: | | | | | | | | |
| Nondepreciable capital assets: | | | | | | | | |
| Land | \$ 32,699,452 | \$ 651,979 | \$ - | \$ 33,351,431 | \$ - | \$ 33,351,431 | \$ - | \$ 651,979 |
| Construction in progress | 1,961,843 | 18,083,766 | (331,623) | 19,713,986 | - | 19,713,986 | - | 18,083,766 |
| Total | 34,661,295 | 18,735,745 | (331,623) | 53,065,417 | - | 53,065,417 | - | 18,735,745 |
| Depreciable capital assets: | | | | | | | | |
| Buildings and improvements | 73,785,006 | 213,350 | - | 73,998,356 | - | 73,998,356 | - | 213,350 |
| Machinery and equipment | 26,388,897 | 6,476,983 | (331,540) | 32,534,340 | 7,915,214 | 24,619,126 | 618,731 | 5,858,252 |
| Intangible assets | 3,050,000 | 3,069,667 | - | 6,119,667 | - | 6,119,667 | - | 3,069,667 |
| Right to use - buildings | 362,593 | 700,215 | - | 1,062,808 | - | 1,062,808 | - | 700,215 |
| Right to use - subscription asset | - | 464,823 | - | 464,823 | 464,823 | - | 464,823 | - |
| Infrastructure | 57,808,815 | 1,736,008 | (85,769) | 59,459,054 | - | 59,459,054 | - | 1,736,008 |
| Total | 161,395,311 | 12,661,046 | (417,309) | 173,639,048 | 8,380,037 | 165,259,011 | 1,083,554 | 11,577,492 |
| Total capital assets | 196,056,606 | 31,396,791 | (748,932) | 226,704,465 | 8,380,037 | 218,324,428 | 1,083,554 | 30,313,237 |
| Less accumulated depreciation/amortization for: | | | | | | | | |
| Buildings and improvements | (27,560,173) | (2,313,905) | - | (29,874,078) | - | (29,874,078) | - | (2,313,905) |
| Machinery and equipment | (14,158,849) | (1,878,286) | 331,540 | (15,705,595) | (5,020,360) | (10,685,235) | (690,810) | (1,187,476) |
| Intangible assets | (292,012) | (54,650) | - | (346,662) | - | (346,662) | - | (54,650) |
| Right to use - buildings | (74,627) | (186,961) | - | (261,588) | - | (261,588) | - | (186,961) |
| Right to use - subscription asset | - | (93,899) | - | (93,899) | (93,899) | - | (93,899) | - |
| Infrastructure | (29,442,587) | (1,254,251) | 85,769 | (30,611,069) | - | (30,611,069) | - | (1,254,251) |
| Total accumulated depreciation/amortization | (71,528,248) | (5,781,952) | 417,309 | (76,892,891) | (5,114,259) | (71,778,632) | (784,709) | (4,997,243) |
| Total governmental activities capital assets, net | \$ 124,528,358 | \$ 25,614,839 | \$ (331,623) | \$ 149,811,574 | \$ 3,265,778 | \$ 146,545,796 | \$ 298,845 | \$ 25,315,994 |

| Business-type activities: | Balance | Additions | Deletions | Balance |
|----------------------------------------------------|----------------------|--------------------|---------------------|----------------------|
| Nondepreciable capital assets | | | | |
| Land | \$ 1,100,404 | \$ - | \$ - | \$ 1,100,404 |
| Construction in progress | 761,112 | 1,804,389 | (142,330) | 2,423,171 |
| Total | <u>1,861,516</u> | <u>1,804,389</u> | <u>(142,330)</u> | <u>3,523,575</u> |
| Depreciable capital assets: | | | | |
| Buildings and improvements | 59,135,906 | - | (7,916) | 59,127,990 |
| Right to use - easements | 67,537 | - | - | 67,537 |
| Machinery and equipment | 4,012,614 | 142,329 | (20,173) | 4,134,770 |
| Total | <u>63,216,057</u> | <u>142,329</u> | <u>(28,089)</u> | <u>63,330,297</u> |
| Total capital assets | <u>65,077,573</u> | <u>1,946,718</u> | <u>(170,419)</u> | <u>66,853,872</u> |
| Less accumulated depreciation/amortization for: | | | | |
| Buildings and improvements | (28,349,431) | (1,468,181) | 6,991 | (29,810,621) |
| Right to use - easements | (11,256) | (11,256) | - | (22,512) |
| Machinery and equipment | (2,306,670) | (233,198) | 20,172 | (2,519,696) |
| Total accumulated depreciation/amortization | <u>(30,667,357)</u> | <u>(1,712,635)</u> | <u>27,163</u> | <u>(32,352,829)</u> |
| Total business-type activities capital assets, net | <u>\$ 34,410,216</u> | <u>\$ 234,083</u> | <u>\$ (143,256)</u> | <u>\$ 34,501,043</u> |

Additions to construction in progress represent new construction in progress minus projects transferred to infrastructure or buildings for completed projects.

Depreciation and amortization was charged to function/programs as follows:

| | |
|-------------------------------------------------------------------------------------------------------|---------------------|
| Governmental activities: | |
| General government | \$ 1,429,053 |
| Public safety | 286,198 |
| Public works | 2,009,981 |
| Recreation and culture | 527,535 |
| Transit | <u>1,529,185</u> |
| Total depreciation/amortization expenses - governmental activities | 5,781,952 |
| Internal service fund depreciation on capital assets charged to the various functions based on usage. | <u>(784,709)</u> |
| Depreciation expense excluding internal service fund. | <u>\$ 4,997,243</u> |
| Business-type activities: | |
| Water Fund | \$ 699,885 |
| Sewer Fund | <u>1,012,750</u> |
| Total depreciation/amortization expenses - business-type activities | <u>\$ 1,712,635</u> |

E. Claims and judgements

The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government.

As of June 30, 2023, significant amounts of grant expenditures have not been audited by the granting agency, but the Town believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the Town. Additionally, unearned revenues are recognized in those funds that have received grant monies in advance of future reimbursable expenditures.

F. Receivables and unearned revenues

Accounts receivables and due from other governmental units: Due from other governmental units represent earned grant reimbursements or repayments owed for providing non-utility related services. The following are the accounts receivables and due from other governmental units at June 30, 2023:

| | Accounts Receivable | Due from other Governments |
|--------------------------------|------------------------|-------------------------------|
| Governmental activities: | | |
| General Fund | \$ - | \$ 4,002,326 |
| START Bus System | 510,548 | 7,467,286 |
| 5th Cent Capital Projects | - | 8,869 |
| 2019 SPET | 8,145 | 2,436,428 |
| Nonmajor funds | 461,488 | - |
| Internal service funds | 340,705 | 52,911 |
| Total governmental activities | 1,320,886 | 13,967,820 |
| Business-type activities | | |
| Water Fund | 256,012 | - |
| Sewage Fund | 352,209 | - |
| Total business-type activities | 608,221 | - |
| Total | \$ 1,929,107 | \$ 13,967,820 |

Lease receivable

During the current fiscal year, the Town leased eight facilities and easements. The leases range in term from 3 to 23 years with the longest expiring June 2044. Monthly payments ranged in value between \$658 and \$10,562. The Town recognized \$381,043 in lease revenue and \$128,603 in interest revenue during the current fiscal year related to these leases. As of June 30, 2023, the Town's receivable for lease payments was \$2,731,179. Also, the Town has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$2,521,197.

Interfund receivables, payables and transfers: At June 30, 2023, there are interfund balances that are generally short-term loans used to cover temporary cash deficits in various funds. The interfund transfers generally are made for the purposes of distributing revenue from the general fund to other funds for capital projects and operations. Aside from utility transfers discussed below, no significant transfers during the fiscal year that were either non-routine in nature or inconsistent with the activities of the fund making the transfer.

The composition of interfund balances as of June 30, 2023 is as follows:

| Receivable Fund | Payable Fund | Amount |
|-----------------|------------------|--------------|
| General | Start Fund | \$ 5,423,487 |
| General | Fleet Management | 582,653 |

On October 1, 2018, the Town approved an interfund loan each from the Water and Sewage funds to the Capital Projects fund to purchase property for office space and employee housing. The 5th Cent Capital Projects fund will repay the utility funds in monthly installments utilizing current interest rates earned on pooled cash over a five-year term. The interfund interest paid and received is recorded in transfers. These interfund loans were paid off during the year ended June 30, 2023.

Unearned revenues: Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. This deferred revenue type is specifically referred to as unearned revenue. At the end of the current fiscal year, the various components of unearned revenue reported in governmental funds were as follows:

Notes to the Financial Statements
June 30, 2023

TOWN OF JACKSON

| | Court Bonds | Construction Bonds | Grants | Lease Deposits | Total |
|-------------------------------|------------------|-----------------------|-------------------|-------------------|---------------------|
| Governmental Fund Activities: | | | | | |
| Unearned revenue | | | | | |
| General Fund | \$ 18,750 | \$ 1,840,287 | \$ 70,100 | \$ 11,500 | \$ 1,940,637 |
| START Bus System | - | - | 1,600 | - | 1,600 |
| 5th Cent Capital Fund | - | - | 29,615 | - | 29,615 |
| Employee Housing | - | - | - | 60,202 | 60,202 |
| Total | <u>\$ 18,750</u> | <u>\$ 1,840,287</u> | <u>\$ 101,315</u> | <u>\$ 71,702</u> | <u>\$ 2,032,054</u> |

Transfers: The following interfund transfers are reflected in the fund financial statements at June 30, 2023:

| | Transfers In | Transfers Out |
|---------------------------|----------------------|----------------------|
| Governmental funds: | | |
| General Fund | \$ 1,894,246 | \$ 16,773,598 |
| START | 1,797,732 | 114,345 |
| 5th Cent Capital Projects | 16,106,207 | 321,831 |
| Nonmajor governmental | 1,435,227 | 2,427,749 |
| Total governmental funds | <u>21,233,412</u> | <u>19,637,523</u> |
| Enterprise funds: | | |
| Water | 3,513 | 725,112 |
| Sewage | 3,513 | 725,112 |
| Total enterprise funds | <u>7,026</u> | <u>1,450,224</u> |
| Internal service funds | 32,164 | 184,855 |
| Total | <u>\$ 21,272,602</u> | <u>\$ 21,272,602</u> |

The following schedule reflects each fund transfer:

| In Fund | Out Fund | Amount | |
|--------------------|--------------------|----------------------|-----|
| General | Water | \$ 725,112 | (1) |
| General | Sewage | 725,112 | (1) |
| General | START | 114,345 | (1) |
| General | Employee Housing | 86,109 | (1) |
| General | Animal Care | 58,713 | (1) |
| General | Employee Insurance | 184,855 | (1) |
| Capital Projects | Parking Exactions | 800,000 | (5) |
| START | Lodging Tax | 1,482,927 | (1) |
| START | Capital Projects | 314,805 | (5) |
| Capital Projects | General | 15,306,207 | (2) |
| Utility Funds | Capital Projects | 7,026 | (4) |
| Fleet Management | General | 32,164 | (1) |
| Affordable Housing | General | 1,435,227 | (3) |
| | | <u>\$ 21,272,602</u> | |

Annual reimbursement for shared expenditures

- (1) Annual transfer to subsidize fund operations
- (2) Annual 5th cent transfer to capital projects
- (3) Transfer for housing projects and joint affordable housing department
- (4) Transfer for interfund receivable interest
- (5) One-time transfer for capital project

G. Accounts Payable

Accounts payable consists of vendor and retainage payables. As of June 30, 2023, governmental fund vendor payables totaled \$5,350,500 and retainage payables totaled \$792,341. As of June 30, 2023, business-type activities vendor payables totaled \$705,486 and retainage payables totaled \$110,249.

H. Long-term liabilities

Notes payable: The Town currently has issued two notes payable:

The first is a \$1,158,046, 4% note also with the WWDC. This note is secured by the revenues of the Water Fund and a mortgage on the assets of the water supply system. This 30 year note is also payable in equal annual installments.

The last is a \$1,000,000, .5% loan from Wyoming Business Council to install additional infrastructure at Snow King Mountain. This note is secured by the revenues of the Water Fund. This 20 year note is payable in 19 annual installments of \$52,552 with all unpaid principal and interest due in the 20th year.

The notes payable outstanding are as follows:

Governmental activities

| Notes Payable | Final Maturity | Interest Rates | Issue Amount | Outstanding 6/30/2023 |
|--------------------------|-------------------|-------------------|-----------------|--------------------------|
| Snow King Infrastructure | | | | |
| Snow King Loan | 03/31/35 | 0.50% | \$ 1,000,000 | \$ 612,863 |

Business-type activities

| Notes Payable | Final Maturity | Interest Rates | Issue Amount | Outstanding 6/30/2023 |
|-----------------------------------|-------------------|-------------------|-----------------|--------------------------|
| Water supply and storage projects | | | | |
| 2010 WWDC note | 11/11/41 | 4.00% | 1,158,046 | 879,579 |

Annual debt service requirements to maturity for the notes payable are as follows:

| Year ending June 30 | Governmental activities | | Business-type activities | |
|------------------------|-------------------------|------------------|--------------------------|-------------------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 49,488 | \$ 3,064 | \$ 31,787 | \$ 35,183 |
| 2025 | 49,735 | 2,817 | 33,058 | 33,912 |
| 2026 | 49,984 | 2,568 | 34,381 | 32,589 |
| 2027 | 50,234 | 2,318 | 35,756 | 31,214 |
| 2028 | 50,485 | 2,067 | 37,186 | 29,784 |
| 2029-2033 | 256,237 | 7,799 | 209,468 | 125,382 |
| 2034-38 | 106,701 | 1,602 | 254,850 | 80,000 |
| 2039-42 | - | - | 243,094 | 24,645 |
| Total | <u>\$ 612,863</u> | <u>\$ 22,235</u> | <u>\$ 879,579</u> | <u>\$ 392,709</u> |

Leases payable

The Town is committed under nine leases for buildings and easements entered into as lessee. The leases range between two and six years. As of June 30, 2023, the value of the lease liability was \$895,324. The Town is required to make monthly principal and interest payments ranging between \$1,500 and \$11,050. The leases have an interest rate between 1% and 12%. The leases have estimated useful lives ranging between two and six years. The value of the right-to-use asset as of the end of the current fiscal year was \$1,130,345 and had accumulated amortization of \$284,100.

The future principal and interest lease payments as of June 30, 2023 were as follows:

| Year ending June 30 | Governmental activities | | Business-type activities | |
|------------------------|-------------------------|-------------------|--------------------------|---------------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 186,472 | \$ 47,420 | 11,118 | 190 |
| 2025 | 169,125 | 37,760 | 11,380 | 154 |
| 2026 | 156,026 | 27,618 | 11,648 | 117 |
| 2027 | 165,179 | 16,554 | 11,922 | 79 |
| 2028 | 147,432 | 5,468 | - | - |
| 2029 | 25,022 | 193 | - | - |
| Total | <u>\$ 849,256</u> | <u>\$ 135,013</u> | <u>\$ 46,068</u> | <u>\$ 540</u> |

Subscription payable

The Town is committed under four subscription agreements for software. The agreements range between two and six years. As of June 30, 2023, the value of the subscription liability was \$278,519. The Town is required to make annual principal and interest payments ranging between \$12,314 and \$46,545. The agreements have an interest rate between 3.34% and 4.02%. The right-to-use subscription assets have estimated useful lives ranging between two and six years. The value of the right-to-use asset as of the end of the current fiscal year was \$464,823 and had accumulated amortization of \$93,899.

During the year ended June 30, 2023, there were no additional variable payments or other payments associated with these subscriptions.

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2023:

Notes to the Financial Statements
June 30, 2023

TOWN OF JACKSON

| | Beginning Balance | Additions/ Proceeds | Reductions/ Payments | Ending Balance | Due Within One Year |
|----------------------------------|----------------------|------------------------|-------------------------|---------------------|------------------------|
| Governmental activities: | | | | | |
| Snow King Loan | \$ 662,105 | \$ - | \$ (49,242) | \$ 612,863 | \$ 49,488 |
| Leases payable | 307,782 | 700,215 | (158,741) | 849,256 | 186,472 |
| Subscription payable | - | 377,792 | (99,273) | 278,519 | 103,253 |
| Governmental activities total | <u>969,887</u> | <u>1,078,007</u> | <u>(307,256)</u> | <u>1,740,638</u> | <u>339,213</u> |
| Business-type activities: | | | | | |
| Water - storage | 910,144 | - | (30,565) | 879,579 | 31,787 |
| Leases payable | 67,537 | - | (21,469) | 46,068 | 11,118 |
| Business-type activities total | <u>977,681</u> | <u>-</u> | <u>(52,034)</u> | <u>925,647</u> | <u>42,905</u> |
| Government-wide total | <u>\$ 1,947,568</u> | <u>\$ 1,078,007</u> | <u>\$ (359,290)</u> | <u>\$ 2,666,285</u> | <u>\$ 382,118</u> |

Redemptions: None.

I. Risk management and litigation

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years, the Town obtained coverage from various sources and has effectively managed risk through a number of employee education and prevention programs.

All risk management activities are accounted for in the appropriate fund. Expenditures and claims are recognized when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and the loss amount exceeds insurance coverage. In determining claims, events that might create claims, but for which none have been reported, are considered.

The Town attorney estimates that the amount of actual or potential claims against the Town as of June 30, 2023 will not materially affect the financial condition of the Town.

Workers compensation coverage is provided through the state of Wyoming's Worker's Safety and Compensation Division. The Town pays an annual premium, reflecting a base rate plus an experience premium, to the division. Currently, the Town receives drug, alcohol, and safety program discounts.

The Town self-insures its health benefit coverage up to an annual \$70,000 per claimant, with exception of laser coverage option. Stop-loss coverage is purchased from private insurers for amounts exceeding \$70,000. For the year

ended June 30, 2023, the Town exercised no laser coverage on any participants. Health benefit self-insurance activities are accounted for in the Employee Insurance Fund, an internal service fund.

Liability insurance is provided through Local Government Liability Pool (LGLP), a pooled self-insurance program. LGLP was created by the legislature specifically for local governments in Wyoming. The coverage amounts are the limits set by the Governmental Claims Act (W.S. 1-39-118). Current statutory limits are \$250,000 per claimant with \$500,000 per occurrence. Excess insurance coverage provides for out-of-state claims and Federal Civil Rights claims with the current limit of \$5 million with a \$1 million limit per occurrence. The LGLP policy has a \$1,000 deductible.

Property and casualty insurances are provided by Wyoming Association of Risk Management (WARM) through a pooled self-insurance program. The WARM policy has a \$5,000 deductible.

An analysis of claims activities for the last three fiscal periods ending on June 30 is presented below:

| | 2021 | 2023 | 2023 |
|----------------|-----------------|-----------------|-----------------|
| Paid losses | \$33,696 | \$35,358 | \$32,361 |
| Paid expenses | 3,270 | 7,000 | 9,000 |
| Reserves | 25,965 | 14,895 | - |
| Total incurred | <u>\$62,931</u> | <u>\$57,253</u> | <u>\$41,361</u> |

The Town's commercial insurance carrier has no set reserve losses or reserve expenses for claims filed after June 30, 2023 for incidents occurring prior to that date.

There were no significant reductions in insurance from the previous year and there were no settlements in excess of insurance coverage in each of the past three years.

J. Retirement plans

1. Defined benefit plans

The Town participates in the Wyoming Retirement System (the "System"), a statewide cost sharing multiple-employer public employee retirement system. The System is established and governed by the respective sections of Wyoming state statute. The statute provides for the administration of the

System under the direction of the Wyoming State Retirement Board whose members are appointed by the Governor. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. A copy of the report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, Suite 500, Cheyenne, Wyoming 82002, by calling 1-307-777-7691, or <https://retirement.wyo.gov/About/Reports?#categories>. Substantially all Town employees are eligible to participate in following retirement plans offered by the System based upon eligibility and hiring status: 1) Public Employees' Pension Plan; 2) Law Enforcement Pension Plan; and 3) Wyoming Deferred Compensation Plan.

Public Employees' Pension Plan

The Public Employees' Pension Plan (PEPP) is a cost sharing multiple employer defined benefit, contributory retirement plan covering substantially all full-time employees of the Town. PEPP statutorily requires 18.62% of the participant's salary to be contributed to PEPP. Contributions consist of 9.25% of the participant's salary as employee contributions and 9.37% as employer contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion. Through legislation passed during the 2012 legislative session, two tiers of benefits were established for participants of this plan.

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

PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of eight optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The

benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through date of termination or, if they are vested, they may elect to remain in PEPP and be eligible for retirement benefits at age 50 (Tier 1 employees) and 55 (Tier 2 employees).

Contributions to PEPP for the year ended June 30, 2023 were \$1,305,841.

Law Enforcement Pension Plan

The Wyoming Law Enforcement Pension Plan (LEPP) is a cost sharing multiple employer defined benefit, contributory plan covering all law enforcement employees of the Town. LEPP statutorily requires participants to contribute 8.6% of their salary to LEPP and the employer is required to contribute 8.6% of each participant's salary.

LEPP statutorily provides retirement, disability and death benefits according to predetermined formulas and allows employees to select one of seven optional methods for receiving benefits. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless LEPP is 100% funded after the COLA is awarded. Participants may withdraw from LEPP at any time and receive refunds of participant contributions plus accumulated interest.

Contributions to LEPP for the year ended June 30, 2023 were \$484,598.

Wyoming Deferred Compensation Plan

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

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

Notes to the Financial Statements
June 30, 2023

TOWN OF JACKSON

At June 30, 2023, the Town reported an entity-wide net pension liability of \$15,216,682 of which \$13,902,333 is related to governmental activities and \$550,239 and \$764,110 is related to the Town's water and sewer funds, respectively.

| Plan | Proportionate Share | Pension Liability |
|-----------------------------|---------------------|----------------------|
| PEPP | 0.367419% | \$ 10,040,865 |
| LEPP | 1.519374% | \$ 5,175,817 |
| Total net pension liability | | <u>\$ 15,216,682</u> |

The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2022.

For the year ended June 30, 2023, the Town recognized entity-wide pension expense of \$1,794,321. The PEPP recognized an expense of \$799,153. The LEPP recognized an expense of \$995,168. At June 30, 2023, the Town reported entity-wide deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Difference between expected and actual experience
Net difference between projected and actual earnings on pension plan investments
Changes in assumptions
Change in proportion
Contributions subsequent to the measurement date

| PEPP | |
|--------------------------------|-------------------------------|
| Deferred Outflows of Resources | Deferred Inflows of Resources |
| \$ 50,354 | \$ 63,650 |
| 864,321 | - |
| 269,472 | - |
| 886,266 | - |
| 736,901 | - |
| <u>\$ 2,807,314</u> | <u>\$ 63,650</u> |

Difference between expected and actual experience
Net difference between projected and actual earnings on pension plan investments
Changes in assumptions
Change in proportion
Contributions subsequent to the measurement date

| LEPP | |
|--------------------------------|-------------------------------|
| Deferred Outflows of Resources | Deferred Inflows of Resources |
| \$ 122,212 | \$ 163,221 |
| 363,257 | - |
| 2,143,509 | 800,450 |
| 287,684 | 63,719 |
| 240,273 | - |
| <u>\$ 3,156,935</u> | <u>\$ 1,027,390</u> |

Deferred outflows of resources related to pensions resulting from Town contributions of \$977,174 made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal Year Ending June 30, | Net Deferred Outflows (Inflows) of Resources | | Asset Class | Allocation | 20 Year Arithmetic Expected Real Return |
|--------------------------------|-------------------------------------------------|--------------|-------------------------|------------|--------------------------------------------------|
| | PEPP | LEPP | | | |
| 2024 | \$ 201,949 | \$ 542,744 | Cash | 0.50% | 0.32% |
| 2025 | 498,321 | 887,546 | Gold | 1.50% | |
| 2026 | 372,112 | 38,710 | Fixed Income | 20.00% | 0.72% |
| 2027 | 934,381 | 420,272 | Equity | 51.50% | 9.00% |
| | | | Marketable Alternatives | 16.00% | 6.02% |
| | \$ 2,006,763 | \$ 1,889,272 | Private Real Assets | 10.50% | 7.67% |
| | | | Totals | 100.00% | |

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | PEPP | LEPP |
|---------------------------------------------------|----------------|----------------|
| Projected salary increases, includes inflation | 2.50% to 6.50% | 5.25% TO 9.25% |
| Assumed inflation rate | 2.25% | 2.25% |
| Investment Rate of Return | 6.80% | 6.80% |

Mortality rates were based on the RP-2014 Employee Mortality Table, fully generational, for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale MP-2017.

Discount Rate

The discount rate used to measure the total pension liability for PEPP was 6.8% and LEPP was 5.53%. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Wyoming State Statutes. Based on those assumptions, the Systems' fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate:

The following presents the proportionate share of the net pension liability calculated using the PEPP discount rate of 6.80% and the LEPP discount rate of 5.53%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | 1% Decrease | Discount Rate | 1% Increase |
|-------------------------------------------------|---------------|------------------|--------------|
| <i>PEPP</i> | 5.80% | 6.80% | 7.80% |
| Proportionate share of net pension liability | \$ 14,826,753 | \$ 10,040,865 | \$ 6,074,663 |
| <i>LEPP</i> | 4.53% | 5.53% | 6.53% |
| Proportionate share of net pension liability | 7,789,900 | 5,175,817 | 3,074,638 |

Pension plan fiduciary net position

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

K. Committed contracts

At June 30, 2023, the Town had the following remaining commitments for uncompleted construction and equipment purchase contracts:

| <u>Fund/Project</u> | <u>Remaining Contract</u> |
|--------------------------------------------|---------------------------|
| START | |
| 6 Buses | 4,294,308 |
| BUILD Grant | 451,134 |
| On-Demand | 205,395 |
| Capital Projects | |
| Chip Seal | 275,160 |
| 2006 SPET | |
| North King | 255,384 |
| 2019 SPET | |
| Core Services Vehicle Maintenance Facility | 17,467,490 |
| Water | |
| North King | 320,180 |
| Well House | 131,320 |
| Sewer | |
| North King | 180,515 |
| Gill Avenue | 286,934 |
| Flat Creek | 354,100 |
| Central Equipment Fund | |
| Dumptruck | 238,664 |

In 2008, the Town created a shared-appreciation mortgage program as a recruitment tool for key personnel. At June 30, 2023, the Town's commitments totaled \$266,500.

L. Fund changes and fund balances

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2023, are as follows:

| <u>Classification/Fund</u> | <u>Purpose</u> | <u>Amount</u> |
|----------------------------|-----------------------------|----------------------|
| Nonspendable | | |
| General Fund | Prepaid items | \$ 4,537 |
| START Bus System | Prepaid items | 4,714 |
| 5th Cent Capital Projects | Prepaid items | 5,000 |
| Restricted | | |
| General Fund | Victim services | 13,732 |
| 2010 SPET | Energy | 121,656 |
| 2006 SPET | Pathways/Sidewalks | 258,247 |
| 2014 SPET | Pedestrian/Complete Streets | 3,242,287 |
| 2016 SPET | Landslide mitigation | 334,001 |
| 2019 SPET | Facility/Stormwater | 11,548,282 |
| Parking Exactions | Parking improvements | 216,181 |
| Parks Exactions | Park improvements | 547,244 |
| Affordable Housing | Housing options | 420,316 |
| Lodging Tax | Visitor impacts | 816,420 |
| Animal Care | Animal shelter | 536,074 |
| Assigned | | |
| Employee Housing | Employee housing | 2,649,056 |
| Affordable Housing | Housing options | 2,106,630 |
| Parking Exactions | Parking management | 1,152,616 |
| 5th Cent Capital Projects | Various improvements | 16,594,149 |
| START Bus System | Transit | 1,768,833 |
| General Fund | Subsequent year's budget | 4,035,491 |
| Unassigned | | |
| General Fund | | 14,672,953 |
| Total fund balances | | <u>\$ 61,048,419</u> |

For the year ended June 30, 2023, the Town closed the following fund(s):
2017 SPET

For the same period, the Town opened the following fund(s):
None

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Public Employees' Pension Plan

| | December 31, 2014 | December 31, 2015 | December 31, 2016 | December 31, 2017 | December 31, 2018 | December 31, 2019 | December 31, 2020 | December 31, 2021 | December 31, 2022 |
|--------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Proportion of the net pension liability | 0.2477% | 0.2588% | 0.2691% | 0.2887% | 0.2955% | 0.3029% | 0.3058% | 0.3344% | 0.3674% |
| Proportionate share of the net pension liability | \$ 4,371,143 | 6,028,352 | 5,749,223 | 6,580,771 | 8,997,981 | 7,118,565 | 6,646,010 | 5,098,714 | 10,040,865 |
| Covered payroll | \$ 4,234,215 | 4,513,663 | 4,797,798 | 5,128,402 | 5,145,703 | 5,265,046 | 5,444,566 | 6,085,894 | 6,633,861 |
| Proportionate share of the net pension liability as a percentage of its covered payroll | 103.23% | 133.56% | 135.59% | 128.31% | 174.88% | 135.19% | 122.07% | 83.78% | 151.36% |
| Plan fiduciary net position as a percentage of the total pension liability | 79.08% | 73.40% | 73.42% | 76.35% | 69.17% | 76.83% | 79.24% | 86.03% | 75.47% |

Note: Amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.
Schedule intends to show ten years of data, additional years will be displayed when it becomes available.

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Law Enforcement Pension Plan

| | December 31, 2014 | December 31, 2015 | December 31, 2016 | December 31, 2017 | December 31, 2018 | December 31, 2019 | December 31, 2020 | December 31, 2021 | December 31, 2022 |
|--------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Proportion of the net pension liability | 0.9710% | 1.1008% | 1.1771% | 1.2442% | 1.3305% | 1.3952% | 1.2181% | 1.3880% | 1.5194% |
| Proportionate share of the net pension liability | \$ 276,396 | 826,914 | 929,485 | 1,070,529 | 3,220,730 | 1,202,683 | 829,769 | 3,949,304 | 5,175,817 |
| Covered payroll | \$ 1,435,120 | 1,655,587 | 1,821,906 | 1,910,369 | 2,021,012 | 2,174,440 | 1,957,903 | 2,305,848 | 2,452,351 |
| Proportionate share of the net pension liability as a percentage of its covered payroll | 19.94% | 49.95% | 48.77% | 56.04% | 159.36% | 55.31% | 42.38% | 171.27% | 211.06% |
| Plan fiduciary net position as a percentage of the total pension liability | 94.76% | 87.49% | 88.11% | 87.99% | 71.22% | 89.05% | 91.82% | 75.62% | 70.30% |

Note: Amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.
Schedule intends to show ten years of data, additional years will be displayed when it becomes available.

SCHEDULE OF CONTRIBUTIONS**Public Employees' Pension Plan****June 30, 2023**

| | Year Ended June 30, 2015 | Year Ended June 30, 2016 | Year Ended June 30, 2017 | Year Ended June 30, 2018 | Year Ended June 30, 2019 | Year Ended June 30, 2020 | Year Ended June 30, 2021 | Year Ended June 30, 2022 | Year Ended June 30, 2023 |
|-------------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Contractually required contribution | \$ 656,590 | 771,616 | 817,825 | 861,766 | 882,845 | 954,123 | 1,012,396 | 1,138,790 | 1,305,841 |
| Contributions in relation to the contractually required contribution | 656,590 | 771,616 | 817,825 | 861,766 | 882,845 | 954,123 | 1,012,396 | 1,138,790 | 1,305,841 |
| Contribution deficiency (excess) | \$ - | - | - | - | - | - | - | - | - |
| Covered payroll | \$ 4,137,300 | 4,642,696 | 4,920,729 | 5,185,117 | 5,156,803 | 5,414,997 | 5,587,174 | 6,115,952 | 7,013,108 |
| Contributions as a percentage of covered payroll | 15.87% | 16.62% | 16.62% | 16.62% | 17.12% | 17.62% | 18.12% | 18.62% | 18.62% |

Note: Amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.
Schedule intends to show ten years of data, additional years will be displayed when it becomes available.

SCHEDULE OF CONTRIBUTIONS

Law Enforcement Pension Plan

June 30, 2023

| | Year Ended June 30, 2015 | Year Ended June 30, 2016 | Year Ended June 30, 2017 | Year Ended June 30, 2018 | Year Ended June 30, 2019 | Year Ended June 30, 2020 | Year Ended June 30, 2021 | Year Ended June 30, 2022 | Year Ended June 30, 2023 |
|-------------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Contractually required contribution | \$ 258,516 | 309,370 | 331,618 | 339,729 | 367,582 | 403,806 | 374,602 | 413,814 | 484,598 |
| Contributions in relation to the contractually required contribution | 258,516 | 309,370 | 331,618 | 339,729 | 367,582 | 403,806 | 374,602 | 413,814 | 484,598 |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Covered payroll | \$ 1,503,002 | 1,798,665 | 1,928,014 | 1,975,166 | 2,137,107 | 2,347,710 | 2,177,919 | 2,405,897 | 2,817,429 |
| Contributions as a percentage of covered payroll | 17.20% | 17.20% | 17.20% | 17.20% | 17.20% | 17.20% | 17.20% | 17.20% | 17.20% |

Note: Amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.
Schedule intends to show ten years of data, additional years will be displayed when it becomes available.

Combining Balance Sheet

Nonmajor Governmental Funds by Fund Type

June 30, 2023

| | Special Revenue Funds | Capital Projects Funds | Total Nonmajor Governmental Funds |
|--------------------------------------|-----------------------------|------------------------------|--------------------------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,760,675 | \$ 774,599 | \$ 2,535,274 |
| Investments | 6,045,049 | 3,188,592 | 9,233,641 |
| Accounts receivable | 461,488 | - | 461,488 |
| Deposits | 14,375 | - | 14,375 |
| Notes receivable - housing | 266,500 | - | 266,500 |
| Total assets | <u>8,548,087</u> | <u>3,963,191</u> | <u>12,511,278</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | 43,348 | 7,000 | 50,348 |
| Unearned revenue | 60,202 | - | 60,202 |
| Total liabilities | <u>103,550</u> | <u>7,000</u> | <u>110,550</u> |
| Fund balances: | | | |
| Restricted | 2,536,235 | 3,956,191 | 6,492,426 |
| Assigned | 5,908,302 | - | 5,908,302 |
| Total fund balances | <u>8,444,537</u> | <u>3,956,191</u> | <u>12,400,728</u> |
| Total liabilities and fund balances | <u>\$ 8,548,087</u> | <u>\$ 3,963,191</u> | <u>\$ 12,511,278</u> |

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds by Fund Type Year Ended June 30, 2023

| | Special Revenue Funds | Capital Projects Funds | Total Nonmajor Governmental Funds |
|---------------------------------------------------|-----------------------------|------------------------------|--------------------------------------------|
| Revenues: | | | |
| General Taxes | \$ 1,365,694 | \$ - | \$ 1,365,694 |
| Licenses and permits | 1,450,595 | - | 1,450,595 |
| Intergovernmental | 300,965 | - | 300,965 |
| Investment earnings | 233,244 | 102,782 | 336,026 |
| Other revenues | 675,542 | - | 675,542 |
| Total revenues | <u>4,026,040</u> | <u>102,782</u> | <u>4,128,822</u> |
| Expenditures: | | | |
| Current: | | | |
| General Government | 301,721 | - | 301,721 |
| Public safety | 255,072 | - | 255,072 |
| Community development | 438,190 | - | 438,190 |
| Recreation and culture | 549,517 | - | 549,517 |
| Capital outlay | 4,054,033 | 550,556 | 4,604,589 |
| Debt service | | | |
| Principal | 90,503 | - | 90,503 |
| Interest | 14,252 | - | 14,252 |
| Total expenditures | <u>5,703,288</u> | <u>550,556</u> | <u>6,253,844</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,677,248)</u> | <u>(447,774)</u> | <u>(2,125,022)</u> |
| Other financing sources (uses) | | | |
| Transfers in | 1,435,227 | - | 1,435,227 |
| Transfers out | (2,427,749) | - | (2,427,749) |
| Leases issued | 331,279 | - | 331,279 |
| Total other financing sources (uses) | <u>(661,243)</u> | <u>-</u> | <u>(661,243)</u> |
| Net change in fund balances | <u>(2,338,491)</u> | <u>(447,774)</u> | <u>(2,786,265)</u> |
| Fund balance at beginning of year | 10,783,028 | 4,403,965 | 15,186,993 |
| Fund balance at end of year | <u>\$ 8,444,537</u> | <u>\$ 3,956,191</u> | <u>\$ 12,400,728</u> |

Combining Balance Sheet

Nonmajor Special Revenue Funds

June 30, 2023

| | Employee Housing | Affordable Housing | Parking Exactions | Parks Exactions | Animal Care | Lodging Tax | Total |
|--------------------------------------|---------------------|-----------------------|----------------------|--------------------|-------------------|-------------------|---------------------|
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 410,965 | \$ 431,082 | \$ 230,579 | \$ 92,185 | \$ 536,074 | \$ 59,790 | \$ 1,760,675 |
| Investments | 2,028,664 | 2,127,966 | 1,138,218 | 455,059 | - | 295,142 | 6,045,049 |
| Accounts Receivable | - | - | - | - | - | 461,488 | 461,488 |
| Notes receivable - housing | 266,500 | - | - | - | - | - | 266,500 |
| Deposits | 14,375 | - | - | - | - | - | 14,375 |
| Total assets | <u>2,720,504</u> | <u>\$ 2,559,048</u> | <u>\$ 1,368,797</u> | <u>\$ 547,244</u> | <u>\$ 536,074</u> | <u>\$ 816,420</u> | <u>\$ 8,548,087</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts payable | 11,246 | 32,102 | - | - | - | - | 43,348 |
| Deposits payable | 60,202 | - | - | - | - | - | 60,202 |
| Total liabilities | <u>71,448</u> | <u>32,102</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>103,550</u> |
| Fund balances: | | | | | | | |
| Restricted | - | 420,316 | 216,181 | 547,244 | 536,074 | 816,420 | 2,536,235 |
| Assigned | 2,649,056 | 2,106,630 | 1,152,616 | - | - | - | 5,908,302 |
| Total fund balances | <u>2,649,056</u> | <u>2,526,946</u> | <u>1,368,797</u> | <u>547,244</u> | <u>536,074</u> | <u>816,420</u> | <u>8,444,537</u> |
| Total liabilities and fund balances | <u>\$ 2,720,504</u> | <u>\$ 2,559,048</u> | <u>\$ 1,368,797</u> | <u>\$ 547,244</u> | <u>\$ 536,074</u> | <u>\$ 816,420</u> | <u>\$ 8,548,087</u> |

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds Year Ended June 30, 2023

| | Employee Housing | Affordable Housing | Parking Exactions | Parks Exactions | Animal Care | Lodging Tax | Total |
|------------------------------------------------------|---------------------|-----------------------|----------------------|--------------------|-------------------|--------------------|---------------------|
| Revenues: | | | | | | | |
| General taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,365,694 | \$ 1,365,694 |
| Intergovernmental | - | 72,000 | - | - | - | 228,965 | 300,965 |
| Licenses and permits | - | 910,585 | 446,635 | 93,375 | - | - | 1,450,595 |
| Investment earnings | 54,265 | 94,754 | 38,155 | 9,731 | 1,056 | 35,283 | 233,244 |
| Other revenue: | | | | | | | |
| Other | 594,090 | - | - | - | 81,452 | - | 675,542 |
| Total revenues | <u>648,355</u> | <u>1,077,339</u> | <u>484,790</u> | <u>103,106</u> | <u>82,508</u> | <u>1,629,942</u> | <u>4,026,040</u> |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General government | 301,721 | - | - | - | - | - | 301,721 |
| Public safety | - | - | - | - | 26,107 | 228,965 | 255,072 |
| Community development | - | 435,227 | 2,963 | - | - | - | 438,190 |
| Recreation and culture | - | - | - | - | - | 549,517 | 549,517 |
| Capital outlay | 331,279 | 3,722,754 | - | - | - | - | 4,054,033 |
| Debt service | | | | | | | |
| Principal | 90,503 | - | - | - | - | - | 90,503 |
| Interest | 14,252 | - | - | - | - | - | 14,252 |
| Total expenditures | <u>737,755</u> | <u>4,157,981</u> | <u>2,963</u> | <u>-</u> | <u>26,107</u> | <u>778,482</u> | <u>5,703,288</u> |
| Excess (deficiency) of revenues over expenditures | <u>(89,400)</u> | <u>(3,080,642)</u> | <u>481,827</u> | <u>103,106</u> | <u>56,401</u> | <u>851,460</u> | <u>(1,677,248)</u> |
| Other financing sources (uses): | | | | | | | |
| Transfers in | - | 1,435,227 | - | - | - | - | 1,435,227 |
| Transfers out | (86,109) | - | (800,000) | - | (58,713) | (1,482,927) | (2,427,749) |
| Leases issued | 331,279 | - | - | - | - | - | 331,279 |
| Total other financing sources (uses) | <u>245,170</u> | <u>1,435,227</u> | <u>(800,000)</u> | <u>-</u> | <u>(58,713)</u> | <u>(1,482,927)</u> | <u>(661,243)</u> |
| Net change in fund balance | 155,770 | (1,645,415) | (318,173) | 103,106 | (2,312) | (631,467) | (2,338,491) |
| Fund balance at beginning of year | <u>2,493,286</u> | <u>4,172,361</u> | <u>1,686,970</u> | <u>444,138</u> | <u>538,386</u> | <u>1,447,887</u> | <u>10,783,028</u> |
| Fund balance at end of year | <u>\$ 2,649,056</u> | <u>\$ 2,526,946</u> | <u>\$ 1,368,797</u> | <u>\$ 547,244</u> | <u>\$ 536,074</u> | <u>\$ 816,420</u> | <u>\$ 8,444,537</u> |

Employee Housing Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balances - Budget and Actual

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Investment earnings | \$ 38,100 | \$ 38,100 | \$ 54,265 | \$ 16,165 |
| Other revenues: | | | | |
| Rental charges | 548,546 | 548,546 | 594,090 | 45,544 |
| Total revenues | <u>586,646</u> | <u>586,646</u> | <u>648,355</u> | <u>61,709</u> |
| Expenditures: | | | | |
| General government: | | | | |
| Contractual services | 581,732 | 651,932 | 301,721 | (350,211) |
| Capital Outlay: | | | | |
| General government | - | - | 331,279 | 331,279 |
| Debt service: | | | | |
| Principal | - | - | 90,503 | 90,503 |
| Interest | - | - | 14,252 | 14,252 |
| Total expenditures | <u>581,732</u> | <u>651,932</u> | <u>737,755</u> | <u>85,823</u> |
| Excess (deficiency) of revenues over expenditures | <u>4,914</u> | <u>(65,286)</u> | <u>(89,400)</u> | <u>(24,114)</u> |
| Other financing sources (uses): | | | | |
| Transfers out | (85,027) | (90,066) | (86,109) | 3,957 |
| Leases issued | - | - | 331,279 | 331,279 |
| Total other financing sources (uses) | <u>(85,027)</u> | <u>(90,066)</u> | <u>245,170</u> | <u>335,236</u> |
| Net change in fund balance | (80,113) | (155,352) | 155,770 | 311,122 |
| Fund balance at beginning of year | 2,493,286 | 2,493,286 | 2,493,286 | - |
| Fund balance at end of year | <u>\$ 2,413,173</u> | <u>\$ 2,337,934</u> | <u>\$ 2,649,056</u> | <u>\$ 311,122</u> |

Affordable Housing

Schedule of Revenues, Expenditures and Changes

in Fund Balances - Budget and Actual

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ - | \$ - | \$ 72,000 | \$ 72,000 |
| Licenses and Permits: | | | | |
| Workforce housing exactions | 150,000 | 150,000 | 910,585 | 760,585 |
| Investment earnings (loss) | 68,300 | 68,300 | 94,754 | 26,454 |
| Total revenues | <u>218,300</u> | <u>218,300</u> | <u>1,077,339</u> | <u>859,039</u> |
| Expenditures: | | | | |
| Community development: | | | | |
| Contracted Services | 431,776 | 435,227 | 435,227 | - |
| Capital outlay | 1,000,000 | 3,752,296 | 3,722,754 | (29,542) |
| Total expenditures | <u>1,431,776</u> | <u>4,187,523</u> | <u>4,157,981</u> | <u>(29,542)</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,213,476)</u> | <u>(3,969,223)</u> | <u>(3,080,642)</u> | <u>888,581</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 1,431,776 | 1,435,227 | 1,435,227 | - |
| Total other financing sources (uses) | <u>1,431,776</u> | <u>1,435,227</u> | <u>1,435,227</u> | <u>-</u> |
| Net change in fund balance | 218,300 | (2,533,996) | (1,645,415) | 888,581 |
| Fund balance at beginning of year | 4,172,361 | 4,172,361 | 4,172,361 | - |
| Fund balance at end of year | <u>\$ 4,390,661</u> | <u>\$ 1,638,365</u> | <u>\$ 2,526,946</u> | <u>\$ 888,581</u> |

Parking Exactions Fund **Schedule of Revenues, Expenditures and Changes** **in Fund Balances - Budget and Actual** **Year Ended June 30, 2023**

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Licenses and permits: | | | | |
| Parking exactions | \$ 1,000 | \$ 1,000 | \$ 35,250 | \$ 34,250 |
| Encroachment fees | 100,000 | 100,000 | 411,385 | 311,385 |
| Investment earnings (loss) | 27,000 | 27,000 | 38,155 | 11,155 |
| Total revenues | <u>128,000</u> | <u>128,000</u> | <u>484,790</u> | <u>356,790</u> |
| Expenditures: | | | | |
| Community development: | | | | |
| Other | 4,000 | 4,000 | 2,963 | (1,037) |
| Total expenditures | <u>4,000</u> | <u>4,000</u> | <u>2,963</u> | <u>(1,037)</u> |
| Excess (deficiency) of revenues over expenditures | <u>124,000</u> | <u>124,000</u> | <u>481,827</u> | <u>357,827</u> |
| Other financing sources (uses): | | | | |
| Transfers out | - | (800,000) | (800,000) | - |
| Total other financing sources (uses) | <u>-</u> | <u>(800,000)</u> | <u>(800,000)</u> | <u>-</u> |
| Net change in fund balance | <u>124,000</u> | <u>(676,000)</u> | <u>(318,173)</u> | <u>357,827</u> |
| Fund balance at beginning of year | <u>1,686,970</u> | <u>1,686,970</u> | <u>1,686,970</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 1,810,970</u> | <u>\$ 1,010,970</u> | <u>\$ 1,368,797</u> | <u>\$ 357,827</u> |

Parks Exactions Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|------------------|------------|------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Licenses and permits: | | | | |
| Subdivision exactions | \$ 50,000 | \$ 50,000 | \$ 93,375 | \$ 43,375 |
| Investment earnings (loss) | 6,100 | 6,100 | 9,731 | 3,631 |
| Total revenues | 56,100 | 56,100 | 103,106 | 47,006 |
| Expenditures: | | | | |
| Capital outlay | 210,000 | 239,000 | - | (239,000) |
| Total expenditures | 210,000 | 239,000 | - | (239,000) |
| Excess (deficiency) of revenues over expenditures | (153,900) | (182,900) | 103,106 | 286,006 |
| Fund balance at beginning of year | 444,138 | 444,138 | 444,138 | - |
| Fund balance at end of year | \$ 290,238 | \$ 261,238 | \$ 547,244 | \$ 286,006 |

Animal Care Fund

Schedule of Revenues, Expenditures and Changes

in Fund Balances - Budget and Actual

Year Ended June 30, 2023

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|------------------|------------|------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Investment earnings (loss) | \$ 200 | \$ 200 | \$ 1,056 | \$ 856 |
| Other revenues: | | | | |
| Donations and contributions | 60,000 | 60,000 | 81,452 | 21,452 |
| Total revenues | 60,200 | 60,200 | 82,508 | 22,308 |
| Expenditures: | | | | |
| Public safety: | | | | |
| Supplies | 25,000 | 26,108 | 26,107 | (1) |
| Total expenditures | 25,000 | 26,108 | 26,107 | (1) |
| Excess (deficiency) of revenues over expenditures | 35,200 | 34,092 | 56,401 | 22,309 |
| Other financing sources (uses): | | | | |
| Transfers out | (55,000) | (58,713) | (58,713) | - |
| Total other financing sources (uses) | (55,000) | (58,713) | (58,713) | - |
| Net change in fund balance | (19,800) | (24,621) | (2,312) | 22,309 |
| Fund balance at beginning of year | 538,386 | 538,386 | 538,386 | - |
| Fund balance at end of year | \$ 518,586 | \$ 513,765 | \$ 536,074 | \$ 22,309 |

Lodging Tax Fund **Schedule of Revenues, Expenditures and Changes** **in Fund Balances - Budget and Actual** **Year Ended June 30, 2023**

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|---------------------------------------------------|--------------------|--------------------|--------------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| General taxes | \$ 1,467,711 | \$ 1,467,711 | \$ 1,365,694 | \$ (102,017) |
| Intergovernmental | - | 228,965 | 228,965 | - |
| Investment earnings (loss) | 23,000 | 23,000 | 35,283 | 12,283 |
| Total revenues | <u>1,490,711</u> | <u>1,719,676</u> | <u>1,629,942</u> | <u>(89,734)</u> |
| Expenditures: | | | | |
| Recreation and culture: | | | | |
| Parks and Recreation | 500,000 | 500,000 | 500,000 | - |
| Public Safety | - | 228,965 | 228,965 | - |
| Pathways | <u>50,000</u> | <u>50,000</u> | <u>49,517</u> | <u>(483)</u> |
| Total expenditures | <u>550,000</u> | <u>778,965</u> | <u>778,482</u> | <u>(483)</u> |
| Excess (deficiency) of revenues over expenditures | <u>940,711</u> | <u>940,711</u> | <u>851,460</u> | <u>(89,251)</u> |
| Other financing sources (uses): | | | | |
| Transfers out | <u>(2,147,258)</u> | <u>(2,147,258)</u> | <u>(1,482,927)</u> | <u>664,331</u> |
| Total other financing sources (uses) | <u>(2,147,258)</u> | <u>(2,147,258)</u> | <u>(1,482,927)</u> | <u>664,331</u> |
| Net change in fund balance | (1,206,547) | (1,206,547) | (631,467) | 575,080 |
| Fund balance at beginning of year | <u>1,447,887</u> | <u>1,447,887</u> | <u>1,447,887</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 241,340</u> | <u>\$ 241,340</u> | <u>\$ 816,420</u> | <u>\$ 575,080</u> |

Combining Balance Sheet

Nonmajor Capital Projects Funds

June 30, 2023

| | 2006 SPET | 2010 SPET | 2014 SPET | 2016 SPET | 2017 SPET | Total |
|--------------------------------------|-------------------|-------------------|---------------------|-------------------|--------------|---------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 43,503 | \$ 128,656 | \$ 546,176 | \$ 56,264 | \$ - | \$ 774,599 |
| Investments | 214,744 | - | 2,696,111 | 277,737 | - | 3,188,592 |
| Total Assets | <u>258,247</u> | <u>128,656</u> | <u>3,242,287</u> | <u>334,001</u> | <u>-</u> | <u>3,963,191</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | - | 7,000 | - | - | - | 7,000 |
| Total liabilities | <u>-</u> | <u>7,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>7,000</u> |
| Fund balances: | | | | | | |
| Restricted | 258,247 | 121,656 | 3,242,287 | 334,001 | - | 3,956,191 |
| Total fund balances | <u>258,247</u> | <u>121,656</u> | <u>3,242,287</u> | <u>334,001</u> | <u>-</u> | <u>3,956,191</u> |
| Total liabilities and fund balances | <u>\$ 258,247</u> | <u>\$ 128,656</u> | <u>\$ 3,242,287</u> | <u>\$ 334,001</u> | <u>\$ -</u> | <u>\$ 3,963,191</u> |

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds Year Ended June 30, 2023

| | 2006 SPET | 2010 SPET | 2014 SPET | 2016 SPET | 2017 SPET | Total |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Revenues: | | | | | | |
| Investment earnings (loss) | \$ 6,036 | \$ 3,784 | \$ 76,899 | \$ 7,810 | \$ 8,253 | \$ 102,782 |
| Total revenues | 6,036 | 3,784 | 76,899 | 7,810 | 8,253 | 102,782 |
| Expenditures: | | | | | | |
| Capital outlay: | | | | | | |
| Infrastructure | 373 | 41,775 | 75,952 | 875 | 431,581 | 550,556 |
| Total expenditures | 373 | 41,775 | 75,952 | 875 | 431,581 | 550,556 |
| Net change in fund balances | 5,663 | (37,991) | 947 | 6,935 | (423,328) | (447,774) |
| Fund balance at beginning of year | 252,584 | 159,647 | 3,241,340 | 327,066 | 423,328 | 4,403,965 |
| Fund balance at end of year | \$ 258,247 | \$ 121,656 | \$ 3,242,287 | \$ 334,001 | \$ - | \$ 3,956,191 |

Combining Statement of Net Position

Internal Service Funds

June 30, 2023

| | Employee Insurance | Fleet Management | Central Equipment | IT Services | Total |
|-------------------------------------------------|-----------------------|---------------------|----------------------|---------------------|---------------------|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash and Cash Equivalents | \$ 408,037 | \$ - | \$ 174,215 | \$ 175,650 | \$ 757,902 |
| Investments | 2,014,210 | - | 859,990 | 867,067 | 3,741,267 |
| Accounts receivable (net) | 276,426 | - | 64,279 | - | 340,705 |
| Due from other governmental units | - | 52,911 | - | - | 52,911 |
| Materials and supplies | - | 501,308 | - | - | 501,308 |
| Prepaid Items | - | - | - | 57,290 | 57,290 |
| Total current assets | <u>2,698,673</u> | <u>554,219</u> | <u>1,098,484</u> | <u>1,100,007</u> | <u>5,451,383</u> |
| Noncurrent assets: | | | | | |
| Capital assets: | | | | | |
| Machinery & equipment | - | 48,962 | 5,991,071 | 1,875,181 | 7,915,214 |
| Right to Use, subscription asset | - | - | - | 464,823 | 464,823 |
| Total capital assets | - | 48,962 | 5,991,071 | 2,340,004 | 8,380,037 |
| Less accumulated depreciation/amortization | - | (9,216) | (3,389,483) | (1,715,560) | (5,114,259) |
| Total capital assets (net) | - | 39,746 | 2,601,588 | 624,444 | 3,265,778 |
| Total noncurrent assets | - | 39,746 | 2,601,588 | 624,444 | 3,265,778 |
| TOTAL ASSETS | <u>2,698,673</u> | <u>593,965</u> | <u>3,700,072</u> | <u>1,724,451</u> | <u>8,717,161</u> |
| DEFERRED OUTFLOW OF RESOURCES | | | | | |
| Deferred outflows related to pensions | - | 179,107 | - | - | 179,107 |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Interfund Payable - pooled cash | - | 582,653 | - | - | 582,653 |
| Accounts payable | 487,505 | 25,457 | - | 72,596 | 585,558 |
| Accrued wages payable | - | 19,490 | - | - | 19,490 |
| Subscription liability - current | - | - | - | 103,253 | 103,253 |
| Total current liabilities | <u>487,505</u> | <u>627,600</u> | <u>-</u> | <u>175,849</u> | <u>1,290,954</u> |
| Noncurrent liabilities: | | | | | |
| Subscription liability - net of current portion | - | - | - | 175,266 | 175,266 |
| Net pension liability | - | 640,607 | - | - | 640,607 |
| Total noncurrent liabilities | - | 640,607 | - | 175,266 | 815,873 |
| TOTAL LIABILITIES | <u>487,505</u> | <u>1,268,207</u> | <u>-</u> | <u>351,115</u> | <u>2,106,827</u> |
| DEFERRED INFLOW OF RESOURCES | | | | | |
| Deferred outflows related to pensions | - | 4,061 | - | - | 4,061 |
| NET POSITION | | | | | |
| Net investment in capital assets | - | 39,746 | 2,601,588 | 345,925 | 2,987,259 |
| Unrestricted | 2,211,168 | (538,942) | 1,098,484 | 1,027,411 | 3,798,121 |
| TOTAL NET POSITION | <u>\$ 2,211,168</u> | <u>\$ (499,196)</u> | <u>\$ 3,700,072</u> | <u>\$ 1,373,336</u> | <u>\$ 6,785,380</u> |

Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds Year Ended June 30, 2023

| | Employee Insurance | Fleet Management | Central Equipment | IT Services | Total |
|----------------------------------------|-----------------------|---------------------|----------------------|---------------------|---------------------|
| Operating revenues: | | | | | |
| Internal customers | \$ 2,947,481 | \$ 1,706,325 | \$ 639,700 | \$ 1,531,505 | \$ 6,825,011 |
| External customers | - | 536,654 | - | - | 536,654 |
| Total operating revenues | <u>2,947,481</u> | <u>2,242,979</u> | <u>639,700</u> | <u>1,531,505</u> | <u>7,361,665</u> |
| Operating expenses: | | | | | |
| Operations and maintenance | 3,108,361 | 2,405,312 | 6,436 | 976,603 | 6,496,712 |
| Depreciation and amortization | - | 4,896 | 503,169 | 276,644 | 784,709 |
| Total operating expenses | <u>3,108,361</u> | <u>2,410,208</u> | <u>509,605</u> | <u>1,253,247</u> | <u>7,281,421</u> |
| Operating income (loss) | <u>(160,880)</u> | <u>(167,229)</u> | <u>130,095</u> | <u>278,258</u> | <u>80,244</u> |
| Nonoperating revenues (expenses): | | | | | |
| Interest revenue | 63,892 | (10,201) | 21,416 | 15,465 | 90,572 |
| Contributions and donations | - | - | 65,000 | - | 65,000 |
| Gain on disposal of property | - | - | 9,150 | - | 9,150 |
| Interest expense | - | - | - | (1,193) | (1,193) |
| Total nonoperating revenues (expenses) | <u>63,892</u> | <u>(10,201)</u> | <u>95,566</u> | <u>14,272</u> | <u>163,529</u> |
| Income (loss) before transfers | (96,988) | (177,430) | 225,661 | 292,530 | 243,773 |
| Other financing sources (uses): | | | | | |
| Insurance proceeds | - | - | 64,280 | - | 64,280 |
| Transfers in | - | 32,164 | - | - | 32,164 |
| Transfers out | <u>(184,855)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(184,855)</u> |
| Change in net position | (281,843) | (145,266) | 289,941 | 292,530 | 155,362 |
| Net position at beginning of year | 2,493,011 | (353,930) | 3,410,131 | 1,080,806 | 6,630,018 |
| Net position at end of year | <u>\$ 2,211,168</u> | <u>\$ (499,196)</u> | <u>\$ 3,700,072</u> | <u>\$ 1,373,336</u> | <u>\$ 6,785,380</u> |

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2023

| | Employee Insurance | Fleet Management | Central Equipment | IT Services | Total |
|------------------------------------------------------------------------------------------------|-----------------------|---------------------|----------------------|-------------------|---------------------|
| Cash flow from operating activities: | | | | | |
| Cash received from internal customers | \$ 2,687,792 | \$ 1,706,326 | \$ 639,700 | \$ 1,531,505 | \$ 6,565,323 |
| Cash received from external customers | - | 544,372 | - | - | 544,372 |
| Cash paid to suppliers for goods and services | (2,800,736) | (1,532,776) | (6,436) | (1,007,955) | (5,347,903) |
| Cash paid to employees | - | (739,885) | - | - | (739,885) |
| Net cash provided (used) by operating activities | <u>(112,944)</u> | <u>(21,963)</u> | <u>633,264</u> | <u>523,550</u> | <u>1,021,907</u> |
| Cash flow from noncapital financing activities: | | | | | |
| Transfers from other funds | - | 32,164 | - | - | 32,164 |
| Transfers to other funds | (184,855) | - | - | - | (184,855) |
| Net cash provided (used) by noncapital financing activities | <u>(184,855)</u> | <u>32,164</u> | <u>-</u> | <u>-</u> | <u>(152,691)</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Acquisition of capital assets | - | - | (609,581) | - | (609,581) |
| Contributions and donations | - | - | 65,000 | - | 65,000 |
| Proceeds from the sale of capital assets | - | - | 9,150 | - | 9,150 |
| Principal payments on subscription liability | - | - | - | (99,273) | (99,273) |
| Interest paid on subscription liability | - | - | - | (1,193) | (1,193) |
| Net cash (used) by capital and related financing activities | <u>-</u> | <u>-</u> | <u>(535,431)</u> | <u>(100,466)</u> | <u>(635,897)</u> |
| Cash flows from investing activities | | | | | |
| Interest on investments | 99,834 | (10,201) | 36,763 | 30,937 | 157,333 |
| Sale of investments | 363,693 | - | - | - | 363,693 |
| Proceeds from sales and maturities of investments | (334,176) | - | (158,960) | (409,897) | (903,033) |
| Net cash provided (used) by investing activities | <u>129,351</u> | <u>(10,201)</u> | <u>(122,197)</u> | <u>(378,960)</u> | <u>(382,007)</u> |
| Increase (decrease) in cash and cash equivalents | (168,448) | - | (24,364) | 44,124 | (148,688) |
| Cash and cash equivalents - July 1 | 576,485 | - | 198,579 | 131,526 | 906,590 |
| Cash and cash equivalents - June 30 | <u>\$ 408,037</u> | <u>\$ -</u> | <u>\$ 174,215</u> | <u>\$ 175,650</u> | <u>\$ 757,902</u> |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | | |
| Operating income (loss) | (160,880) | (167,229) | 130,095 | 278,258 | 80,244 |
| Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities: | | | | | |
| Depreciation and amortization expense | - | 4,897 | 503,169 | 276,644 | 784,710 |
| Pension Expense | - | 34,822 | - | - | 34,822 |
| Changes in assets and liabilities: | | | | | |
| Account receivable | (259,689) | - | - | - | (259,689) |
| Due from other governmental units | - | 7,718 | - | - | 7,718 |
| Materials and supplies | - | 19,632 | - | - | 19,632 |
| Prepaid items | - | - | - | 32,508 | 32,508 |
| Interfund payable - pooled cash | - | 143,696 | - | - | 143,696 |
| Accounts payable | 307,625 | (71,610) | - | (63,860) | 172,155 |
| Accrued wages payable | - | 6,111 | - | - | 6,111 |
| Net cash provided (used) by operating activities | <u>\$ (112,944)</u> | <u>\$ (21,963)</u> | <u>\$ 633,264</u> | <u>\$ 523,550</u> | <u>\$ 1,021,907</u> |
| Noncash investing, capital, and financing activities: | | | | | |
| Increase (decrease) in fair value of investments | \$ (35,942) | \$ - | \$ (15,346) | \$ (15,472) | (66,760) |
| Increase (Decrease) in prepaids | - | - | - | 87,031 | 87,031 |
| Increase (Decrease) in right to use - subscription asset | - | - | - | 464,823 | 464,823 |
| Increase (Decrease) in subscription liability | - | - | - | 377,792 | 377,792 |

Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2023

| | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Actual | FY2023 Original Budget | FY2023 Amended Budget | FY2023 Actual | Variance with Final Budget |
|---------------------------------------------|------------------|------------------|------------------|------------------|------------------------------|-----------------------------|------------------|----------------------------------|
| Revenue and other sources - summary: | | | | | | | | |
| Taxes | \$ 7,945,733 | \$ 7,504,576 | \$ 10,373,157 | \$ 11,523,921 | \$ 12,557,825 | \$ 12,636,839 | \$ 12,021,387 | \$ (615,452) |
| Licenses & Permits | 1,307,330 | 1,188,735 | 1,417,597 | 1,812,270 | 1,318,843 | 1,318,843 | 1,636,675 | 317,832 |
| Intergovernmental Revenue | 10,584,159 | 10,535,270 | 16,781,333 | 14,411,001 | 15,578,938 | 15,624,123 | 14,875,386 | (748,737) |
| Charges for Services | 622,744 | 653,182 | 667,508 | 682,649 | 726,000 | 746,000 | 776,335 | 30,335 |
| Fines & Forfeitures | 476,375 | 332,750 | 332,799 | 368,412 | 375,000 | 375,000 | 466,907 | 91,907 |
| Miscellaneous Revenue | 408,481 | 590,728 | 267,057 | 164,718 | 569,923 | 590,923 | 859,490 | 268,567 |
| Other Financing Sources | 5,000 | - | - | - | - | - | - | - |
| Interfund Transfers | 1,051,926 | 3,743,957 | 975,090 | 1,337,031 | 2,132,267 | 2,225,734 | 1,894,246 | (331,488) |
| Total Revenues & Other Sources | 22,401,748 | 24,549,198 | 30,814,541 | 30,300,002 | 33,258,796 | 33,517,462 | 32,530,426 | (987,036) |
| Revenue and other sources - detail: | | | | | | | | |
| Taxes | | | | | | | | |
| Local option sales and use tax | 7,080,347 | 6,647,468 | 9,446,627 | 10,179,620 | 11,066,413 | 11,066,413 | 10,505,372 | (561,041) |
| Lodging tax | 281,115 | 254,026 | 351,895 | 427,068 | 489,237 | 489,237 | 455,231 | (34,006) |
| Property tax | - | - | - | 252,255 | 302,400 | 381,414 | 378,488 | (2,926) |
| Motor vehicle fees | - | - | - | 27,876 | 40,000 | 40,000 | 29,347 | (10,653) |
| Franchise taxes | | | | | | | | |
| Franchise tax - electric | 172,179 | 182,188 | 177,895 | 207,605 | 204,580 | 204,580 | 193,464 | (11,116) |
| Franchise tax - gas | 64,383 | 69,520 | 62,886 | 39,945 | 62,886 | 62,886 | 92,865 | 29,979 |
| Franchise tax - cable | 134,378 | 131,603 | 122,892 | 125,239 | 128,000 | 128,000 | 131,871 | 3,871 |
| Franchise tax - trash | 184,836 | 194,526 | 187,095 | 223,141 | 220,000 | 220,000 | 210,080 | (9,920) |
| Franchise tax - phone | 26,495 | 24,004 | 22,503 | 37,164 | 42,523 | 42,523 | 20,652 | (21,871) |
| Franchise tax - recycling | 2,000 | 1,241 | 1,364 | 4,008 | 1,786 | 1,786 | 4,017 | 2,231 |
| Licenses & Permits | | | | | | | | |
| Business licenses | 298,741 | 304,162 | 298,108 | 352,960 | 350,000 | 350,000 | 363,119 | 13,119 |
| Transportation license | 680 | 680 | 528 | 1,807 | 1,000 | 1,000 | 3,028 | 2,028 |
| Special Event Permit | 675 | 200 | 100 | 230 | 500 | 500 | 6,281 | 5,781 |
| Vehicle license permit | 9,000 | 9,480 | 6,287 | 8,249 | 6,838 | 6,838 | 7,154 | 316 |
| Operator license permit | 12,435 | 8,320 | 9,985 | 5,930 | 8,097 | 8,097 | 9,261 | 1,164 |
| Liquor licenses | 138,330 | 118,680 | 131,171 | 137,350 | 129,008 | 129,008 | 142,158 | 13,150 |
| Contractor licenses | 79,415 | 79,191 | 83,293 | 101,768 | 100,000 | 100,000 | 98,927 | (1,073) |
| COQ license renewal | 7,270 | 8,953 | 11,825 | 23,134 | 1,000 | 1,000 | 25,450 | 24,450 |
| Building permits | 438,490 | 360,413 | 645,408 | 780,989 | 500,000 | 500,000 | 586,994 | 86,994 |
| Sign permits | 4,500 | 3,300 | 5,055 | 5,761 | 4,000 | 4,000 | 5,310 | 1,310 |
| Mechanical permits | 11,080 | 18,055 | 22,487 | 33,260 | 15,000 | 15,000 | 23,881 | 8,881 |
| Plumbing permits | 20,670 | 34,552 | 39,838 | 49,970 | 30,000 | 30,000 | 25,828 | (4,172) |
| Development permits/fees | 85,200 | 89,290 | 79,553 | 14,470 | 10,000 | 10,000 | 48,816 | 38,816 |
| Final plat | 925 | - | - | - | - | - | - | - |
| Grading/erosion permits | 2,700 | 2,700 | 4,350 | 5,454 | 7,500 | 7,500 | 2,380 | (5,120) |
| Demo permits | 1,300 | 1,000 | 1,100 | 1,400 | 1,200 | 1,200 | 900 | (300) |
| Animal licenses | 4,748 | 4,411 | 3,094 | 3,636 | 4,700 | 4,700 | 4,051 | (649) |
| Encroachment fees | 62,134 | - | - | - | - | - | - | - |
| Rodeo contract fees | 129,037 | 145,348 | 75,415 | 285,902 | 150,000 | 150,000 | 283,137 | 133,137 |

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2023 (continued)

| | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Actual | FY2023 Original Budget | FY2023 Amended Budget | FY2023 Actual | Variance with Final Budget |
|-----------------------------------------|------------------|------------------|------------------|------------------|------------------------------|-----------------------------|------------------|----------------------------------|
| Intergovernmental Revenue | | | | | | | | |
| Department of Justice Grant | 2,850 | 2,898 | - | 2,428 | - | - | 2,365 | 2,365 |
| Homeland Security Grant | 19,826 | 19,997 | - | - | - | - | - | - |
| State grant - tobacco compliance | 1,360 | 2,635 | 2,550 | 3,825 | 5,100 | 5,100 | 5,440 | 340 |
| State grant - alcohol compliance | 4,930 | 5,950 | 5,525 | 6,375 | 5,100 | 5,100 | 6,375 | 1,275 |
| State grant - EUDL | 4,025 | 2,862 | 3,091 | 3,763 | 2,006 | 2,006 | 1,705 | (301) |
| State grants - police | 25,399 | 9,956 | 8,997 | 9,717 | 6,500 | 6,500 | 9,989 | 3,489 |
| Opioid Settlement Funds | - | - | - | - | - | 36,703 | - | (36,703) |
| SLIB - Coronavirus Relief Funds | - | - | 4,569,697 | - | - | - | - | - |
| 4% state sales tax | 7,994,677 | 7,935,216 | 9,337,936 | 11,565,828 | 12,563,982 | 12,563,982 | 11,817,567 | (746,415) |
| 4% state use tax | 643,936 | 632,818 | 1,006,343 | 913,084 | 1,008,485 | 1,008,485 | 1,032,546 | 24,061 |
| Gasoline tax | 487,356 | 463,352 | 440,152 | 459,627 | 417,017 | 417,017 | 471,933 | 54,916 |
| Cigarette tax | 23,563 | 21,524 | 19,843 | 19,347 | 19,575 | 19,575 | 18,585 | (990) |
| Severance tax | 356,362 | 356,362 | 355,797 | 387,321 | 355,797 | 355,797 | 390,457 | 34,660 |
| Federal mineral royalties | 543,460 | 547,574 | 549,950 | 544,422 | 549,950 | 549,950 | 538,701 | (11,249) |
| Lottery distribution | 66,253 | 31,198 | 34,326 | 27,584 | 30,000 | 30,000 | 61,025 | 31,025 |
| County - split on joint departments | 268,631 | 366,979 | 329,940 | 343,426 | 524,501 | 532,983 | 429,350 | (103,633) |
| Victim witness grant | 141,531 | 135,949 | 117,186 | 124,254 | 90,925 | 90,925 | 89,348 | (1,577) |
| Charges for Services | | | | | | | | |
| Special police services - airport | 502,462 | 531,000 | 553,635 | 523,677 | 595,000 | 595,000 | 604,081 | 9,081 |
| Special police services - SRO | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | - |
| Special police services - other | 15,448 | 29,841 | 12,761 | 13,691 | 25,000 | 45,000 | 38,949 | (6,051) |
| Alarm bond income | - | 3,850 | 3,675 | 17,095 | 2,000 | 2,000 | 16,185 | 14,185 |
| Public Safety Education | 5,653 | - | - | - | - | - | - | - |
| VIN inspections | 13,976 | 10,632 | 13,495 | 13,740 | 14,000 | 14,000 | 13,900 | (100) |
| Plan review fees | 16,525 | 9,239 | 13,313 | 41,014 | 22,000 | 22,000 | 33,780 | 11,780 |
| Cemetery fees | 3,680 | 3,620 | 5,629 | 8,432 | 3,000 | 3,000 | 4,440 | 1,440 |
| Fines & Forfeitures | | | | | | | | |
| Parking tickets | 293,135 | 191,506 | 216,089 | 222,755 | 210,000 | 210,000 | 265,455 | 55,455 |
| Summons & complaints | 183,240 | 141,244 | 116,710 | 145,657 | 165,000 | 165,000 | 201,452 | 36,452 |
| Restitutions | - | - | - | - | - | - | - | - |
| Miscellaneous Revenue | | | | | | | | |
| Interest and investment earnings (loss) | 229,797 | 272,681 | 31,270 | (179,961) | 245,000 | 245,000 | 620,649 | 375,649 |
| Animal shelter equipment rentals | 9,581 | 10,223 | 6,506 | 13,015 | 10,225 | 10,225 | 9,143 | (1,082) |
| DUI Impact Panel | 5,250 | 4,045 | 2,775 | 3,415 | 5,016 | 5,016 | 2,765 | (2,251) |
| Parking Garage rental | 86,420 | 110,434 | 64,839 | 67,463 | 61,921 | 61,921 | 48,473 | (13,448) |
| South Park rental | - | - | 4,112 | 24,444 | 25,176 | 25,176 | 38,033 | 12,857 |
| Miscellaneous Reimbursement | 14,164 | 10,714 | 9,396 | 13,551 | 8,000 | 8,000 | 18,437 | 10,437 |
| Insurance reimbursement | - | 10,015 | - | - | - | - | - | - |
| Snow King Lease | 22,294 | 75,257 | 77,430 | 112,966 | 141,536 | 141,536 | 96,196 | (45,340) |
| Park & Maintenance Lease | - | - | - | 7,567 | - | - | - | - |
| Vertical Harvest Lease | - | 33,481 | 24,115 | 36,649 | 33,252 | 33,252 | 31,195 | (2,057) |
| Lease agreement - fairgrounds | 28,936 | 28,822 | 29,236 | 29,862 | 29,797 | 29,797 | 18,879 | (10,918) |
| Miscellaneous revenue | 13,191 | 36,656 | 16,418 | 35,354 | 10,000 | 31,000 | (24,473) | (55,473) |
| Cash over/(short) | (1,152) | (1,600) | (40) | 393 | - | - | 193 | 193 |

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2023

(continued)

| | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Actual | FY2023 Original Budget | FY2023 Amended Budget | FY2023 Actual | Variance with Final Budget |
|-------------------------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------------|-----------------------------|-------------------|----------------------------------|
| Other Financing Sources | | | | | | | | - |
| Sale of capital assets | 5,000 | - | - | - | - | - | - | - |
| Interfund Transfers | | | | | | | | |
| Indirect cost allocations - Utilities | 971,962 | 1,252,724 | 878,626 | 1,137,860 | 1,687,030 | 1,763,499 | 1,450,224 | (313,275) |
| Indirect cost allocations - START Bus | 53,865 | 101,230 | 80,307 | 96,406 | 120,355 | 128,601 | 114,345 | (14,256) |
| SRF - Animal Care | 26,099 | 70,535 | 16,157 | 28,801 | 55,000 | 58,713 | 58,713 | - |
| Indirect cost allocations - Employee Housing | - | 112,026 | - | 73,964 | 85,027 | 90,066 | 86,109 | (3,957) |
| Capital Fund - Vertical Harvest | - | 24,512 | - | - | - | - | - | - |
| Capital Fund - Snow King | - | 49,126 | - | - | - | - | - | - |
| Capital Fund - 2016 SPET | - | 1,483,804 | - | - | - | - | - | - |
| Internal Service - Cental Equip. | - | 200,000 | - | - | - | - | - | - |
| Internal Service - Employee Insurance | - | 450,000 | - | - | 184,855 | 184,855 | 184,855 | - |
| Total revenues and other sources | <u>22,401,748</u> | <u>24,549,198</u> | <u>30,814,541</u> | <u>30,300,002</u> | <u>33,258,796</u> | <u>33,517,462</u> | <u>32,530,426</u> | <u>(987,036)</u> |
| Expenditures and other uses - summary: | | | | | | | | |
| General government | 4,497,611 | 4,841,692 | 4,653,405 | 5,525,379 | 6,907,512 | 7,326,169 | 6,444,602 | (881,567) |
| Public safety | 7,474,592 | 7,550,462 | 7,005,693 | 8,494,839 | 9,913,283 | 10,488,544 | 9,498,218 | (990,326) |
| Public works | 2,648,500 | 2,464,442 | 2,019,428 | 2,624,006 | 3,222,247 | 3,331,842 | 3,075,623 | (256,219) |
| Health & welfare | 699,172 | 792,600 | 855,452 | 1,016,476 | 1,321,307 | 1,321,307 | 1,216,307 | (105,000) |
| Community development | 270,716 | 244,311 | 216,047 | 280,703 | 423,450 | 453,450 | 352,002 | (101,448) |
| Recreation and culture | 1,215,426 | 1,682,484 | 1,653,806 | 1,395,720 | 1,027,660 | 1,028,691 | 1,003,087 | (25,604) |
| General unallocated | 185,219 | 250,110 | 1,846,438 | 224,150 | 1,599,268 | 734,054 | 320,001 | (414,053) |
| Transfers out and other uses | 5,042,398 | 4,313,908 | 3,838,927 | 7,805,686 | 17,157,983 | 17,323,640 | 16,773,598 | (550,042) |
| Total expenditures and other uses | <u>22,033,634</u> | <u>22,140,009</u> | <u>22,089,196</u> | <u>27,366,959</u> | <u>41,572,710</u> | <u>42,007,697</u> | <u>38,683,438</u> | <u>(3,324,259)</u> |
| Expenditures and other uses - divisions: | | | | | | | | |
| General government | | | | | | | | |
| Mayor & town council | 316,678 | 358,525 | 364,624 | 354,171 | 413,833 | 418,833 | 385,957 | (32,876) |
| Town attorney | 582,362 | 355,297 | 293,206 | 465,634 | 580,125 | 659,484 | 610,517 | (48,967) |
| Municipal judge | 233,621 | 258,981 | 250,249 | 269,039 | 294,552 | 310,900 | 305,625 | (5,275) |
| Administration | 260,373 | 563,469 | 267,042 | 287,774 | 514,148 | 557,424 | 403,528 | (153,896) |
| Personnel & town clerk | 639,854 | 623,557 | 618,089 | 769,632 | 889,638 | 948,859 | 901,097 | (47,762) |
| Finance | 578,609 | 609,424 | 594,717 | 628,498 | 695,330 | 741,218 | 710,489 | (30,729) |
| Information technology | 513,558 | 525,291 | 570,087 | 766,739 | 918,763 | 972,959 | 911,188 | (61,771) |
| Community Development | - | - | 405,444 | 499,236 | 933,825 | 943,049 | 592,439 | (350,610) |
| Planning | 818,305 | 943,219 | 655,211 | 854,083 | 892,445 | 920,009 | 895,269 | (24,740) |
| Town facilities | 554,251 | 603,929 | 634,736 | 630,573 | 774,853 | 853,434 | 728,493 | (124,941) |
| Public safety | | | | | | | | |
| Police | | | | | | | | |
| Police - administration | 555,452 | 564,775 | 424,049 | 598,896 | 702,763 | 731,716 | 696,855 | (34,861) |
| Police - investigation | 414,660 | 379,245 | 383,117 | 535,941 | 708,737 | 732,221 | 583,103 | (149,118) |
| Police - patrol | 3,052,579 | 3,099,207 | 2,904,575 | 3,289,605 | 3,695,011 | 3,946,923 | 3,636,912 | (310,011) |
| Police - community service | 481,358 | 540,977 | 353,652 | 545,887 | 746,624 | 774,838 | 644,795 | (130,043) |
| Police - special operations | 22,706 | 15,821 | 11,146 | 14,923 | 25,300 | 25,300 | 13,917 | (11,383) |

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2023 (continued)

| | FY2019 Actual | FY2020 Actual | FY2021 Actual | FY2022 Actual | FY2023 Original Budget | FY2023 Amended Budget | FY2023 Actual | Variance with Final Budget |
|------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------------------------|--------------------------------------|--------------------------|-------------------------------------------|
| Fire/EMS (county service) | 1,707,904 | 1,782,914 | 1,620,890 | 2,033,998 | 1,884,930 | 2,056,855 | 1,820,776 | (236,079) |
| Emergency Management (county service) | - | - | - | - | 84,767 | 84,767 | 65,953 | (18,814) |
| Dispatch (county service) | 312,310 | 276,159 | 435,299 | 367,173 | 805,802 | 805,802 | 805,802 | - |
| Victim services | 295,908 | 284,967 | 257,006 | 355,737 | 355,288 | 388,364 | 345,592 | (42,772) |
| Animal shelter/control | 238,688 | 234,188 | 240,690 | 321,143 | 418,035 | 439,765 | 403,933 | (35,832) |
| Building inspections | 393,027 | 372,209 | 375,269 | 431,536 | 486,026 | 501,993 | 480,580 | (21,413) |
| Public works | | | | | | | | |
| Administration | 233,011 | 312,652 | 309,555 | 333,694 | 374,782 | 412,057 | 397,729 | (14,328) |
| Streets | 1,943,289 | 1,644,421 | 1,283,879 | 1,682,637 | 2,077,515 | 2,112,423 | 1,889,596 | (222,827) |
| Town engineer | 437,127 | 466,491 | 395,831 | 562,756 | 690,797 | 728,209 | 719,484 | (8,725) |
| Public works yard operations | 35,073 | 40,878 | 30,163 | 44,919 | 79,153 | 79,153 | 68,814 | (10,339) |
| Community health & human services | | | | | | | | |
| Community health & human services | 699,172 | 792,600 | 855,452 | 1,016,476 | 1,321,307 | 1,321,307 | 1,216,307 | (105,000) |
| Community initiatives | | | | | | | | |
| Community initiatives | 270,716 | 244,311 | 216,047 | 280,703 | 423,450 | 453,450 | 352,002 | (101,448) |
| Affordable Housing (county service) | - | - | 4,977 | - | - | - | - | - |
| Recreation and culture | | | | | | | | |
| Parks & recreation (county service) | 1,202,171 | 1,596,822 | 1,561,681 | 1,328,325 | 952,569 | 952,569 | 935,219 | (17,350) |
| Pathways operations (county service) | - | 70,613 | 78,941 | 41,544 | 48,162 | 48,162 | 46,796 | (1,366) |
| Memorial park (cemetery) | 13,255 | 15,049 | 13,184 | 25,851 | 26,929 | 27,960 | 21,072 | (6,888) |
| General unallocated | | | | | | | | |
| Town-wide services | 185,219 | 250,110 | 1,846,438 | 224,150 | 1,599,268 | 734,054 | 320,001 | (414,053) |
| Transfers out and other uses | | | | | | | | |
| Transfers out | 5,042,398 | 4,313,908 | 3,838,927 | 7,805,686 | 17,157,983 | 17,323,640 | 16,773,598 | (550,042) |
| Total expenditures & other uses | <u>\$ 22,033,634</u> | <u>\$ 22,140,009</u> | <u>\$ 22,094,173</u> | <u>\$ 27,366,959</u> | <u>\$ 41,572,710</u> | <u>\$ 42,007,697</u> | <u>\$ 38,683,438</u> | <u>\$ (3,324,259)</u> |
| Revenue over/(under) expenditures | <u>\$ 368,114</u> | <u>\$ 2,409,189</u> | <u>\$ 8,720,368</u> | <u>\$ 2,933,043</u> | <u>\$ (8,313,914)</u> | <u>\$ (8,490,235)</u> | <u>\$ (6,153,012)</u> | <u>\$ 2,337,223</u> |



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STATISTICAL SECTION



Statistical Information

(unaudited)

The Statistical Section is included to provide financial statement users with additional historical perspective, context, and detail for them to use in evaluating the information contained within the financial statements, notes to the financial statements, and required supplementary information with the goal of providing the user a better understanding of the Town's economic condition.

Contents

Financial Trends

These schedules contain information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue capacity

These schedules contain information to help the reader assess the Town's most significant local revenue sources.

Debt capacity

These schedules contain information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Demographic and economic information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating information

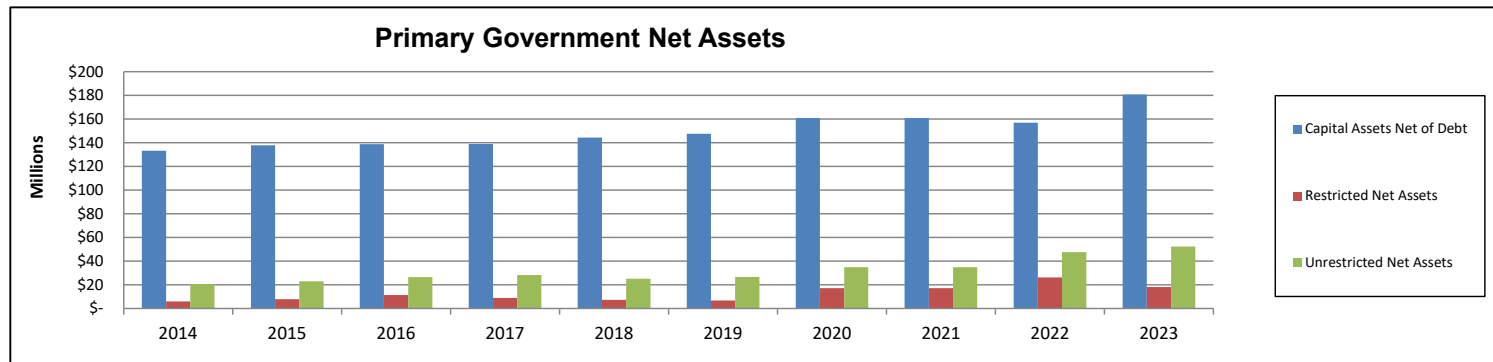
These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Net Position by Component Last Ten Fiscal Years

(accrual basis of accounting)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | \$ 91,322,703 | \$ 101,175,653 | \$ 106,023,911 | \$ 106,646,780 | \$ 105,795,420 | \$ 109,737,679 | \$ 113,181,522 | \$ 126,830,028 | \$ 123,558,471 | \$ 147,278,595 |
| Restricted | 7,132,056 | 5,920,619 | 7,789,841 | 11,316,514 | 8,916,903 | 7,273,639 | 6,740,555 | 17,181,407 | 26,238,326 | 18,054,440 |
| Unrestricted | 14,508,265 | 11,417,347 | 13,092,266 | 15,638,037 | 16,861,903 | 13,844,683 | 15,294,640 | 22,686,916 | 34,346,735 | 38,726,212 |
| Total governmental net position | \$ 112,963,024 | \$ 118,513,619 | \$ 126,906,018 | \$ 133,601,331 | \$ 131,574,226 | \$ 130,856,001 | \$ 135,216,717 | \$ 166,698,351 | \$ 184,143,532 | \$ 204,059,247 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | \$ 31,886,646 | \$ 32,083,337 | \$ 31,865,621 | \$ 32,189,229 | \$ 33,156,018 | \$ 34,620,007 | \$ 34,460,583 | \$ 33,969,185 | \$ 33,432,536 | \$ 33,465,147 |
| Unrestricted | 8,585,533 | 9,246,040 | 9,856,281 | 10,796,082 | 11,325,149 | 11,285,398 | 11,343,980 | 12,186,286 | 13,120,147 | 13,542,349 |
| Total business-type net position | \$ 40,472,179 | \$ 41,329,377 | \$ 41,721,902 | \$ 42,985,311 | \$ 44,481,167 | \$ 45,905,405 | \$ 45,804,563 | \$ 46,155,471 | \$ 46,552,683 | \$ 47,007,496 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | \$ 133,258,990 | \$ 137,889,532 | \$ 138,836,009 | \$ 138,951,438 | \$ 144,357,686 | \$ 147,642,105 | \$ 160,799,213 | \$ 160,799,213 | \$ 156,991,007 | \$ 180,743,742 |
| Restricted | 5,920,619 | 7,789,841 | 11,316,514 | 8,916,903 | 7,273,639 | 6,740,555 | 17,181,407 | 17,181,407 | 26,238,326 | 18,054,440 |
| Unrestricted | 20,663,387 | 22,948,547 | 26,434,119 | 28,187,052 | 25,130,081 | 26,638,620 | 34,873,202 | 34,873,202 | 47,466,882 | 52,268,561 |
| Total primary government net position | \$ 159,842,996 | \$ 168,627,920 | \$ 176,586,642 | \$ 176,055,393 | \$ 176,761,406 | \$ 181,021,280 | \$ 212,853,822 | \$ 212,853,822 | \$ 230,696,215 | \$ 251,066,743 |



Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 8,686,647 | \$ 4,110,441 | \$ 4,307,459 | \$ 5,053,033 | \$ 5,678,127 | \$ 5,056,561 | \$ 6,313,524 | \$ 6,679,176 | \$ 6,684,116 | \$ 7,109,167 |
| Public safety | 5,850,883 | 5,916,729 | 6,414,964 | 6,822,421 | 7,318,186 | 8,229,288 | 8,394,860 | 9,066,521 | 9,535,325 | 11,910,706 |
| Public works | 6,505,233 | 4,901,706 | 4,949,198 | 6,395,396 | 10,303,854 | 6,888,180 | 5,384,535 | 4,683,862 | 5,191,777 | 6,009,580 |
| Transit | 3,725,168 | 4,125,077 | 4,805,587 | 5,535,770 | 5,290,455 | 6,191,251 | 6,293,288 | 6,544,295 | 7,828,576 | 10,412,575 |
| Health and welfare | 509,253 | 480,463 | 508,912 | 563,412 | 686,098 | 706,878 | 801,509 | 948,974 | 1,025,496 | 1,231,374 |
| Community development | 310,600 | 244,842 | 248,337 | 1,385,406 | 199,559 | 1,625,530 | 677,156 | 839,521 | 835,500 | 1,490,139 |
| Recreation and culture | 1,508,047 | 1,667,838 | 1,839,978 | 2,217,404 | 2,457,190 | 2,537,041 | 3,853,282 | 2,602,832 | 2,691,991 | 2,191,905 |
| Interest on long-term debt | - | - | 6,187 | 4,703 | 4,463 | 4,223 | 3,981 | 3,738 | 30,268 | 54,993 |
| Total governmental activities expenses | 27,095,831 | 21,447,096 | 23,080,622 | 27,977,545 | 31,937,932 | 31,238,952 | 31,722,134 | 31,368,918 | 33,823,049 | 40,410,440 |
| Business-type activities | | | | | | | | | | |
| Water utility | 2,067,201 | 1,592,691 | 2,036,913 | 1,740,216 | 1,621,429 | 1,757,922 | 2,130,666 | 1,985,319 | 1,971,891 | 2,151,531 |
| Sewer utility | 2,069,849 | 1,932,052 | 2,004,888 | 2,098,112 | 2,222,045 | 2,246,098 | 2,463,348 | 2,475,726 | 2,403,170 | 2,931,407 |
| Total business-type activities expenses | 4,137,050 | 3,524,743 | 4,041,801 | 3,838,328 | 3,843,474 | 4,004,020 | 4,594,014 | 4,461,045 | 4,375,061 | 5,082,938 |
| Total primary government expenses | \$ 31,232,881 | \$ 24,971,839 | \$ 27,122,423 | \$ 31,815,873 | \$ 35,781,406 | \$ 35,242,972 | \$ 36,316,148 | \$ 35,829,963 | \$ 38,198,110 | \$ 45,493,378 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | \$ 716,553 | \$ 780,071 | \$ 819,309 | \$ 850,420 | \$ 899,062 | \$ 935,436 | \$ 962,103 | \$ 1,093,083 | \$1,320,302 | \$ 1,450,143 |
| Public safety | 1,206,537 | 1,296,034 | 1,301,381 | 1,422,288 | 1,514,805 | 1,647,139 | 1,427,811 | 1,726,332 | 1,936,713 | 1,897,349 |
| Public works | 20,000 | 20,000 | 20,000 | 15,600 | 26,200 | 86,420 | 110,434 | 64,839 | 45,481 | 69,786 |
| Transit | 772,191 | 678,810 | 729,631 | 740,128 | 795,204 | 838,815 | 823,409 | 582,323 | 619,036 | 710,323 |
| Community development | 26,455 | 53,882 | 222,456 | 442,182 | 59,292 | 268,168 | 353,656 | 909,303 | 917,818 | 1,357,220 |
| Recreation and culture | 107,796 | 142,553 | 200,032 | 176,205 | 152,469 | 227,461 | 295,506 | 311,514 | 573,020 | 508,343 |
| Operating grants and contributions | 2,591,048 | 2,986,023 | 3,013,339 | 2,862,202 | 2,824,371 | 3,494,454 | 5,022,541 | 9,652,418 | 3,700,869 | 6,316,912 |
| Capital grants and contributions | 1,635,739 | 11,594,461 | 7,686,547 | 4,910,191 | 1,848,629 | 1,135,374 | 3,305,984 | 17,450,768 | 1,180,351 | 8,222,615 |
| Total governmental activities program revenues | 7,076,319 | 17,551,834 | 13,992,695 | 11,419,216 | 8,120,032 | 8,633,267 | 12,301,444 | 31,790,580 | 10,293,590 | 20,532,691 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Water utility | 2,164,168 | 2,223,021 | 2,301,436 | 2,507,036 | 2,440,803 | 2,439,415 | 2,399,877 | 2,542,150 | 2,619,287 | 2,931,767 |
| Sewage utility | 2,119,673 | 2,233,714 | 2,223,393 | 2,706,187 | 3,346,813 | 2,386,369 | 2,324,676 | 2,405,983 | 2,373,240 | 2,524,540 |
| Operating grants and contributions | - | - | - | - | - | - | - | 112,265 | 119,048 | 16,313 |
| Capital grants and contributions | 561,542 | 784,191 | 603,896 | 756,633 | 589,382 | 1,306,532 | 768,934 | 604,925 | 897,205 | 1,174,196 |
| Total business-type activities program revenues | 4,845,383 | 5,240,926 | 5,128,725 | 5,969,856 | 6,376,998 | 6,132,316 | 5,493,487 | 5,665,323 | 6,008,780 | 6,646,816 |
| Total primary government program revenues | \$ 11,921,702 | \$ 22,792,760 | \$ 19,121,420 | \$ 17,389,072 | \$ 14,497,030 | \$ 14,765,583 | \$ 17,794,931 | \$ 37,455,903 | \$ 16,302,370 | \$ 27,179,507 |

(continued)

Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Net (expense)/revenue | | | | | | | | | | |
| Governmental activities | \$(20,019,512) | \$ (3,895,262) | \$ (9,087,927) | \$(16,558,329) | \$(23,817,900) | \$(22,605,685) | \$(19,420,690) | \$ 421,662 | \$(23,529,459) | \$(19,877,749) |
| Business-type activities | 708,333 | 1,716,183 | 1,086,924 | 2,131,528 | 2,533,524 | 2,128,296 | 899,473 | 1,204,278 | 1,633,719 | 1,563,878 |
| Total primary government net expense | <u>\$(19,311,179)</u> | <u>\$ (2,179,079)</u> | <u>\$ (8,001,003)</u> | <u>\$(14,426,801)</u> | <u>\$(21,284,376)</u> | <u>\$(20,477,389)</u> | <u>\$(18,521,217)</u> | <u>\$ 1,625,940</u> | <u>\$(21,895,740)</u> | <u>\$(18,313,871)</u> |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Local option sales taxes | \$ 4,465,982 | \$ 4,849,944 | \$ 5,405,087 | \$ 5,674,051 | \$ 6,034,163 | \$ 6,672,712 | \$ 7,317,316 | \$ 7,639,569 | \$10,179,620 | \$ 10,505,372 |
| Specific purpose excise taxes | 1,114,472 | 5,469,635 | 263,388 | 3,500,000 | 6,000,000 | 2,760,205 | 1,705,957 | 9,887,529 | 6,185,931 | 7,617,460 |
| Lodging tax | 551,335 | 608,316 | 741,447 | 826,514 | 920,924 | 1,066,481 | 1,123,675 | 1,198,988 | 1,708,272 | 1,820,925 |
| Franchise taxes | 506,121 | 547,627 | 568,480 | 570,053 | 554,419 | 610,800 | 603,082 | 574,636 | 637,102 | 652,950 |
| Property taxes | - | - | - | - | - | - | - | - | 280,131 | 407,834 |
| Unrestricted grants and contributions | 7,277,888 | 7,800,311 | 8,250,135 | 8,609,190 | 9,179,321 | 9,953,969 | 10,724,659 | 11,074,738 | 14,260,640 | 14,760,164 |
| Investment earnings (loss) | 58,502 | 28,904 | 39,191 | 64,292 | 64,633 | 279,679 | 707,427 | 97,191 | (353,778) | 1,792,501 |
| Other | 265,463 | 1,725,023 | 255,439 | 215,577 | 1,221,827 | 138,043 | 334,362 | 175,874 | 547,514 | 793,060 |
| Gain on sale of capital assets | - | - | - | 72,308 | 44,168 | (194,466) | 60,380 | (467,991) | - | - |
| Transfers | 979,264 | 749,792 | 646,921 | 724,698 | 897,950 | 919,164 | 1,204,548 | 879,438 | 1,144,664 | 1,443,198 |
| Total governmental activities | <u>15,219,027</u> | <u>21,779,552</u> | <u>16,170,088</u> | <u>20,256,683</u> | <u>24,917,405</u> | <u>22,206,587</u> | <u>23,781,406</u> | <u>31,059,972</u> | <u>34,590,096</u> | <u>39,793,464</u> |
| Business-type activities | | | | | | | | | | |
| Investment earnings (loss) | 53,910 | 16,978 | 12,219 | 22,313 | 24,831 | 107,943 | 204,233 | 24,108 | (91,843) | 334,133 |
| Proceeds from disp of capital assets | - | 45,000 | - | 7,986 | 5,000 | (300,675) | - | 1,961 | - | - |
| Transfers | (693,546) | (979,264) | (749,792) | (724,698) | (897,950) | (919,164) | (1,204,548) | (879,438) | (1,144,664) | (1,443,198) |
| Total business-type activities | <u>(639,636)</u> | <u>(917,286)</u> | <u>(737,573)</u> | <u>(694,399)</u> | <u>(868,119)</u> | <u>(1,111,896)</u> | <u>(1,000,315)</u> | <u>(853,369)</u> | <u>(1,236,507)</u> | <u>(1,109,065)</u> |
| Total primary government | <u>\$ 14,579,391</u> | <u>\$ 20,862,266</u> | <u>\$ 15,432,515</u> | <u>\$ 19,562,284</u> | <u>\$ 24,049,286</u> | <u>\$ 21,094,691</u> | <u>\$ 22,781,091</u> | <u>\$ 30,206,603</u> | <u>\$ 33,353,589</u> | <u>\$ 38,684,399</u> |
| Changes in Net Position | | | | | | | | | | |
| Governmental activities | \$ (4,800,485) | \$ 17,884,290 | \$ 7,082,161 | \$ 3,698,354 | \$ 1,099,505 | \$ (399,098) | \$ 4,360,716 | \$ 31,481,634 | \$ 11,060,637 | \$ 19,915,715 |
| Business-type activities | 68,697 | 798,897 | 349,351 | 1,437,129 | 1,665,405 | 1,016,400 | (100,842) | 350,909 | 397,212 | 454,813 |
| Total primary government | <u>\$ (4,731,788)</u> | <u>\$ 18,683,187</u> | <u>\$ 7,431,512</u> | <u>\$ 5,135,483</u> | <u>\$ 2,764,910</u> | <u>\$ 617,302</u> | <u>\$ 4,259,874</u> | <u>\$ 31,832,543</u> | <u>\$ 11,457,849</u> | <u>\$ 20,370,528</u> |

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ 1,098 | \$ - | \$ 13,016 | \$ 1,803 | \$ 610 | \$ 4,171 | \$56,195 | \$ 4,537 |
| Restricted | 22,157 | 14,988 | 13,942 | 12,866 | 10,015 | 7,722 | 14,966 | 12,991 | 12,949 | 13,732 |
| Assigned | - | - | 791,534 | 776,179 | - | - | 4,813,042 | 4,813,042 | 8,313,914 | 4,035,491 |
| Unassigned | 5,428,613 | 7,034,764 | 6,677,726 | 6,861,845 | 8,306,685 | 8,673,764 | 7,330,238 | 13,190,266 | 16,496,667 | 14,672,953 |
| Total general fund | <u>\$ 5,450,770</u> | <u>\$ 7,049,752</u> | <u>\$ 7,484,300</u> | <u>\$ 7,650,890</u> | <u>\$ 8,329,716</u> | <u>\$ 8,683,289</u> | <u>\$ 12,158,856</u> | <u>\$ 18,020,470</u> | <u>\$ 24,879,725</u> | <u>\$ 18,726,713</u> |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ 312,453 | \$ 32,850 | \$ 47,708 | \$ - | \$ 143,568 | \$ 9,714 |
| Restricted | 6,166,340 | 4,648,284 | 7,775,899 | 11,303,648 | 8,906,888 | 7,265,917 | 6,725,589 | 17,168,416 | 26,225,377 | 18,040,708 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | 6,965,079 | 5,157,077 | 5,855,660 | 9,403,694 | 11,365,255 | 8,103,836 | 7,542,458 | 9,156,019 | 13,383,266 | 24,271,284 |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Total all other governmental funds | <u>\$ 13,131,419</u> | <u>\$ 9,805,361</u> | <u>\$ 13,631,559</u> | <u>\$ 20,707,342</u> | <u>\$ 20,584,596</u> | <u>\$ 15,402,603</u> | <u>\$ 14,315,755</u> | <u>\$ 26,324,435</u> | <u>\$ 39,752,211</u> | <u>\$ 42,321,706</u> |

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--------------------------------------------------------------|---------------|----------------|---------------|---------------|---------------|----------------|---------------|---------------|---------------|----------------|
| Revenues | | | | | | | | | | |
| General Taxes | \$ 11,475,522 | \$ 6,978,402 | \$ 10,570,617 | \$ 13,509,506 | \$ 11,110,198 | \$ 8,782,398 | \$ 10,750,030 | \$ 19,300,721 | \$ 18,985,845 | \$ 21,004,541 |
| Licenses and permits | 991,008 | 1,071,762 | 1,264,994 | 1,607,645 | 1,240,704 | 1,647,948 | 1,580,191 | 2,455,825 | 2,865,788 | 3,087,270 |
| Intergovernmental | 22,891,132 | 18,386,121 | 14,998,295 | 14,214,075 | 13,958,627 | 14,563,184 | 16,205,670 | 25,274,977 | 18,740,844 | 27,957,338 |
| Loan proceeds | - | 1,000,000 | - | - | - | - | - | - | - | - |
| Charges for services | 1,325,232 | 1,251,799 | 1,323,258 | 1,344,767 | 1,431,265 | 1,461,559 | 1,476,592 | 1,249,832 | 1,301,686 | 1,486,659 |
| Fines and forfeitures | 278,420 | 347,687 | 417,750 | 399,860 | 442,861 | 476,375 | 332,750 | 332,799 | 368,412 | 466,907 |
| Investment earnings (loss) | 22,768 | 32,985 | 53,332 | 57,303 | 255,877 | 628,905 | 643,732 | 93,026 | (326,370) | 1,701,929 |
| Contributions and donations | 424,940 | 3,098 | 929,248 | 16,390 | 14,515 | 11,624 | 15,190 | 2,877 | 85,519 | - |
| Other revenues | 649,645 | 979,737 | 983,549 | 1,777,551 | 982,044 | 1,508,337 | 1,901,975 | 2,170,342 | 1,211,412 | 2,475,725 |
| Total revenues | 38,058,667 | 30,051,591 | 30,541,043 | 32,927,097 | 29,436,091 | 29,080,330 | 32,906,130 | 50,880,399 | 43,233,136 | 58,180,369 |
| Expenditures | | | | | | | | | | |
| General government | 3,036,390 | 3,534,381 | 3,632,019 | 3,987,214 | 4,974,937 | 10,944,585 | 6,508,680 | (4,960,967) | 7,712,212 | 8,743,577 |
| Public Safety | 5,328,659 | 5,899,946 | 6,380,206 | 6,286,411 | 6,642,881 | 7,501,987 | 7,567,533 | 7,017,455 | 8,495,559 | 9,753,290 |
| Public Works | 4,691,057 | 3,253,276 | 2,353,946 | 3,536,686 | 8,624,864 | 1,284,270 | 2,464,442 | 2,019,428 | 2,624,006 | 3,075,623 |
| Transit | 3,037,411 | 3,079,970 | 3,344,042 | 3,921,002 | 3,784,604 | 4,502,359 | 4,878,614 | 4,632,674 | 6,164,585 | 8,417,491 |
| Health and welfare | 470,400 | 470,705 | 505,165 | 556,095 | 675,838 | 699,172 | 792,600 | 855,452 | 1,016,476 | 1,216,307 |
| Community development | 287,666 | 239,971 | 246,693 | 2,474,831 | 439,691 | 586,900 | 528,250 | 815,358 | 826,883 | 790,192 |
| Culture and recreation | 1,209,360 | 1,439,145 | 1,609,805 | 1,668,173 | 1,531,158 | 976,381 | 1,682,484 | 1,653,806 | 1,751,776 | 1,552,604 |
| Other | 997,313 | 277,691 | 107,825 | 192,277 | 234,676 | 185,219 | 197,558 | 1,793,886 | 171,598 | 267,449 |
| Capital outlay | 15,510,364 | 14,278,496 | 7,231,748 | 3,909,932 | 2,687,974 | 7,821,069 | 7,307,746 | 19,359,896 | 1,865,677 | 29,981,614 |
| Debt service | | | | | | | | | | |
| Principal | - | - | 47,552 | 47,790 | 48,029 | 48,269 | 48,510 | 48,748 | 103,869 | 208,043 |
| Interest | - | - | 5,000 | 4,762 | 4,523 | 4,283 | 4,042 | 3,799 | 30,268 | 53,800 |
| Total all other governmental funds | 34,568,620 | 32,473,581 | 25,464,001 | 26,585,173 | 29,649,175 | 34,554,494 | 31,980,459 | 33,239,535 | 30,762,909 | 64,059,990 |
| Excess (deficiency) of revenues over (under) expenditures | 3,490,047 | (2,421,990) | 5,077,042 | 6,341,924 | (213,084) | (5,474,164) | 925,671 | 17,640,864 | 12,470,227 | (5,879,621) |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | 5,517,142 | 5,292,803 | 5,287,131 | 5,749,001 | 6,013,896 | 7,525,238 | 9,536,485 | 4,887,523 | 9,459,975 | 21,233,412 |
| Transfers out | (4,917,350) | (4,645,882) | (4,742,533) | (4,851,051) | (5,244,732) | (6,884,494) | (8,081,937) | (4,658,085) | (8,390,311) | (19,637,523) |
| Sale of capital assets | - | 48,000 | - | 2,500 | - | 5,000 | 8,500 | - | - | - |
| Leases issued | - | - | - | - | - | - | - | - | 362,593 | 700,215 |
| Total other financing sources (uses) | 599,792 | 694,921 | 544,598 | 900,450 | 769,164 | 645,744 | 1,463,048 | 229,438 | 1,432,257 | 2,296,104 |
| Net change in fund balances | \$ 4,089,839 | \$ (1,727,069) | \$ 5,621,640 | \$ 7,242,374 | \$ 556,080 | \$ (4,828,420) | \$ 2,388,719 | \$ 17,870,302 | \$ 13,902,484 | \$ (3,583,517) |
| Debt service as % of noncapital expenditures | 0.0% | 0.0% | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% | 0.4% | 0.5% | 0.8% |

Tax Revenues by Source Last Ten Fiscal Years

(modified accrual basis of accounting)

| Year | 1% Local Sales and Use Tax (1) | Franchise Tax (2) | Specific Purpose Excise Tax (3) | Lodging Tax (4) | Property Tax (5) | Total | Unrealized Property Tax Revenue (6) |
|---------------------|--------------------------------------|----------------------|---------------------------------------|--------------------|---------------------|---------------|-------------------------------------------|
| 2014 | \$ 4,939,741 | \$ 547,627 | \$ 5,469,635 | \$ 608,316 | \$ - | \$ 11,565,319 | \$ 1,810,959 |
| 2015 | 5,461,228 | 568,480 | 263,388 | 741,447 | - | 7,034,543 | 1,994,413 |
| 2016 | 5,769,899 | 570,052 | 3,500,000 | 826,514 | - | 10,666,465 | 2,082,552 |
| 2017 | 6,097,721 | 554,419 | 6,000,000 | 920,924 | - | 13,573,064 | 2,382,431 |
| 2018 | 6,915,160 | 610,800 | 2,760,205 | 1,066,481 | - | 11,352,646 | 2,950,203 |
| 2019 | 7,080,347 | 584,271 | - | 1,128,200 | - | 8,792,818 | 3,579,982 |
| 2020 | 6,647,468 | 603,082 | 1,273,916 | 1,123,675 | - | 9,648,141 | 3,830,413 |
| 2021 | 9,446,627 | 574,635 | 11,045,364 | 1,198,988 | - | 22,265,614 | 4,075,437 |
| 2022 | 10,179,620 | 637,102 | 6,180,720 | 1,708,272 | 208,131 | 18,913,845 | 5,957,529 |
| 2023 | 10,505,372 | 652,949 | 7,617,460 | 1,820,925 | 407,834 | 21,004,540 | 6,824,633 |
| Change 2014-2023 | 112.7% | 19.2% | 39.3% | 199.3% | --- | 81.6% | 276.9% |

- Notes:
- (1) The local option sales and use tax is divided between the General and Capital Projects funds.
 - (2) Franchise fees are approximately 5% of gross revenues for gas, electric, cable, telephone, cell phone towers and trash collection.
 - (3) Specific Purpose Excise Taxes are restricted to specific voter approved projects.
 - (4) The lodging tax consists of 10% general use revenue and 30% visitor impact revenue.
 - (5) The Town began assessing 0.5 mills in FY2021. Based on timing of collections, initial revenues were recognized in FY2022.
 - (6) The property tax revenue that could be raised by levying remaining 7.5 mills on the town's assessed valuation.

Source: Administration and Finance

Unrestricted State Intergovernmental Revenues

Last Ten Fiscal Years

(modified accrual basis of accounting)

| Year | 4% Sales & Use Tax (1) | Gasoline Tax (2) | Cigarette Tax (3) | Severance Tax (4) | Mineral Royalties | Backfill, Over-the-cap etc. | Total |
|---------------------|------------------------------|---------------------|----------------------|----------------------|----------------------|-----------------------------------|--------------|
| 2014 | \$ 5,990,745 | \$ 425,602 | \$ 42,171 | \$ 357,496 | \$ 483,765 | \$ 543,424 | \$ 7,843,203 |
| 2015 | 6,632,974 | 491,774 | 40,152 | 356,958 | 493,106 | 805,858 | 8,820,822 |
| 2016 | 7,043,609 | 479,966 | 39,979 | 357,356 | 508,641 | 697,011 | 9,126,562 |
| 2017 | 7,456,089 | 461,841 | 36,572 | 357,244 | 517,079 | 209,386 | 9,038,211 |
| 2018 | 8,287,032 | 462,917 | 24,933 | 356,615 | 519,831 | 35,808 | 9,687,136 |
| 2019 | 8,638,613 | 487,356 | 23,563 | 356,362 | 543,460 | - | 10,049,354 |
| 2020 | 8,568,034 | 463,352 | 21,524 | 356,362 | 547,574 | - | 9,956,846 |
| 2021 | 10,344,279 | 440,152 | 19,843 | 355,797 | 549,950 | 272,411 | 11,982,432 |
| 2022 | 12,478,912 | 459,627 | 19,347 | 387,321 | 544,422 | 53,796 | 13,943,425 |
| 2023 | 12,850,113 | 471,933 | 18,585 | 390,457 | 538,701 | - | 14,269,789 |
| Change 2014-2023 | 114.5% | 10.9% | -55.9% | 9.2% | 11.4% | -100.0% | 81.9% |

- Notes:
- (1) As of June 30, 2004, the 4% state sales and use tax is distributed 69% to the state and 31% to cities, towns and counties. Of the 31%, 1% is distributed proportionately based on population and 30% is distributed proportionately based on the sales tax collected in each county.
 - (2) The gasoline tax is distributed 57.5% to the state, 13.5% and 14% to counties, and 15% to cities and towns. City and town distributions are based 75% on proportionate sales in cities and towns and 25% on proportionate populations for the same.
 - (3) The cigarette tax is distributed 33 1/3% to incorporated cities, towns, and counties proportionately to sales derived in each. The remaining 66 2/3% is distributed 38 1/4% to the state's general fund and the remaining 61 3/4% is distributed in the preceding manner.
 - (4) The severance tax distribution to cities and towns is 9.25% of the total in the state severance tax distribution tax account (up to \$155,000,000) in proportion to population.

Source: Administration and Finance

Direct and Overlapping Governmental Activities Debt **As of June 30, 2023**

(Unaudited)

| | |
|------------------------------------|---------------|
| Teton County assessed valuation | 3,972,145,024 |
| Town of Jackson assessed valuation | 896,178,816 |
| Town of Jackson percent of total | 22.6% |

| | Total Debt 6/30/2023 (1) | Percent Applicable | Town's Share of Debt 6/30/2023 (2) |
|---------------------------------------------------------------|-----------------------------|-----------------------|------------------------------------------|
| <u>Direct and overlapping debt governmental activity debt</u> | | | |
| Teton County | \$ 2,117,703 | 22.6% | \$ 477,787 |
| Town of Jackson | 612,863 | 100.0% | 612,863 |
| Total direct and overlapping governmental activities debt | <u>\$ 2,730,566</u> | | <u>\$ 1,090,650</u> |

Ratio to assessed valuations

| | |
|-----------------------------------|-------|
| Direct debt | 0.07% |
| Total direct and overlapping debt | 0.12% |

Notes: (1) Excludes enterprise revenue debt, specific purpose excise tax supported debt and lease obligations.
 (2) Overlapping governments are those that coincide, at least in part, with geographic boundaries of the town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the town. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire burden borne by residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, therefore responsible for repaying the debt, of each overlapping government.

Source: Administration and Finance
 Teton County

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(modified accrual basis of accounting)

| Year | Governmental Activities | | | | Business-Type Activities | | | Total Primary Government | Percentage of Personal Income (1) | Per Capita (1) |
|------|--------------------------------|------------------|------------------|--------------------|--------------------------|----------------|--------------------|--------------------------------|-----------------------------------------|-------------------|
| | General Obligation Bonds | Revenue Bonds | Notes Payable | Lease Liability | Sewage Notes | Water Notes | Lease Liability | | | |
| 2014 | \$ - | \$ - | \$ 300,000 | \$ - | \$ - | \$ 1,422,593 | \$ - | \$ 1,722,593 | 0.04% | \$ 170 |
| 2015 | - | - | 1,000,000 | - | - | 1,371,282 | - | 2,371,282 | 0.05% | 227 |
| 2016 | - | - | 952,448 | - | - | 1,317,919 | - | 2,270,367 | 0.05% | 216 |
| 2017 | - | - | 904,658 | - | - | 1,262,420 | - | 2,167,078 | 0.05% | 206 |
| 2018 | - | - | 856,629 | - | - | 1,204,703 | - | 2,061,332 | 0.04% | 196 |
| 2019 | - | - | 808,360 | - | - | 1,144,675 | - | 1,953,035 | 0.04% | 187 |
| 2020 | - | - | 759,850 | - | - | 1,082,248 | - | 1,842,098 | 0.03% | 174 |
| 2021 | - | - | 711,102 | - | - | 939,532 | - | 1,650,634 | 0.02% | 153 |
| 2022 | - | - | 662,105 | 307,782 | - | 910,143 | 67,537 | 1,947,567 | 0.02% | 180 |
| 2023 | - | - | 612,863 | 849,256 | - | 879,579 | 46,068 | 2,387,766 | 0.03% | 223 |

Notes: (1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: Administration and Finance

Legal Debt Margin Information

Last Ten Fiscal Years

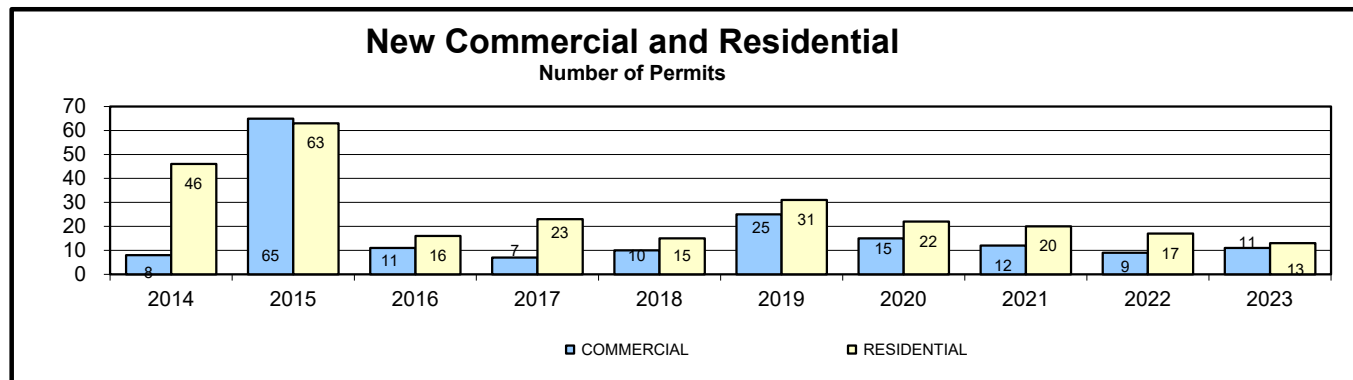
(Unaudited)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Assessed market value | \$ 220,971,568 | \$ 242,962,191 | \$ 254,621,491 | \$ 292,233,508 | \$ 363,311,972 | \$ 441,609,935 | \$ 473,008,636 | \$ 503,793,468 | \$ 762,827,959 | \$ 896,178,816 |
| Total debt | \$ 1,722,593 | \$ 2,371,282 | \$ 2,270,367 | \$ 2,167,078 | \$ 2,061,332 | \$ 1,953,035 | \$ 1,842,098 | \$ 1,650,634 | \$ 1,572,248 | \$ 1,492,442 |
| Deductions: | | | | | | | | | | |
| Debt - | | | | | | | | | | |
| Notes payable | 1,722,593 | 2,371,282 | 2,270,367 | 2,167,078 | 2,061,332 | 1,953,035 | 1,842,098 | 1,650,634 | 1,572,248 | 1,492,442 |
| Revenue bonds | - | - | - | - | - | - | - | - | - | - |
| Debt service funds: | | | | | | | | | | |
| Cash, securities, and restricted cash | - | - | - | - | - | - | - | - | - | - |
| Less amount applicable to excluded bonds | - | - | - | - | - | - | - | - | - | - |
| Total net debt applicable to debt limit | \$ 1,722,593 | \$ 2,371,282 | \$ 2,270,367 | \$ 2,167,078 | \$ 2,061,332 | \$ 1,953,035 | \$ 1,842,098 | \$ 1,650,634 | \$ 1,572,248 | \$ 1,492,442 |
| Debt limit is 4% of assessed value | \$ 8,838,863 | \$ 9,718,488 | \$ 10,184,860 | \$ 11,689,340 | \$ 14,532,479 | \$ 17,664,397 | \$ 18,920,345 | \$ 20,151,739 | \$ 30,513,118 | \$ 35,847,153 |
| Legal Debt Margin | \$ 7,116,270 | \$ 7,347,206 | \$ 7,914,493 | \$ 9,522,262 | \$ 12,471,147 | \$ 15,711,362 | \$ 17,078,247 | \$ 18,501,105 | \$ 28,940,870 | \$ 34,354,711 |
| Total net debt applicable to limit as a percentage of debt limit | 19.5% | 24.4% | 22.3% | 18.5% | 14.2% | 11.1% | 9.7% | 8.2% | 5.2% | 4.2% |

Construction and Bank Deposits Last Ten Years

(Unaudited)

| Year | BUILDING PERMITS | | | | Bank Deposits | |
|------|------------------|-----------------|-----------|-------|---------------|----------------|
| | New Commercial | New Residential | All Other | Total | Total | Percent Change |
| 2014 | 8 | 46 | 91 | 145 | 1,641,183,000 | 12.3% |
| 2015 | 65 | 63 | 12 | 140 | 1,716,884,000 | 4.6% |
| 2016 | 11 | 16 | 86 | 113 | 1,786,820,000 | 4.1% |
| 2017 | 7 | 23 | 86 | 116 | 2,019,822,000 | 13.0% |
| 2018 | 10 | 15 | 76 | 101 | 2,206,469,000 | 9.2% |
| 2019 | 25 | 31 | 76 | 132 | 2,212,607,000 | 0.3% |
| 2020 | 15 | 22 | 80 | 117 | 2,719,327,000 | 22.9% |
| 2021 | 12 | 20 | 158 | 190 | 3,813,011,000 | 40.2% |
| 2022 | 9 | 17 | 84 | 110 | 4,021,496,000 | 5.5% |
| 2023 | 11 | 13 | 189 | 213 | 3,059,062,000 | -23.9% |

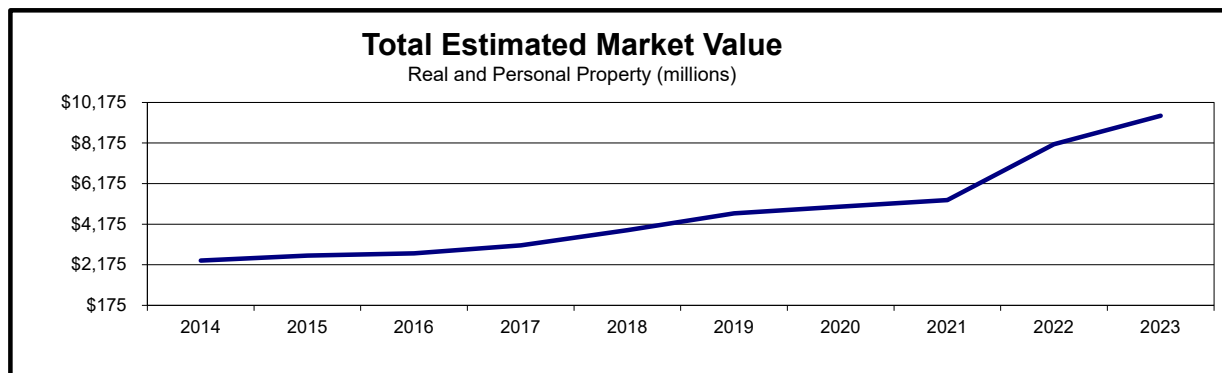


Source: Building Official, FDIC

Tax Capacity and Estimated Market Value of all Taxable Property Last Ten Fiscal Years

(Unaudited)

| Year | Real Property | | Personal Property | | Total | | % of Market Value |
|------|----------------|------------------------|-------------------|------------------------|----------------|------------------------|-------------------|
| | Assessed Value | Estimated Market Value | Assessed Value | Estimated Market Value | Assessed Value | Estimated Market Value | |
| 2014 | \$ 220,971,568 | \$ 2,326,016,505 | \$ 5,398,300 | \$ 56,824,211 | \$ 226,369,868 | \$ 2,382,840,716 | 9.5% |
| 2015 | 242,962,191 | 2,557,496,747 | 6,339,396 | 66,730,484 | 249,301,587 | 2,624,227,231 | 9.5% |
| 2016 | 254,621,491 | 2,680,226,221 | 5,697,489 | 59,973,568 | 260,318,980 | 2,740,199,789 | 9.5% |
| 2017 | 292,233,508 | 3,076,142,189 | 5,570,314 | 58,634,884 | 297,803,822 | 3,134,777,073 | 9.5% |
| 2018 | 363,311,972 | 3,824,336,547 | 5,463,374 | 57,509,200 | 368,775,346 | 3,881,845,747 | 9.5% |
| 2019 | 441,609,935 | 4,648,525,632 | 5,887,795 | 61,976,789 | 447,497,730 | 4,710,502,421 | 9.5% |
| 2020 | 473,008,636 | 4,979,038,274 | 5,793,048 | 60,979,453 | 478,801,684 | 5,040,017,727 | 9.5% |
| 2021 | 503,793,468 | 5,303,089,137 | 5,636,135 | 59,327,737 | 509,429,603 | 5,362,416,874 | 9.5% |
| 2022 | 762,827,959 | 8,029,767,989 | 7,879,556 | 82,942,695 | 770,707,515 | 8,112,710,684 | 9.5% |
| 2023 | 896,178,816 | 9,433,461,221 | 7,879,556 | 82,942,695 | 904,058,372 | 9,516,403,916 | 9.5% |



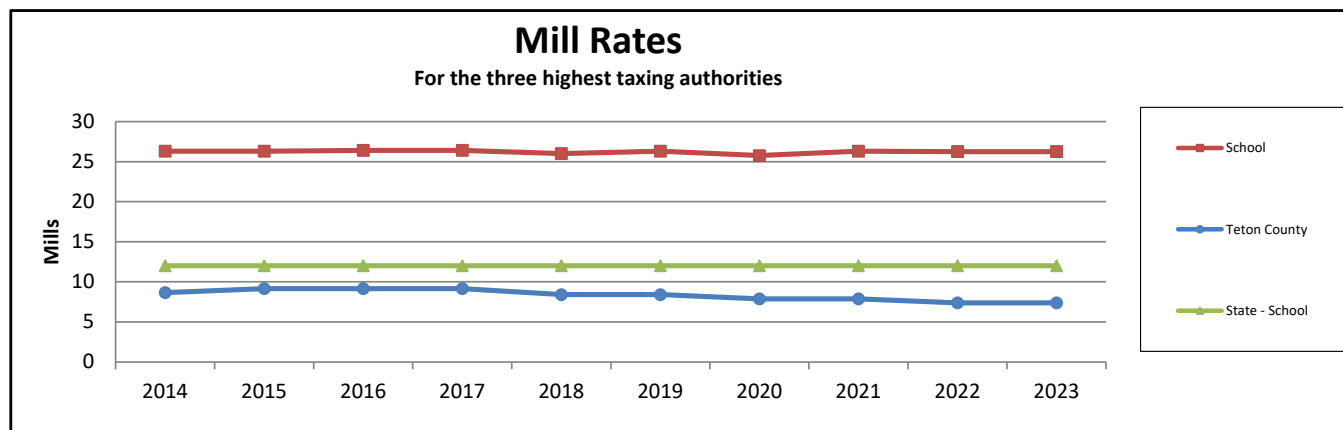
Note: State statutes gives the Town authority to levy taxes up to 8 mills (.008) on assessed valuation.

Source: Teton County Assessor

Property Tax Rates - All Direct and Overlapping Governments Last Ten Fiscal Years

(Unaudited)

| Year | Mill Rates | | | | | | | Total |
|------|------------|-----------------|--------------|----------------|---------------|----------|-------|--------|
| | Town | School District | Teton County | State - School | County School | Hospital | Other | |
| 2014 | 0.00 | 26.30 | 8.65 | 12.00 | 6.00 | 3.00 | 2.50 | 58.450 |
| 2015 | 0.00 | 26.30 | 9.15 | 12.00 | 6.00 | 3.00 | 1.90 | 58.350 |
| 2016 | 0.00 | 26.40 | 9.15 | 12.00 | 6.00 | 3.00 | 1.90 | 58.450 |
| 2017 | 0.00 | 26.40 | 9.15 | 12.00 | 6.00 | 3.00 | 1.90 | 58.454 |
| 2018 | 0.00 | 26.00 | 8.40 | 12.00 | 6.00 | 3.00 | 1.85 | 57.254 |
| 2019 | 0.00 | 26.30 | 8.40 | 12.00 | 6.00 | 3.00 | 1.85 | 57.554 |
| 2020 | 0.00 | 25.75 | 7.88 | 12.00 | 6.00 | 3.00 | 1.85 | 56.479 |
| 2021 | 0.50 | 26.30 | 7.88 | 12.00 | 6.00 | 3.00 | 1.80 | 57.479 |
| 2022 | 0.50 | 26.25 | 7.38 | 12.00 | 6.00 | 3.00 | 1.35 | 56.479 |
| 2023 | 0.50 | 26.25 | 7.38 | 12.00 | 6.00 | 3.00 | 1.60 | 56.729 |



Notes: State statutes gives the Town authority to levy taxes up to 8 mills (.008) on assessed valuation.

Source: Teton County Assessor

Taxable Sales by Major Business Class, Teton County Last Ten Years

(Unaudited)

| Category | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|-----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Ag., forestry, etc. | \$ 353,500 | \$ 329,200 | \$ 409,200 | \$ 383,800 | \$ 389,800 | \$ 366,700 | \$ 309,200 | \$ 431,600 | \$ 383,800 | \$ 262,135 |
| Mining | 825,600 | 465,900 | 452,300 | 392,600 | 1,705,400 | 968,500 | 1,110,800 | 856,100 | 380,200 | 1,377,928 |
| Utilities | 39,012,500 | 36,962,000 | 37,227,500 | 39,389,600 | 40,618,700 | 42,633,300 | 43,625,100 | 59,969,200 | 46,211,200 | 51,589,730 |
| Construction | 24,011,300 | 25,784,200 | 27,366,900 | 31,836,500 | 32,260,200 | 25,004,500 | 24,962,500 | 8,466,800 | 34,367,000 | 42,607,467 |
| Manufacturing | 9,957,500 | 10,295,000 | 11,031,600 | 11,485,900 | 10,341,000 | 8,591,100 | 10,962,200 | 11,795,000 | 13,727,100 | 15,974,478 |
| Wholesale trade | 37,598,900 | 44,166,000 | 43,714,500 | 52,108,700 | 60,620,600 | 62,122,800 | 65,134,600 | 76,883,500 | 95,015,300 | 103,010,708 |
| Retail trade | 389,423,800 | 423,493,200 | 442,557,000 | 458,746,000 | 520,986,500 | 573,463,300 | 617,261,500 | 731,449,400 | 902,678,400 | 916,900,221 |
| Transportation/warehouse | 5,966,700 | 5,445,600 | 5,606,300 | 6,590,800 | 9,308,400 | 9,053,400 | 11,516,500 | 7,913,700 | 15,022,400 | 17,906,936 |
| Information | 23,751,000 | 24,693,000 | 24,145,500 | 21,657,600 | 19,100,000 | 19,543,100 | 20,524,800 | 17,097,800 | 19,959,400 | 17,835,875 |
| Finance and insurance | 440,900 | 551,700 | 519,900 | 409,400 | 831,200 | 755,300 | 845,900 | 664,100 | 274,900 | 408,045 |
| Real estate, rental & lease | 58,465,300 | 64,441,800 | 71,982,600 | 77,173,200 | 83,914,200 | 94,300,100 | 92,587,400 | 99,469,300 | 137,791,700 | 119,889,830 |
| Professional & technical | 12,658,400 | 13,153,500 | 12,068,800 | 11,412,700 | 11,676,400 | 11,880,800 | 10,040,700 | 12,784,300 | 15,474,600 | 14,237,638 |
| Admin., support & waste | 2,834,900 | 3,075,900 | 3,152,100 | 3,792,700 | 4,087,000 | 4,780,700 | 5,773,000 | 5,893,200 | 6,334,800 | 7,434,045 |
| Educational services | 76,000 | 191,900 | 219,000 | 147,700 | 190,000 | 160,600 | 141,100 | 193,800 | 272,200 | 375,090 |
| Health and social assist | 22,200 | 38,600 | 37,400 | 51,700 | 57,600 | 62,300 | 68,100 | 80,500 | 84,800 | 95,895 |
| Arts, entertainment, & rec | 7,170,600 | 5,245,200 | 8,034,900 | 8,691,500 | 9,956,700 | 10,770,200 | 11,167,200 | 10,661,300 | 14,676,800 | 11,527,656 |
| Accommodations | 392,452,000 | 455,795,000 | 478,702,300 | 507,754,400 | 568,346,900 | 590,100,200 | 569,051,000 | 546,221,800 | 800,853,700 | 787,667,054 |
| Other services | 25,837,100 | 28,067,100 | 29,798,500 | 30,930,500 | 33,544,000 | 35,680,100 | 33,618,700 | 34,700,000 | 40,907,700 | 41,312,001 |
| Public administration | 62,995,300 | 77,166,900 | 80,725,700 | 86,189,600 | 95,284,300 | 96,331,000 | 97,465,600 | 149,042,000 | 144,466,900 | 136,481,075 |
| | <u>\$ 1,093,853,500</u> | <u>\$ 1,219,361,700</u> | <u>\$ 1,277,752,000</u> | <u>\$ 1,349,144,900</u> | <u>\$ 1,503,218,900</u> | <u>\$ 1,586,568,000</u> | <u>\$ 1,616,165,900</u> | <u>\$ 1,774,573,400</u> | <u>\$ 2,288,882,900</u> | <u>\$ 2,286,893,807</u> |

Note: Sales are derived by dividing general purpose sales tax collections by the 1% local option sales tax rate in each industry classification.

Source: Wyoming Department of Revenue

Principal Employers

Current Year and Nine Years Ago

(Unaudited)

| Employer | 2023 | | Percentage of Total Employment | 2014 | | Percentage of Total Employment |
|------------------------------|--------------|------|--------------------------------------|--------------|------|--------------------------------------|
| | Employees | Rank | | Employees | Rank | |
| St. John's Hospital | 850 | 1 | 4.67% | 580 | 1 | 3.54% |
| Teton County School District | 508 | 2 | 2.79% | 482 | 2 | 2.94% |
| Teton County | 310 | 3 | 1.70% | 293 | 3 | 1.79% |
| Smith Food and Drug | 190 | 4 | 1.04% | 140 | 5 | 0.85% |
| Albertson's Food Center | 153 | 5 | 0.84% | 110 | 8 | 0.67% |
| Snow King Resort | 145 | 6 | 0.80% | 146 | 4 | 0.89% |
| Town of Jackson | 158 | 7 | 0.87% | 122 | 7 | 0.74% |
| Town Square Inns | 125 | 8 | 0.69% | 125 | 6 | 0.76% |
| The Wort Hotel | 116 | 9 | 0.64% | 96 | 10 | 0.59% |
| | <u>2,555</u> | | <u>14.05%</u> | <u>2,094</u> | | <u>12.76%</u> |

Source: Administration and Finance

Note: The data, produced by survey, varies by the respondent providing the information. Data is only available for the last nine years.

Teton County Average Monthly Employment 18,186

Wyoming Dept. of Workforce Services <http://doe.state.wy.us/LMI>

Demographic and Economic Statistics Last Ten Years

(Unaudited)

| <u>Year</u> | <u>Town of Jackson Population (1)</u> | <u>Teton County Unemploy- ment rate (2)</u> | <u>Teton County School Enrollment (3)</u> | <u>Teton County Personal Income (4) (thousands)</u> | <u>Teton County Per Capita Personal Income (5)</u> | <u>Education Level in Years of Formal Schooling</u> | <u>Teton County Median Age (1)</u> |
|-------------|-------------------------------------------|-----------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------|
| 2014 | 10,135 | 3.5% | 2,597 | 3,962,861 | 177,810 | n/a | n/a |
| 2015 | 10,449 | 2.9% | 2,691 | 4,587,869 | 201,780 | n/a | 36 |
| 2016 | 10,523 | 2.6% | 2,782 | 4,595,475 | 199,786 | n/a | 36 |
| 2017 | 10,529 | 2.2% | 2,842 | 4,806,718 | 207,571 | n/a | 38 |
| 2018 | 10,532 | 2.4% | 2,881 | 5,306,709 | 228,049 | n/a | 38 |
| 2019 | 10,429 | 2.3% | 2,869 | 5,117,447 | 221,209 | n/a | 38 |
| 2020 | 10,559 | 9.4% | 2,749 | 6,043,799 | 278,682 | n/a | 39 |
| 2021 | 10,760 | 3.9% | 2,798 | 7,028,651 | 300,665 | n/a | 39 |
| 2022 | 10,849 | 2.2% | 2,797 | 8,563,496 | 362,522 | n/a | 40 |
| 2023 | 10,698 | 1.7% | 2,822 | 9,455,780 | 406,054 | n/a | 40 |

Sources: (1) US Census Bureau
 (2) US Department of Labor - Bureau of Labor Statistics
 (3) Wyoming Department of Education
 (4) & (5) U. S. Department of Commerce - Bureau of Economic Analysis

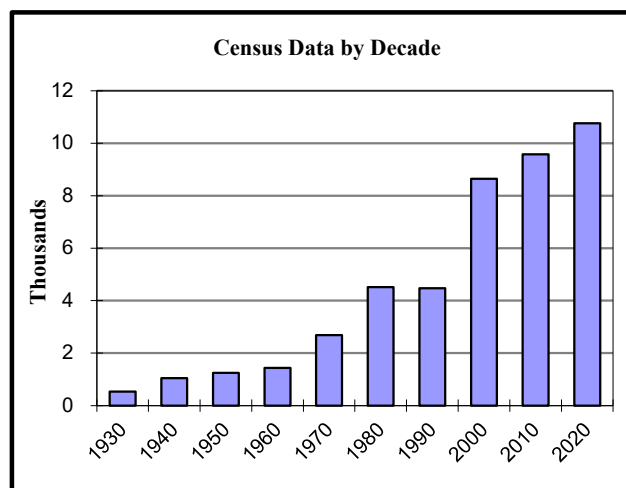
Demographic Statistics

U.S. Census Data

(Unaudited)

Population Changes:

| | |
|------|--------|
| 1930 | 533 |
| 1940 | 1,046 |
| 1950 | 1,244 |
| 1960 | 1,437 |
| 1970 | 2,688 |
| 1980 | 4,511 |
| 1990 | 4,472 |
| 2000 | 8,647 |
| 2010 | 9,577 |
| 2020 | 10,760 |



Age Characteristics:

| | 2000 | | 2010 | |
|--------------------|--------------|-------------|--------------|-------------|
| | Total | % Total | Total | % Total |
| Under 5 years | 469 | 5% | 624 | 7% |
| 5-9 years | 424 | 4% | 469 | 5% |
| 10-14 years | 437 | 5% | 390 | 4% |
| 15-19 years | 465 | 5% | 384 | 4% |
| 20-24 years | 1,005 | 10% | 969 | 10% |
| 25-34 years | 2,226 | 23% | 2,602 | 27% |
| 35-44 years | 1,550 | 16% | 1,584 | 17% |
| 45-54 years | 1,091 | 11% | 1,197 | 12% |
| 55-59 years | 296 | 3% | 441 | 5% |
| 60-64 years | 183 | 2% | 327 | 3% |
| 65-74 years | 262 | 3% | 339 | 4% |
| 75-84 years | 153 | 2% | 161 | 2% |
| 85 years and older | 86 | 1% | 90 | 1% |
| Total | 8,647 | 100% | 9,577 | 100% |

Population Characteristic:

| | 2000 | % Total | 2010 | % Total | 2020 | % Total |
|--------------|--------------|-------------|--------------|-------------|---------------|-------------|
| Under 20 | 1,795 | 21% | 1,867 | 19% | 2,249 | 21% |
| 20 and over | 6,852 | 79% | 7,710 | 81% | 8,511 | 79% |
| Total | 8,647 | 100% | 9,577 | 100% | 10,760 | 100% |

| Miscellaneous: | 2000 | 2010 | 2020 |
|-----------------------|-------------|-------------|-------------|
| Median Age: | 30.8 years | 31.9 years | 32.6 years |
| Household size: | 2.35 people | 2.42 people | 2.64 people |
| Number of households: | 3,631 units | 3,964 units | 3,970 units |

Source: U.S. Census Bureau

Full-time Equivalent Employees by Function/Program Last Ten Fiscal Years

(Unaudited)

| Function | Full-time Equivalent Employees as of June 30 | | | | | | | | | |
|------------------------------------|----------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| General Government: | | | | | | | | | | |
| Town Attorney | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 2.00 | 3.00 | 3.00 |
| Municipal Judge | 2.00 | 2.00 | 2.20 | 2.23 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 |
| Administration | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 3.00 | 1.00 | 1.00 | 1.00 |
| Town Clerk/Personnel | 3.00 | 3.00 | 3.50 | 3.50 | 3.56 | 3.56 | 4.06 | 3.80 | 4.80 | 4.80 |
| Finance | 4.30 | 4.30 | 4.30 | 4.33 | 3.99 | 3.99 | 3.99 | 4.00 | 4.00 | 4.00 |
| Community Development | - | - | - | - | - | - | - | 2.00 | 3.00 | 4.00 |
| Planning | 5.00 | 5.00 | 5.00 | 5.25 | 5.25 | 5.25 | 4.25 | 4.00 | 4.00 | 4.00 |
| Information Technology | 2.00 | 3.60 | 3.60 | 3.60 | 3.60 | 3.60 | 3.60 | 3.60 | 5.70 | 5.70 |
| Town Hall Building | - | - | - | - | - | - | - | - | - | - |
| Public Safety: | | | | | | | | | | |
| Police | 32.00 | 32.25 | 32.75 | 32.75 | 33.75 | 36.25 | 36.75 | 34.90 | 38.30 | 39.25 |
| Building Inspection | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Victim Witness | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Animal Shelter | 2.75 | 2.90 | 2.90 | 2.90 | 2.90 | 2.90 | 2.90 | 2.90 | 2.90 | 3.95 |
| Public Works | | | | | | | | | | |
| Administration | 1.00 | 1.00 | 1.50 | 1.50 | 1.50 | 1.50 | 2.33 | 2.33 | 2.33 | 2.33 |
| Streets | 7.92 | 7.92 | 7.92 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.50 | 8.50 |
| Town Engineer | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 | 3.00 | 4.00 | 4.00 |
| Water O&M | 3.25 | 3.50 | 4.00 | 4.00 | 4.00 | 4.00 | 4.58 | 4.58 | 4.58 | 5.58 |
| Water Billing & Accounting | 1.25 | 1.25 | 1.04 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Sewer Plant Operation | 4.50 | 4.75 | 4.75 | 5.00 | 5.00 | 5.00 | 4.58 | 4.58 | 4.58 | 4.58 |
| Sewer O&M | 2.25 | 2.25 | 2.25 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 |
| Sewer Billing & Accounting | 1.25 | 1.25 | 1.04 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Fleet Management | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Cemetery | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |
| Transit | | | | | | | | | | |
| Start Bus | 35.11 | 35.51 | 38.63 | 37.95 | 38.48 | 40.34 | 41.80 | 33.65 | 40.49 | 43.90 |
| Total Full-Time Equivalents | 126.33 | 129.23 | 134.13 | 133.76 | 135.28 | 140.14 | 145.60 | 133.10 | 149.94 | 158.35 |

Source: Administration and Finance

Operating Indicators by Function

Last Ten Fiscal Years

(Unaudited)

| Function | Year Ending June 30, | | | | | | | | | |
|------------------------------------|----------------------|---------|---------|-----------|-----------|-----------|---------|---------|---------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Police | | | | | | | | | | |
| Total arrests | 413 | 594 | 537 | 535 | 568 | 375 | 502 | 422 | 399 | 428 |
| Total part 1 offenses incidents | 393 | 197 | 590 | 229 | 170 | 158 | 233 | 191 | 194 | 172 |
| DUI arrests | 208 | 146 | 102 | 52 | 45 | 56 | 77 | 81 | 68 | 105 |
| UCR Incidents reported | 460 | 259 | 674 | 733 | 800 | 966 | 1,421 | 1,219 | 1,112 | 1,154 |
| Fire/EMS | | | | | | | | | | |
| Medical calls | 1,058 | 1,137 | 1,142 | 1,043 | 986 | 1,049 | 1,185 | 1,192 | 1,439 | 1,509 |
| Fire calls | 52 | 65 | 45 | 51 | 54 | 64 | 60 | 60 | 82 | 61 |
| Hazardous materials calls | 17 | 48 | 51 | 46 | 34 | 46 | 65 | 73 | 72 | 107 |
| Service calls | 98 | 147 | 161 | 188 | 213 | 204 | 362 | 458 | 476 | 412 |
| False alarms | 126 | 124 | 122 | 151 | 89 | 130 | 253 | 271 | 336 | 368 |
| Water Utility | | | | | | | | | | |
| Annual Tap water billed (millions) | 891 | 762 | 799 | 836 | 856 | 859 | 850 | 903 | 835 | 917 |
| Number of meters billed | 4,174 | 4,242 | 4,326 | 4,377 | 4,429 | 4,518 | 4,890 | 5,123 | 4,965 | 5,012 |
| Transit | | | | | | | | | | |
| Revenue miles | 748,183 | 804,024 | 859,550 | 866,851 | 869,784 | 888,499 | 913,802 | 772,979 | 867,935 | 1,005,749 |
| Passengers | 944,357 | 954,388 | 979,674 | 1,002,443 | 1,051,982 | 1,054,567 | 904,931 | 440,131 | 633,578 | 816,825 |
| Accidents | 3 | 8 | 7 | 12 | 11 | 19 | 18 | 14 | 23 | 11 |
| Accidents/100,000 miles | 0.40 | 0.99 | 0.81 | 1.37 | 1.26 | 2.08 | 2.33 | 1.81 | 2.65 | 1.09 |

Source: Various Town departments

Capital Assets Statistics by Function

Last Eight Fiscal Years

(Unaudited)

| Function | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| General government | | | | | | | | |
| Town halls | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public safety | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Streets | | | | | | | | |
| Street (miles) | 34.0 | 34.0 | 34.0 | 34.0 | 34.0 | 34.2 | 34.2 | 34.2 |
| Paved alleyways | 1.0 | 1.0 | 1.0 | 1.2 | 1.2 | 1.2 | 1.2 | 1.4 |
| Gravel alleyways | 4.1 | 4.1 | 4.1 | 3.9 | 3.9 | 3.9 | 3.9 | 3.9 |
| Parking garages | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Recreation and culture | | | | | | | | |
| Parks | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Indoor ice arenas | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Aquatics center | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Water utility | | | | | | | | |
| Well pump stations | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Water mains (miles) | 64.0 | 64.0 | 64.2 | 64.2 | 64.2 | 64.2 | 64.2 | 64.2 |
| Water tanks | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Fire hydrants | 345 | 345 | 345 | 345 | 345 | 345 | 345 | 345 |
| Sewage utility | | | | | | | | |
| Sanitary sewers (miles) | 57.2 | 57.2 | 57.4 | 57.4 | 57.4 | 57.4 | 57.4 | 57.4 |
| Maximum daily treatment capacity (thousands of gallons) | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Lift stations | 6 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Manholes | 1,205 | 1,205 | 1,205 | 1,205 | 1,205 | 1,205 | 1,205 | 1,205 |

Source: Various town departments



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GOVERNMENT AUDIT REPORTS



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 Mayor and Town Council
Town of Jackson, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming (the Town) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 27, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JONES SIMKINS LLC
Logan, Utah
December 27, 2023

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Jackson, Wyoming's (the Town) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended June 30, 2023. The Town's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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



JONES SIMKINS LLC
Logan, Utah
December 27, 2023

TOWN OF JACKSON, WYOMING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

A. Summary of Auditor's Results

Financial Statements

- | | | |
|----|----------------------------------------------------------------------------------------------------------------------|---------------|
| 1. | Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified |
| 2. | Internal control over financial reporting: Material weaknesses identified: | No |
| | Significant deficiencies identified: | None reported |
| 3. | Non-compliance material to financial statements noted: | No |

Federal Awards

- | | | |
|----|----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| 4. | Internal control over major programs: Material weaknesses identified: | No |
| | Significant deficiencies identified: | None reported |
| 5. | Type of auditor's report issued on compliance for major federal programs: | Unmodified |
| 6. | Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): | None |
| 7. | Federal programs tested as major programs: | Coronavirus State and Local Fiscal Recovery Funds - Assistance Listing #21.027 Federal Transit Cluster – Assistance Listing #20.526 |
| 8. | Dollar threshold used to distinguish between Type A and Type B programs: | \$ 750,000 |
| 9. | Auditee qualification as high or low risk: | High |

TOWN OF JACKSON, WYOMING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2023

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

None

- C. Findings and Questioned Costs Related to Federal Awards Required to be reported in accordance with the Uniform Guidance.

None

TOWN OF JACKSON, WYOMING
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Client Submitted Document)
Year Ended June 30, 2022

Finding 2022-001

Status: Town management has implemented procedures and controls to ensure all material accounts are being reconciled and reported in accordance with Generally Accepted Accounting Principles.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2023

| GRANTOR/GRANT TITLE | IDENTIFYING NUMBER | ASSISTANCE LISTING NUMBER | TOTAL AWARD AMOUNT | EXPENDITURES |
|--------------------------------------------------------------|-------------------------|---------------------------------|--------------------------|--------------|
| GENERAL FUND | | | | |
| US Department of Justice: | | | | |
| Direct Program: | | | | |
| Bureau of Justice Assistance: | | | | |
| Office of Justice Programs | | | | |
| Bullet Proof Vest Partnership | FY2020 | 16.607 | 2,365 | 2,365 |
| Passed through the Wyoming Division of Victim Services: | | | | |
| VOCA Program | 2020-V2-GX-0016 | 16.575 | 32,592 | 32,345 |
| VAWA Program | 15JOVW-21-GG-00549-STOP | 16.588 | 7,683 | 7,421 |
| Passed through the Wyoming Association of Sheriffs & Chiefs: | | | | |
| Enforcing Underage Drinking | FY2022/2023 | 93.243 | 10,000 | 1,705 |
| US Department of Transportation: | | | | |
| State and Community Highway Safety Cluster: | | | | |
| Passed through the Wyoming Department of Transportation: | | | | |
| Local Impaired Driving High Visibility Overtime | M5HVE-2022-FA-HV-01 | 20.616 | 7,662 | 3,579 |
| Local Impaired Driving High Visibility Overtime | M5HVE-2023-BI-HV-02 | 20.616 | 9,675 | 5,259 |
| Occupant Protection High Visibility OT | OP-2023-BI-OP-01 | 20.616 | 3,995 | 1,151 |
| Total General Fund | | | 73,972 | 53,826 |
| SPECIAL REVENUE FUNDS | | | | |
| US Department of Transportation: | | | | |
| Federal Transit Cluster: | | | | |
| Passed through the Wyoming Department of Transportation: | | | | |
| Formula Grants for Rural Areas | FT22335 | 20.509 | 2,173,549 | 631,331 |
| Formula Grants for Rural Areas (CARES) | FT23335 | 20.509 | 2,167,745 | 2,167,745 |
| Formula Grants for Rural Areas | FT23335 | 20.509 | 2,574,588 | 962,708 |
| Passed through Idaho Transportation Department: | | | | |
| Formula Grants for Rural Areas | 2020-29 | 20.509 | 579,086 | 62,352 |
| Formula Grants for Rural Areas | 2020-28 | 20.509 | 306,413 | 19,649 |
| Formula Grants for Rural Areas | O2371SB | 20.509 | 577,874 | 157,374 |
| Formula Grants for Rural Areas | O2371S1 | 20.509 | 184,562 | 166,434 |
| Formula Grants for Rural Areas (CARES) | C2080SB | 20.509 | 579,086 | 143,568 |
| Non-Metropolitan Planning & Research: | | | | |
| Passed through the Wyoming Department of Transportation: | | | | |
| State Planning and Research Program | FT22375 | 20.505 | 120,000 | 74,093 |
| US Department of Transportation: | | | | |
| Federal Transit Administration: | | | | |
| Bus and Bus Facilities Formula Program: | | | | |
| Passed through the Wyoming Department of Transportation: | | | | |
| Bus Purchase | FT21080 | 20.526 | 2,752,000 | 1,481,546 |
| Bus Purchase | FT22363 | 20.526 | 2,752,000 | 2,681,530 |
| Total Special Revenue Funds | | | 14,766,903 | 8,548,330 |

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2023 (continued)

| GRANTOR/GRANT TITLE | IDENTIFYING NUMBER | ASSISTANCE LISTING NUMBER | TOTAL AWARD AMOUNT | EXPENDITURES |
|-------------------------------------------------------------|-----------------------|---------------------------------|--------------------------|--------------|
| CAPITAL PROJECTS FUNDS | | | | |
| US Department of Treasury | | | | |
| Direct Program: | | | | |
| America Rescue Plan Act | WY4544 | 21.027 | 1,833,585 | 1,692,110 |
| Federal Transit Administration | | | | |
| Passed through Teton County WY: | | | | |
| National Infrastructure Investments RAISE | 6928-2022-1 | 20.933 | 9,319,022 | 51,859 |
| US Department of Transportation: | | | | |
| Passed through the Wyoming Department of Transportation: | | | | |
| Scott Lane/Maple Way Bike/Ped/ADA Improvements | CD20305 | 20.205 | 80,000 | 4,867 |
| Passed through Teton County WY: | | | | |
| State Planning & Research Program - Teton County | FT22376 | 20.505 | 112,121 | 33,360 |
| US Department of the Interior: | | | | |
| Passed through Wyoming Department of Environmental Quality: | | | | |
| Stormwater Management Program Development | NPS2020H | 66.460 | 100,679 | 7,550 |
| Total Capital Projects Funds | | | 11,445,407 | 1,789,746 |
| Total Federal Awards | | | 26,286,282 | 10,391,902 |

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Jackson under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Jackson, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Jackson.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 - INDIRECT COST RATE

The Town of Jackson has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.