



Town of Jackson, Wyoming
Comprehensive Annual Financial Report
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**TOWN OF JACKSON
WYOMING**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

**Robert W. McLaurin
Town Manager**

**Roxanne DeVries Robinson
Assistant Town Manager**

**Kelly Thompson
Finance Director**

**Melanie Adams
Finance Manager**

**Prepared by:
Department of Finance**

Comprehensive Annual Financial Report

Table of Contents

June 30, 2017

INTRODUCTORY SECTION	Page
Letter of Transmittal	1
GFOA Certificate of Achievement for Excellence in Financial Reporting	4
Organization of Services Chart	5
Elected Officials and Administrative Personnel	6
FINANCIAL SECTION	
Independent Auditor's Report	7
Management's Discussion and Analysis	10
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	19
Statement of Activities	20
Fund Financial Statements	
Balance Sheet - Governmental Funds	21
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	22
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	25
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - START Bus System Fund	27
Statement of Net Position - Proprietary Funds	28
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	30
Statement of Cash Flows - Proprietary Funds	31
Notes to the Financial Statements	33
Required Supplementary Information	
Schedule the Proportionate Share of the Net Pension Liability - Public Employees' Pension Plan	52
Schedule the Proportionate Share of the Net Pension Liability - Law Enforcement Pension Plan	53
Schedule of Contributions - Public Employees' Pension Plan	54
Schedule of Contributions - Law Enforcement Pension Plan	55
Combining Individual Fund Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet - Nonmajor Governmental Funds by Fund Type	56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Fund Type	57
Combining Balance Sheet - Nonmajor Special Revenue Funds	58
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	59
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Nonmajor Special Revenue Funds	60
Combining Balance Sheet - Nonmajor Capital Project Funds	66
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Project Funds	67

(continued)

Comprehensive Annual Financial Report

Table of Contents

June 30, 2017 (continued)

Internal Service Funds	
Combining Statement of Net Position - Internal Service Funds	68
Combining Statement of Revenues, Expenses and Changes Fund Net Position - Internal Service Funds	69
Combining Statement of Cash Flows - Internal Service Funds	70
Other Supplementary Schedules	
Schedule of Revenues (Sources) and Expenditures (Uses) - General Fund	71
STATISTICAL SECTION (unaudited)	
Financial trends	
Net Position by Component - Last Ten Fiscal Years	76
Changes in Net Position - Last Ten Fiscal years	77
Fund Balances of Governmental Funds - Last Ten Fiscal Years	79
Changes in Fund Balances of Governmental Fund - Last Ten Fiscal Years	80
Revenue capacity	
Tax Revenues by Source - Last Ten Fiscal years	81
Unrestricted State Intergovernmental Revenues by Program - Last Ten Fiscal Years	82
Debt capacity	
Direct and Overlapping Governmental Debt	83
Ratios of Outstanding Debt by Type	84
Legal Debt Margin Information	85
Economic and demographic information	
Construction and Bank Deposits - Last Ten Years	86
Tax Capacity and Estimated Market Value of all Taxable Property - Last Ten Fiscal Years	87
Property Tax Rates - All Direct and Overlapping Governments - Last Ten Fiscal Years	88
Taxable Sales - Last Ten Years	89
Principal Employers - Current Year and Seven Years Ago	90
Demographic & Economic Statistics	91
Demographic Statistics - US Census Data	92
Operating information	
Full-time Equivalent Town Employees by Function/Program - Last Ten Fiscal Years	93
Operating Indicators by Function - Last Ten Fiscal Years	94
Capital Asset Statistics by Function - Last Seven Fiscal Years	95
GOVERNMENT AUDIT REPORTS	
Independent Auditor's Reporting Requirements and Other Communications Required Under the Single Audit Act as Amended in 1996	
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 in Accordance with Government Auditing Standards	96
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	98
Schedule of Findings and Questioned Costs	100
Schedule of Expenditures of Federal Awards	101

TOWN OF JACKSON WYOMING



INTRODUCTORY SECTION





Administration and Finance

December 19, 2017

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 Comprehensive Annual Financial Report (CAFR) of the Town of Jackson for the fiscal year ended June 30, 2017.

The Town of Jackson's financial statements have been audited by Thompson, Palmer and Associates, P.C., 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, 2017, 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 unqualified opinion that the Town of Jackson's financial statements for the fiscal year ended June 30, 2017, 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 complements this letter of transmittal and should be read in conjunction with it.

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 10,529. The Town of Jackson is empowered to levy a property tax on both real and personal properties located within its boundaries, but has not done so 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 10,000 people and another 12,000 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 550,000 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 2.2% unemployment rate (Teton County), is healthier than the 4.4% national average. The state of Wyoming has an unemployment rate of 3.9%.

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 Comprehensive Annual Financial Report (CAFR). 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 proposed 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 25 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 60.

Long-term Financial Planning. As a resort community, the town continues to work at achieving goals while balancing the concerns of various stakeholders. The town's strategic vision is generally known as the "Town of Jackson Statements of Strategic Intent." They define the town's strategic intent and identify areas for additional emphasis. The town's near-term and long-term fiscal planning are focused on accomplishing strategic intent objectives. A five year financial model and a 10-year Capital Improvement Program were developed to assess attainability and sustainability of these objectives.

The Council's Statements of Strategic Intent include five general areas. While the details of these strategies are detailed in other documents, these five strategies include:

Town As the Heart of the Region. To sustain Jackson's unique character and continue to be the primary location for jobs, housing, shopping, educational and cultural activities.

Housing. To ensure a variety of housing opportunities exist so that at least 65% of those employed locally also live locally.

Transportation. To move residents and visitors safely, efficiently, and economically within our community and throughout the region using alternative transportation.

Quality Community Service Provision. To timely, efficiently, and safely deliver quality services and facilities in a fiscally responsible and coordinated manner.

Economy. To develop a sustainable, vibrant, stable, and diversified local economy.

Climate Sustainability Through Energy Conservation. To consume less non-renewable energy as a community in the future than we do today.

Stewardship of Wildlife, Natural Resources and Scenery. To maintain healthy populations of all native species and preserve the ability of future generations to enjoy the quality natural, scenic, and agricultural resources that largely define our community character.

Major Budget Initiatives. State shared revenue thru Wyoming funds historically funded much of the Town's capital improvements. With declining

energy revenues, one area of concern was securing funding to stabilize the West Broadway Landslide at estimated cost in excess of \$9 million. The Town was able to secure funding thru state and local grants in the amount of \$2,982,229. The remainder is funded thru a passed \$6,000,000 special purpose excise tax. These funding sources ensure the Town can continue to move forward with its intended Ten-Year Capital Improvement Plan.

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, 2016. This is the 32th 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 comprehensive annual 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. Additionally, the professional guidance provided by Rick Palmer of Thompson, Palmer & Associates, PC, was instrumental in this report's preparation. 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.



Robert W. McLaurin
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 Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

A handwritten signature in black ink, appearing to read "Jeffrey R. Ecker".

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 comprehensive annual financial report for the fiscal year ended June 30, 2016.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual 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 comprehensive annual 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 OF SERVICES CHART

Community Members and Visitors of the Town of Jackson

MAYOR AND COUNCIL

TOWN ATTORNEY

TOWN MANAGER

MUNICIPAL JUDGE

County Budgeted Joint Programs

Law Enforcement Dispatch
Fire/EMS Operations
Parks & Rec Operations
Pathways Operations
Housing Department
Drug Court

ASSISTANT TOWN
MANAGER

Town Boards and Commissions
PLANNING COMMISSION/ BOARD OF ADJUSTMENT
DESIGN REVIEW COMMITTEE
BOARD OF EXAMINERS/BOARD OF APPEALS

Joint Boards

START BUS BOARD
PARKS & RECREATION BOARD
JACKSON/TETON COUNTY HOUSING AUTHORITY BOARD
AIRPORT BOARD
PATHWAYS TASK FORCE
ENERGY CONSERVATION WORKS
NATURAL RESOURCES TECHNICAL ADVISORY BOARD
TRAVEL AND TOURISM BOARD
ADMINISTRATIVE MUSEUM BOARD

Information Technology

Strategic Planning
Hardware Maintenance
Software Maintenance
User Support
Phone System
Infrastructure Support
Connectivity

Police

Community Policing
Law Enforcement
Community Service Officers
Code Compliance
Animal Shelter
Victim Services
Airport

Transit

Visitor Transport
In-Town Shuttle
Commuter Services
Transit Marketing

Finance

Business Licensing
Accounting
Budget Development
Disbursements
Utility Billing
Collections
Cash Management
Debt Administration
Risk Management
Municipal Court Clerk

Personnel/ Town Clerk

Town Management
Human Resources
Records Management
Town Clerk Duties
Special Events
Special Projects
Training
Liquor Licensing
Public Information

Planning & Building

Development Review
Long Range Planning
Building Inspection
Building Permitting
LDR/Code Compliance
Contractor Licensing
Sign Permitting

Administration

Town Management
Land Acquisition
Council Facilitation
Mission/Purpose

Public Works

Street Maintenance
Wastewater Treatment
Water Wells/Distribution
Waste Collection Lines
Fleet Maintenance
Engineering
Capital Projects/Facilities
Custodian
Meter Reading
Cemetery

MAYOR & TOWN COUNCIL

<u>Position</u>	<u>Name</u>	<u>Term Expires</u>
Mayor.....	Peter Muldoon	12/31/2020
Council.....	Don Frank	12/31/2018
Council.....	Robert Lenz	12/31/2018
Council.....	Hailey Morton Levinson	12/31/2020
Council.....	Jim Stanford	12/31/2020

TOWN STAFF

Town Manager.....	Bob McLaurin
Town Attorney	Audrey Cohen-Davis
Municipal Judge.....	Melissa Owens
Assistant Town Manager.....	Roxanne Robinson
Finance Director	Kelly Thompson
Police Chief	Todd Smith
Planning Director.....	Tyler Sinclair
Public Works Director.....	Larry Pardee
Transit Director	Darren Brugmann
IT Director.....	Michael Palazzolo

JOINT TOWN/COUNTY STAFF

Fire/EMS Chief	Brady Hansen
Parks & Recreation Director.....	Steve Ashworth
Pathways Coordinator	Brian Schilling
Jackson/Teton County Affordable Housing Director	April Norton



FINANCIAL SECTION



Thompson, Palmer & Associates, PC
CERTIFIED PUBLIC ACCOUNTANTS

PO BOX 4158
JACKSON, WY 83001

FAX (307) 739-1415

(307) 733-5160
275 E BROADWAY

Independent Auditor's Report

December 19, 2017

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming

Report on the Financial Statements

We have audited the accompanying 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, as of and for the years ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming
Independent Auditor's Report
December 19, 2017

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Auditing Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Jackson, Wyoming's basic financial statements. The introductory section, combining and individual nonmajor fund, internal service fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 US 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 combining and individual nonmajor fund and internal service fund financial statements, fiduciary fund financial statements, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records 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

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming
Independent Auditor's Report
December 19, 2017

with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, internal service funds, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2017, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Jackson, Wyoming's internal control over financial reporting and compliance.

Thompson Palmer & Associates, PC

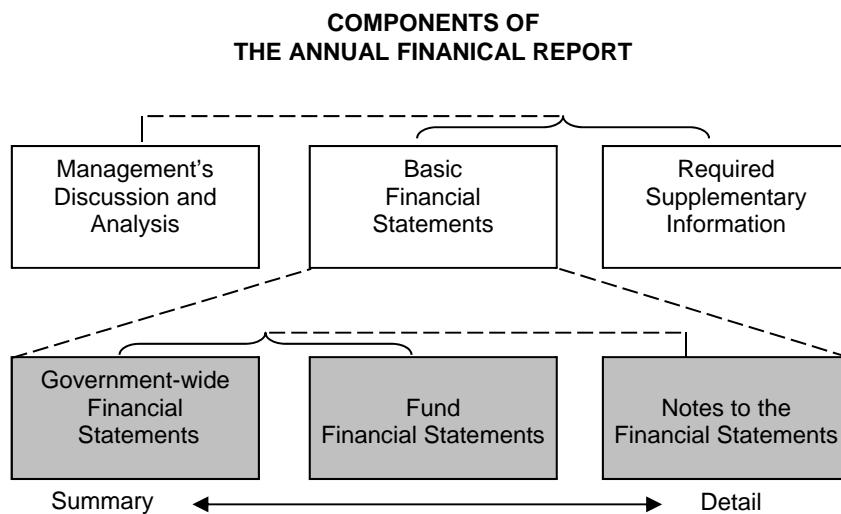
Thompson Palmer & Associates, PC
Certified Public Accountants

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, 2017. 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 1-3 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.



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 19-20 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 21-27 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 governmental-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 28-32 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 governmental-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 33-51 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 52-55 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 56-70.

FINANCIAL HIGHLIGHTS

- The Town's net position (assets minus liabilities) grew by 5% as a result of this year's operations. The net position of the Town's governmental activities increased \$6,695,313 (5%) and net position of the Town's business-type activities increased \$1,263,409 (3%).
- Overall, capital assets (net of accumulated depreciation) increased \$843,188 (1%). Capital assets of governmental activities increased \$575,079 (1%) and capital assets of business-type activities increased \$268,109 (1%). Significant governmental capital assets acquisitions included: \$1,100,000 for land at Redmond Hall housing project, \$887,126 to complete ice rink improvements at Sports and Event Center, \$741,408 for CNG Fueling Station, \$287,297 in fleet vehicles, and \$216,057 in sidewalk improvements. The increases in business-type capital assets include \$368,277 to complete West Broadway pump house and \$308,721 for wastewater improvements on Snow King Ave. The capital increases in the business activities are offset by \$1,400,823 in current year depreciation.

- The Town's long-term liabilities increased \$318,583 (4%) as a result of an increase of \$421,872 net pension liability and \$103,289 principal payments on long-term debt.
- At the close of the current fiscal year, the Town's governmental funds reported total ending fund balances of \$28,358,232, an increase of \$7,242,373 (34%). A key factor in the increase is due to the collections of

2016 SPET of \$6,000,000 combined with only \$978,573 expenditures in that fund.

- Through conservative budgeting practices and fiscal discipline, the General Fund's total fund balance increased \$166,590 (2%) to \$7,650,890. The ending fund balance is 52% of General Fund expenditures.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 35,394,066	\$ 26,945,964	\$ 11,911,962	\$ 10,800,090	\$ 47,306,028	\$ 37,746,054
Capital assets	107,551,438	106,976,359	33,451,649	33,183,540	141,003,087	140,159,899
Total assets	<u>142,945,504</u>	<u>133,922,323</u>	<u>45,363,611</u>	<u>43,983,630</u>	<u>188,309,115</u>	<u>177,905,953</u>
Deferred outflow of resources	1,578,614	1,847,860	195,111	237,740	1,773,725	2,085,600
Other liabilities	4,247,606	2,515,333	402,806	321,097	4,650,412	2,836,430
Long-term liabilities	6,675,181	6,348,832	2,170,605	2,178,371	8,845,786	8,527,203
Total Liabilities	<u>10,922,787</u>	<u>8,864,165</u>	<u>2,573,411</u>	<u>2,499,468</u>	<u>13,496,198</u>	<u>11,363,633</u>
Net position:						
Net investment in capital assets	106,646,780	106,023,911	32,189,229	31,865,621	138,836,009	137,889,532
Restricted	11,316,514	7,789,841	-	-	11,316,514	7,789,841
Unrestricted	15,638,037	13,092,266	10,796,082	9,856,281	26,434,119	22,948,547
Total net position	<u>\$ 133,601,331</u>	<u>\$ 126,906,018</u>	<u>\$ 42,985,311</u>	<u>\$ 41,721,902</u>	<u>\$ 176,586,642</u>	<u>\$ 168,627,920</u>

By far the largest portion of the Town's net position (79%) 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.

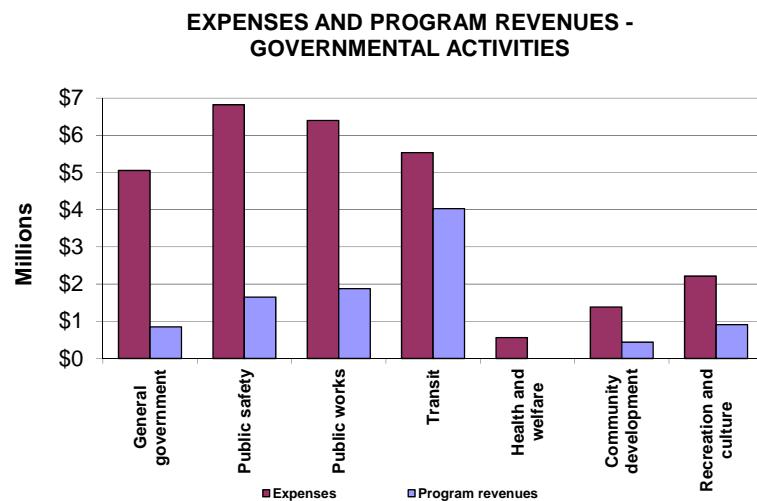
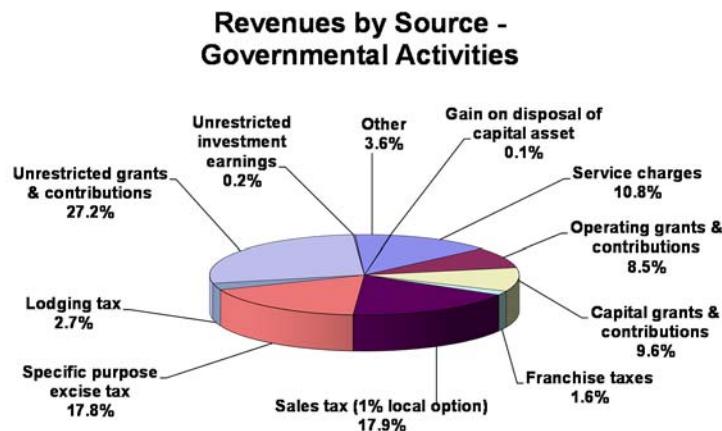
A small portion of the Town's net position (6%) represents resources that are subject to external restrictions on how they can be used. The remaining unrestricted net position of \$26,434,119 may be used to meet one-time obligations to citizens and creditors. Of the unrestricted net positions, \$10,796,082 (41%) is attributable to business-type activities.

The unrestricted governmental activities net position increased \$2,545,771 (19%), while business-type activities unrestricted net position increased \$939,801 (10%). The government-wide total unrestricted net position increased \$3,485,572 (13%), primarily due to unrestricted available cash. The increase in governmental activities restricted net position is primarily due to revenues in the 2016 Special Purpose Excise Tax (SPET).

The \$575,079 (1%) increase in governmental activities capital assets is reflective of the investments in Redmond Hall housing project – \$1.1M, Snow King ice rink improvements - \$.9M, CNG Fueling Station - \$.7M, fleet vehicles - \$.3M, Miller Parking Lot completion - \$.4M. Business-type capital assets increased \$268,109 (1%) due to \$.4M West Broadway pump house and \$.3M for Snow King Ave wastewater improvements.

CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
REVENUES						
Program revenues:						
Charges for services	\$ 3,646,823	\$ 3,292,809	\$ 5,213,223	\$ 4,524,829	\$ 8,860,046	\$ 7,817,638
Operating grants and contributions	2,862,202	3,013,339	-	-	2,862,202	3,013,339
Capital grants and contributions	3,246,428	4,910,191	756,633	603,896	4,003,061	5,514,087
General revenues:						
Sales tax (1% local option)	6,034,163	5,674,051	-	-	6,034,163	5,674,051
Specific purpose excise taxes	6,000,000	3,500,000	-	-	6,000,000	3,500,000
Lodging tax	920,924	826,514	-	-	920,924	826,514
Franchise taxes	554,419	570,053	-	-	554,419	570,053
Unrestricted grants and contributions	9,179,321	8,609,190	-	-	9,179,321	8,609,190
Unrestricted investment earnings	64,633	64,292	24,831	22,313	89,464	86,605
Gain on disposal of capital assets	44,168	72,308	5,000	7,986	49,168	80,294
Other	1,221,827	215,577	-	-	1,221,827	215,577
Total revenues	33,774,908	30,748,324	5,999,687	5,159,024	39,774,595	35,907,348
EXPENSES						
Program activities:						
Governmental activities:						
General government	5,053,033	4,307,459	-	-	5,053,033	4,307,459
Public safety	6,822,421	6,414,964	-	-	6,822,421	6,414,964
Public works	6,395,396	4,949,198	-	-	6,395,396	4,949,198
Transit	5,535,770	4,805,587	-	-	5,535,770	4,805,587
Health and welfare	563,412	508,912	-	-	563,412	508,912
Community development	1,385,406	248,337	-	-	1,385,406	248,337
Recreation and culture	2,217,404	1,839,978	-	-	2,217,404	1,839,978
Interest on long-term debt	4,703	6,187	-	-	4,703	6,187
Business-type activities						
Water	-	-	1,740,216	2,036,913	1,740,216	2,036,913
Sewage	-	-	2,098,112	2,004,888	2,098,112	2,004,888
Total expenses	27,977,545	23,080,622	3,838,328	4,041,801	31,815,873	27,122,423
Excess (deficiency) before transfers						
Transfers in (out)	5,797,363	7,667,702	2,161,359	1,117,223	7,958,722	8,784,925
	897,950	724,698	(897,950)	(724,698)	-	-
Increase (decrease in net position)						
Net position at the beginning of the year	6,695,313	8,392,400	1,263,409	392,525	7,958,722	8,784,925
Net position at the end of the year	\$ 133,601,331	\$ 126,906,018	\$ 42,985,311	\$ 41,721,902	\$ 176,586,642	\$ 168,627,920



Governmental Activities. The most significant (27%) revenue of the governmental activities are \$9.2M in unrestricted grants and state shared revenue. The majority of the revenue in the state-shared category consist of the 4% state-shared sales tax (\$7.4M) followed by federal mineral royalties (\$.5M), gasoline tax (\$.5M), severance tax (\$.4M) and in various reimbursements (\$.3M) from Teton County. The 1% local option (5th cent) sales tax makes up the

second highest source of revenue (\$6.0M 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. Specific purpose excise tax make up the third highest source of revenue (\$6.0M or 18%).

Public Safety (police, fire/EMS, building inspector, victim services, animal shelter and communications) (24%) expenses were the most significant followed by; Public Works (23%); Transit (20%); General Government (18%); Recreation and Culture (8%); Community Development (1%) and Health and Welfare (2%). Included in these amounts is depreciation expense, which is 15% of the total expenses for governmental activities.

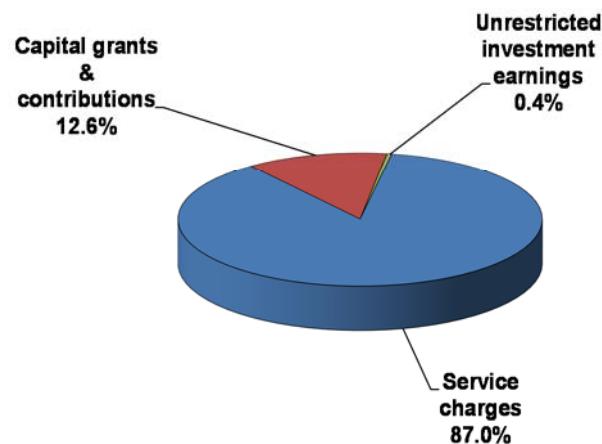
Governmental revenues increased \$3,026,584 (%), in the current year, with the most significant portion of the increase attributable to higher specific purpose excise tax collections.

Governmental activities expenses increased \$4,896,923 (21%) in the current year. The most significant changes in program expenses were as follows:

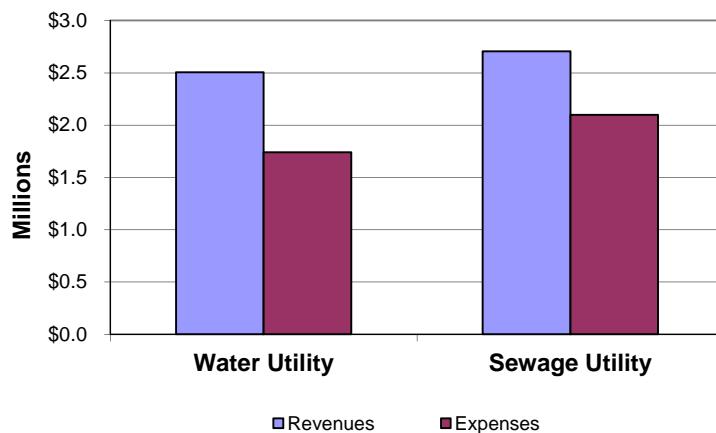
- General government expenses increased \$745,574, (17%). The majority of the increase was the result increased pension expense related to net pension liability increase.
- Public safety expenses increased \$407,457 (6%). The majority of the increase is due to staffing unfilled positions and increased pension expense related to net pension liability increase.
- Public works expenses increased \$1,446,198 (29%). The majority of the increase is a result of West Broadway landslide mitigation.
- Community development expenses increased \$1,137,069 (456%). The majority of the increase is due to the Redmond Hall housing project.
- Health & Welfare expenses increased \$54,500 (11%) due to increased contributions to social service agencies.
- Transit operating expenses increased \$730,183 (15%) over the previous year due to part-time driver salaries and petroleum cost.
- Recreation and culture expenses increased \$377,426 (21%), primarily due to increase in capital costs by Teton County.

There were no other programs with significant or unusual changes.

REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



REVENUES AND EXPENSES - BUSINESS-TYPE ACTIVITIES



Business-type activities. Business-type activities increased the Town's net position by \$1,263,409 (3%). In the prior year, the business-type activities increased the Town's net position by \$392,525 (1%).

Key elements of the change are as follows:

Water Fund operating revenues increased \$205,600 (9%), which is reflective of normal fluctuation for water services. Sewage Fund revenues increased \$482,794 (22%), of which \$224,593 resulted from a one-time contribution with the remainder due to normal fluctuation for sewage services.

Capital grants and contributions totaled \$756,633, 25% higher than the prior year total of \$603,896. Capital grants and contributions include capacity and tap fees charged to new customers and intergovernmental grants for capital improvements that are now complete. Capacity and tap fees increased with more development than in the prior year. Depreciation expenses in the water and sewage utilities for fiscal year 2017 were \$596,736 and \$807,087, 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, 2017, the Town's governmental funds reported total ending fund balances of \$28,358,232, an increase of \$7,242,374 (34%) when compared with the prior year. Nearly 40% or \$11,316,514 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 \$7,789,841. The difference is mostly attributable to increase of fund balance in the 2016 SPET capital project fund.

At the end of the fiscal year, the General Fund reported a fund balance of \$7,650,890 increasing \$166,590 (2%) from the prior year. General fund operating revenues were \$469,279 (4%) more than the prior fiscal year and expenditures increased by \$159,314 (1%). Transfers out increased by \$617,461 (16%).

General Fund expenditures increased \$159,314 (1%). Salaries and salary related expenditures (Wyoming Retirement, Workers' Compensation, health

insurance, etc) increased \$370,053 in all functions. Costs associated with the Town's contribution to county Fire/EMS emergency operations decreased \$240,202 and recreation contributions decreased \$224,017.

The START Bus System Fund net change in fund balance was positive by \$412,649 (42%). Operating and capital expenditures were \$3,819,378 and \$101,624, respectively. Intergovernmental revenues increased to \$3,032,571 from the prior year total of \$2,782,791 as a result of grant reimbursement for buses. Transit fares increased from \$729,632 to \$740,127. The Town contributed \$357,050 and Teton County contributed \$451,578 for a total of \$797,465 to the fund in fiscal year 2017, which was the same as the prior year.

The 5th Cent Capital Project Fund saw its fund balance increase \$2,330,511 (53%) to \$6,711,309. Lower actual expenditures compared to budget and revenues related to landslide mitigation contributed to the increase. The General Fund transferred \$2,913,636 in 5th Cent sales tax to the fund in FY2017.

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 \$586,132 (4%) from the prior fiscal year. In 2017, operating revenues increased \$205,600 (9%). Capital contributions increased to \$216,559 from \$133,734 in the previous year (62%). Operating expenses decreased \$342,348 (-17%) to \$1,650,937. The 2017 operating income of \$856,099 includes \$593,736 in depreciation.

The sewage utility's net position increased \$731,231 (3%) in the fiscal year ending June 30, 2017. Sewage utility operating revenues increased \$482,794 (22%) to \$2,706,187 and the utility's operating expenses increased \$61,375 (3%) to \$2,081,481. Capital contributions increased \$69,912 (15%) from \$470,162 to \$570,074. The \$624,706 operating income includes \$804,087 in depreciation.

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 2017 original budget and the final amended budget are adopted by council resolution throughout the year.

General Fund revenues totaled \$18,418,207 and exceeded the final budget by \$700,150 (4%). General taxes and intergovernmental revenues were \$118,654 (2%) and \$338,071 (4%) higher than budget, respectively. Both were impacted by the increase in local economic activity. With projected economic growth, sales tax related revenues were budgeted to increase 3.75%. However, this major revenue source increased an additional 3% to \$437,509 over estimates.

General Fund expenditures totaled \$14,805,133 and were \$812,960 (5%) less than the final amended budget and \$279,688 (2%) less than the adopted budget. Including transfers out, supplemental appropriations from budget amending council actions increased the original budget by \$533,272 (3%). In fiscal year 2017, Parking Garage and Personnel/Town Clerk departments finished the year slightly over budget.

The General Fund year end fund balances since 2007 are as follows:

Year	Amount	Year	Amount
2008	\$ 2,977,983	2013	\$ 4,986,484
2009	3,205,914	2014	5,450,770
2010	3,300,208	2015	7,049,752
2011	3,791,412	2016	7,484,300
2012	4,295,723	2017	7,650,890

CAPITAL ASSETS AND DEBT ADMINISTRATION

	CAPITAL ASSETS (net of accumulated depreciation)					
	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Land	\$ 29,122,401	\$ 28,022,401	\$ 1,100,404	\$ 1,100,404	\$ 30,222,805	\$ 29,122,805
Construction in progress	1,203,982	5,810,257	681,346	458,880	1,885,328	6,269,137
Building, structures, & improvements	40,562,770	42,107,438	30,684,406	30,565,124	71,247,176	72,672,562
Machinery and equipment	9,243,390	7,916,480	985,493	1,059,133	10,228,883	8,975,613
Intangible assets	1,630,187	1,648,369	-	-	1,630,187	1,648,369
Infrastructure	25,788,708	21,471,414	-	-	25,788,708	21,471,414
Total	<u>\$ 107,551,438</u>	<u>\$ 106,976,359</u>	<u>\$ 33,451,649</u>	<u>\$ 33,183,541</u>	<u>\$ 141,003,087</u>	<u>\$ 140,159,900</u>

Capital assets. The Town's investment in capital assets for its governmental and business-type activities at June 30, 2017 totaled \$141,003,087 (net of accumulated depreciation). This investment in capital assets included land, construction in progress, structures, systems, machinery and equipment, intangible assets, and infrastructure.

Major governmental activities capital assets acquisitions include: \$1,100,000 for land at Redmond Hall housing project, \$887,126 to complete ice rink

improvements at Sports and Event Center, \$741,408 for CNG Fueling Station, \$287,297 in fleet vehicles, and \$216,057 in sidewalk improvements. The total increase over the prior fiscal year is approximately .6%; governmental activities increased .5% and business-type activities increased .8%.

Additional information on the Town's capital assets can be found in the notes to the financial statements on pages 43-44.

LONG-TERM LIABILITIES

	Long-Term Liabilities					
	Governmental Activities		Business-type Activities		Total Government	
	2017	2016	2017	2016	2017	2016
Accrued interest payable	\$ 1,128	\$ 1,187	\$ 29,330	\$ 30,090	\$ 30,458	\$ 31,277
Note payable - Snow King	904,658	952,448	-	-	904,658	952,448
Notes payable - State of Wyoming	-	-	1,262,420	1,317,919	1,262,420	1,317,919
Total	<u>\$ 905,786</u>	<u>\$ 953,635</u>	<u>\$ 1,291,750</u>	<u>\$ 1,348,009</u>	<u>\$ 2,197,536</u>	<u>\$ 2,301,644</u>

Long-term liabilities. The Town's outstanding long-term liabilities--including notes payable and accrued interest payable--totaled \$2,301,644 at June 30, 2017. Governmental long-term and business-type long-term liabilities decreased slightly due to principal payments on the debt.

Additional information on the Town's long-term liabilities can be found in the notes to the financial statements on pages 45-46 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Teton County, Wyoming area for June 30, 2017 was 2.2%, which is below the state average (3.9%) and below the national average (4.4%).
- The state energy industry is declining and statewide sales tax collections are down, which translates into less state revenue sharing. This has impacted the Town's 10-year capital improvement plan as projects have been decoupled and delayed fiscal years.
- The occupancy rate of the Town's central business district has remained constant over the last three years and average daily rates are increasing.
- Inflationary trends in the region compare favorably to national indices and housing prices are increasing.
- The Town expects residential and commercial growth to eventually return to pre-recession levels, accompanied by the increase in affordable housing.

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, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 6,593,477	\$ 2,267,771	\$ 8,861,248
Restricted - cash and cash equivalents	1,376,831	-	1,376,831
Investments	25,558,466	9,010,499	34,568,965
Accrued interest receivable	52,716	-	52,716
Accounts receivable, net	7,313	579,886	587,199
Due from other governmental units	1,284,024	-	1,284,024
Inventories	254,739	53,806	308,545
Notes receivable - housing	266,500	-	266,500
Capital assets:			
Nondepreciable	30,326,383	1,781,750	32,108,133
Depreciable, net	77,225,055	31,669,899	108,894,954
TOTAL ASSETS	<u>142,945,504</u>	<u>45,363,611</u>	<u>188,309,115</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows related to pensions	<u>1,578,614</u>	<u>195,111</u>	<u>1,773,725</u>
LIABILITIES			
Accounts payable	1,909,080	332,306	2,241,386
Accrued wages payable	390,410	41,170	431,580
Accrued interest payable	1,128	29,330	30,458
Due to other entities	1,376,831	-	1,376,831
Unearned revenue	570,157	-	570,157
Long-term liabilities:			
Portion due or payable within one year:			
Notes payable	48,029	57,718	105,747
Portion due or payable after one year:			
Notes payable	856,629	1,204,702	2,061,331
Net pension liability	5,770,523	908,185	6,678,708
TOTAL LIABILITIES	<u>10,922,787</u>	<u>2,573,411</u>	<u>13,496,198</u>
NET POSITION			
Net investment in capital assets	106,646,780	32,189,229	138,836,009
Restricted for:			
Community development	745,976	-	745,976
Capital projects	10,557,672	-	10,557,672
Public safety programs	12,866	-	12,866
Unrestricted	15,638,037	10,796,082	26,434,119
TOTAL NET POSITION	<u>\$ 133,601,331</u>	<u>\$ 42,985,311</u>	<u>\$ 176,586,642</u>

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

Statement of Activities

Year Ended June 30, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
			Governmental Activities	Business-type Activities			
Governmental activities:							
General government	\$ 5,053,033	\$ 850,420	\$ -	\$ -	\$ (4,202,613)	\$ -	\$ (4,202,613)
Public safety	6,822,421	1,422,288	226,152	-	(5,173,981)	-	(5,173,981)
Public works	6,395,396	15,600	-	1,860,287	(4,519,509)	-	(4,519,509)
Transit	5,535,770	740,128	2,636,050	651,905	(1,507,687)	-	(1,507,687)
Health and welfare	563,412	-	-	-	(563,412)	-	(563,412)
Community development	1,385,406	442,182	-	-	(943,224)	-	(943,224)
Recreation and culture	2,217,404	176,205	-	734,236	(1,306,963)	-	(1,306,963)
Interest of long-term debt	4,703	-	-	-	(4,703)	-	(4,703)
Total governmental activities	<u>\$ 27,977,545</u>	<u>\$ 3,646,823</u>	<u>\$ 2,862,202</u>	<u>\$ 3,246,428</u>	<u>(18,222,092)</u>	<u>-</u>	<u>(18,222,092)</u>
Business-type activities							
Water Utility	\$ 1,740,216	\$ 2,507,036	\$ -	\$ 216,559	-	983,379	983,379
Sewage Utility	2,098,112	2,706,187	-	540,074	-	1,148,149	1,148,149
Total business-type activities	<u>\$ 3,838,328</u>	<u>5,213,223</u>	<u>-</u>	<u>756,633</u>	<u>-</u>	<u>2,131,528</u>	<u>2,131,528</u>
Total primary government	<u>\$ 31,815,873</u>	<u>\$ 8,860,046</u>	<u>\$ 2,862,202</u>	<u>\$ 4,003,061</u>	<u>(18,222,092)</u>	<u>2,131,528</u>	<u>(16,090,564)</u>
General Revenues:							
Sales tax (1% local option)				6,034,163	-	6,034,163	
Specific purpose excise tax				6,000,000	-	6,000,000	
Lodging tax				920,924	-	920,924	
Franchise taxes				554,419	-	554,419	
Unrestricted grants and contributions (revenue sharing)				9,179,321	-	9,179,321	
Unrestricted investment earnings				64,633	24,831	89,464	
Gain on disposal of capital assets				44,168	5,000	49,168	
Other				1,221,827	-	1,221,827	
Transfers				897,950	(897,950)		
Total general revenues				<u>24,917,405</u>	<u>(868,119)</u>	<u>24,049,286</u>	
Change in Net Position				6,695,313	1,263,409	7,958,722	
Net position - July 1				126,906,018	41,721,902	168,627,920	
Net Position - June 30				<u>\$ 133,601,331</u>	<u>\$ 42,985,311</u>	<u>\$ 176,586,642</u>	

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

Balance Sheet
Governmental Funds
June 30, 2017

	General	START Bus System	5th Cent Capital Projects	2016 SPET	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 1,604,885	\$ 244,598	\$ 1,317,760	\$ 1,056,242	\$ 1,954,280	\$ 6,177,765
Restricted - cash and cash equivalents	-	-	-	-	1,376,831	1,376,831
Investments	6,928,293	1,031,079	5,554,877	4,452,473	5,415,921	23,382,643
Interfund receivable - pooled cash	20,924	-	-	-	-	20,924
Interest receivable	52,716	-	-	-	-	52,716
Due from other governmental units	46,740	316,949	888,410	-	-	1,252,099
Prepaid items	-	-	-	-	-	-
Notes receivable - housing	-	-	-	-	266,500	266,500
TOTAL ASSETS	8,653,558	1,592,626	7,761,047	5,508,715	9,013,532	32,529,478
LIABILITIES AND FUND BALANCES						
Liabilities:						
Interfund payable - pooled cash	-	-	-	-	20,924	20,924
Accounts payable	207,249	53,640	1,049,738	482,198	41,589	1,834,414
Accrued wages payable	304,348	64,572	-	-	-	368,920
Due to other entities	-	-	-	-	1,376,831	1,376,831
Unearned revenue	491,071	74,086	-	-	5,000	570,157
Total liabilities	1,002,668	192,298	1,049,738	482,198	1,444,344	4,171,246
Fund balance:						
Restricted	12,866	-	-	5,026,517	6,277,131	11,316,514
Assigned	776,179	1,400,328	6,711,309	-	1,292,057	10,179,873
Unassigned	6,861,845	-	-	-	-	6,861,845
Total fund balance	7,650,890	1,400,328	6,711,309	5,026,517	7,569,188	28,358,232
TOTAL LIABILITIES AND FUND BALANCE	\$ 8,653,558	\$ 1,592,626	\$ 7,761,047	\$ 5,508,715	\$ 9,013,532	\$ 32,529,478

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, 2017

Total fund balances - governmental funds	\$ 28,358,232
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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	\$ 29,122,401	
Construction in progress	1,203,982	
Buildings, structures and improvements	58,135,934	
Machinery and equipment	16,736,953	
Intangible	1,800,000	
Infrastructure	49,927,052	
Accumulated depreciation	<u>(52,089,528)</u>	104,836,794

Deferred outflows of resources related to pensions are not reported in the funds	1,578,614
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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	(1,128)
Note payable	(904,658)
Net pension liability	(5,770,523)

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 assets:

Cash and cash equivalents	\$ 415,712	
Investments	2,175,823	
Accounts receivable	7,313	
Due from other governmental units	31,925	
Inventories	254,739	
Machinery and equipment, net	2,714,644	
Accounts payable	(74,666)	
Accrued wages payable	<u>(21,490)</u>	5,504,000

NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 133,601,331

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, 2017

	General	START Bus System	5th Cent Capital Projects	2016 SPET	Other Governmental Funds	Total Governmental Funds
Revenues:						
General taxes	\$ 6,818,813	\$ -	\$ -	\$ 6,000,000	\$ 690,693	\$ 13,509,506
Licenses and permits	1,139,138	-	-	-	468,507	1,607,645
Intergovernmental	9,335,317	3,032,571	1,846,187	-	-	14,214,075
Charges for services	604,640	740,127	-	-	-	1,344,767
Fines and forfeitures	399,860	-	-	-	-	399,860
Investment earnings	17,980	(1,245)	9,310	5,090	26,168	57,303
Contributions and Donations	-	2,290	10,000	-	4,100	16,390
Other revenues	102,459	253,094	1,087,632	-	334,366	1,777,551
Total revenues	18,418,207	4,026,837	2,953,129	6,005,090	1,523,834	32,927,097
Expenditures:						
Current:						
General government	3,795,074	-	-	-	192,140	3,987,214
Public safety	6,262,764	-	-	-	23,647	6,286,411
Public works	2,437,154	-	-	-	-	2,437,154
Transit	-	3,819,378	-	-	-	3,819,378
Health and welfare	556,095	-	-	-	-	556,095
Community development	243,563	-	-	-	129,913	373,476
Recreation and culture	1,318,206	-	-	-	273,035	1,591,241
Other expenditures	192,277	-	-	-	-	192,277
Capital outlay	-	101,624	3,536,254	978,573	2,672,924	7,289,375
Debt Service	-	-	-	-	52,552	52,552
Total expenditures	14,805,133	3,921,002	3,536,254	978,573	3,344,211	26,585,173
Excess (deficiency) of revenues over expenditures	3,613,074	105,835	(583,125)	5,026,517	(1,820,377)	6,341,924
Other financing sources (uses):						
Proceeds from sale of assets	-	2,500	-	-	-	2,500
Transfers in	978,315	357,050	2,913,636	-	1,500,000	5,749,001
Transfers out	(4,424,799)	(52,736)	-	-	(373,516)	(4,851,051)
Total other financing sources (uses)	(3,446,484)	306,814	2,913,636	-	1,126,484	900,450
Net change in fund balances	166,590	412,649	2,330,511	5,026,517	(693,893)	7,242,374
Fund balance at beginning of year	7,484,300	987,679	4,380,798	-	8,263,081	21,115,858
Fund balance at end of year	\$ 7,650,890	\$ 1,400,328	\$ 6,711,309	\$ 5,026,517	\$ 7,569,188	\$ 28,358,232

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, 2017

Net change in fund balances--total governmental funds	\$ 7,242,374
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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 expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 3,909,932	295,598
Depreciation	<u>(3,614,334)</u>	

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 Assets.	47,849
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The net effect of transactions involving net pension liability, deferred outflows of resources related to pensions, and pension expense is to decrease net position	(602,680)
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The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals, donations) increasing or (decreasing) net assets and transfers	(3,649)
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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.	(284,179)
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Change in net position of governmental activities	<u>\$ 6,695,313</u>
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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, 2017

	Budgeted Amounts			Variance with Final Budget
	Orginal	Final	Actual	
Revenues:				
General taxes	\$ 6,700,159	\$ 6,700,159	\$ 6,818,813	\$ 118,654
Licenses and permits	835,870	835,870	1,139,138	303,268
Intergovernmental	8,972,246	8,997,246	9,335,317	338,071
Charges for services	605,381	605,381	604,640	(741)
Fines and forfeitures	463,936	463,936	399,860	(64,076)
Investment earnings	15,302	15,302	17,980	2,678
Other revenues	100,163	100,163	102,459	2,296
Total revenues	17,693,057	17,718,057	18,418,207	700,150
Expenditures:				
Current:				
General government				
Mayor & town council	311,599	314,654	302,085	(12,569)
Town attorney	407,110	421,270	412,568	(8,702)
Municipal judge	213,209	216,309	214,114	(2,195)
Administration	326,128	332,572	291,718	(40,854)
Personnel & town clerk	541,746	608,776	609,697	921
Finance	578,395	583,095	567,758	(15,337)
Information technology	474,114	512,644	492,363	(20,281)
Planning	831,689	831,689	763,005	(68,684)
Town hall building	132,250	147,950	141,766	(6,184)
Public safety				
Police - administration	494,340	494,340	475,721	(18,619)
Police - investigation	421,246	412,432	390,816	(21,616)
Police - patrol	2,761,791	2,775,921	2,661,614	(114,307)
Police - community service	354,337	382,814	362,588	(20,226)
Police - special operations	22,620	22,620	14,355	(8,265)
Fire/EMS (county service)	1,265,203	1,265,203	1,208,243	(56,960)
Dispatch (county service)	420,000	420,000	336,261	(83,739)
Victim services	233,435	233,435	231,134	(2,301)
Animal shelter/control	234,214	238,824	227,730	(11,094)
Building inspections	372,794	372,794	354,302	(18,492)

(continued)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2017 (continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Orginal	Final		
Expenditures (continued):				
Public works				
Administration	243,332	243,332	242,909	(423)
Streets	1,453,998	1,624,898	1,483,473	(141,425)
Town engineer	422,126	431,826	390,745	(41,081)
Public works yard operations	152,437	163,937	140,911	(23,026)
Parking garage operations	83,634	98,634	99,722	1,088
Public restrooms	67,263	82,263	79,394	(2,869)
Health and welfare				
Social services	544,682	559,682	556,095	(3,587)
Community development				
Community promotion	256,443	261,443	243,563	(17,880)
Recreation and culture				
Parks and recreation (county service)	1,253,937	1,253,937	1,253,937	-
Sports and Events Center	47,177	58,727	44,495	(14,232)
Memorial park (cemetery)	20,447	20,947	19,774	(1,173)
Other expenditures				
Town-wide and insurances	143,125	231,125	192,277	(38,848)
Total expenditures	<u>15,084,821</u>	<u>15,618,093</u>	<u>14,805,133</u>	<u>(812,960)</u>
Excess (deficiency) of revenues over expenditures	<u>2,608,236</u>	<u>2,099,964</u>	<u>3,613,074</u>	<u>1,513,110</u>
Other financing sources (uses)				
Transfers in	1,038,866	1,038,866	978,315	(60,551)
Transfers out	(4,438,636)	(4,438,636)	(4,424,799)	13,837
Total other financing sources (uses)	<u>(3,399,770)</u>	<u>(3,399,770)</u>	<u>(3,446,484)</u>	<u>(46,714)</u>
Net change in fund balance	(791,534)	(1,299,806)	166,590	1,466,396
Fund balance at beginning of year	<u>7,484,300</u>	<u>7,484,300</u>	<u>7,484,300</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,692,766</u>	<u>\$ 6,184,494</u>	<u>\$ 7,650,890</u>	<u>\$ 1,466,396</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, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Orginal	Final		
Revenues:				
Intergovernmental	\$ 2,861,965	\$ 2,901,965	\$ 3,032,571	\$ 130,606
Charges for services	807,769	807,769	740,127	(67,642)
Investment earnings	3,000	3,000	(1,245)	(4,245)
Contributions and Donations	3,000	21,000	2,290	(18,710)
Other revenues	500,000	500,000	253,094	(246,906)
Total revenues	<u>4,175,734</u>	<u>4,233,734</u>	<u>4,026,837</u>	<u>(206,897)</u>
Expenditures:				
Current:				
Transit	3,869,385	4,135,907	3,819,378	(316,529)
Capital outlay	232,500	233,650	101,624	(132,026)
Total expenditures	<u>4,101,885</u>	<u>4,369,557</u>	<u>3,921,002</u>	<u>(448,555)</u>
Excess (deficiency) of revenues over expenditures	<u>73,849</u>	<u>(135,823)</u>	<u>105,835</u>	<u>241,658</u>
Other financing sources (uses)				
Proceeds from sale of assets	-	-	2,500	2,500
Transfers in	370,887	370,887	357,050	(13,837)
Transfers out	(52,736)	(52,736)	(52,736)	-
Total other financing sources (uses)	<u>318,151</u>	<u>318,151</u>	<u>306,814</u>	<u>(11,337)</u>
Net change in fund balance	392,000	182,328	412,649	230,321
Fund balance at beginning of year	987,679	987,679	987,679	-
Fund balance at end of year	<u>\$ 1,379,679</u>	<u>\$ 1,170,007</u>	<u>\$ 1,400,328</u>	<u>\$ 230,321</u>

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

Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,002,398	\$ 1,135,126	\$ 2,137,524	\$ 545,959
Investments	4,225,499	4,785,000	9,010,499	2,175,823
Account receivable (net)	273,228	306,658	579,886	7,313
Due from other governmental units	-	-	-	31,925
Inventories	26,903	26,903	53,806	254,739
Total current assets	<u>5,528,028</u>	<u>6,253,687</u>	<u>11,781,715</u>	<u>3,015,759</u>
Noncurrent assets:				
Capital assets:				
Land	128,404	972,000	1,100,404	-
Buildings and systems	20,352,521	32,442,129	52,794,650	-
Machinery and equipment	1,190,217	1,732,097	2,922,314	4,084,164
Construction in progress	179,283	502,063	681,346	-
Total capital assets	<u>21,850,425</u>	<u>35,648,289</u>	<u>57,498,714</u>	<u>4,084,164</u>
Less accumulated depreciation	<u>(9,110,045)</u>	<u>(14,937,020)</u>	<u>(24,047,065)</u>	<u>(1,369,520)</u>
Total capital assets (net)	<u>12,740,380</u>	<u>20,711,269</u>	<u>33,451,649</u>	<u>2,714,644</u>
Total noncurrent assets	<u>12,740,380</u>	<u>20,711,269</u>	<u>33,451,649</u>	<u>2,714,644</u>
TOTAL ASSETS	<u>18,268,408</u>	<u>26,964,956</u>	<u>45,233,364</u>	<u>5,730,403</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflows related to pensions	<u>70,205</u>	<u>124,906</u>	<u>195,111</u>	<u>94,334</u>

(continued)

Statement of Net Position
Proprietary Funds
June 30, 2017 (continued)

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 179,360	\$ 152,946	\$ 332,306	\$ 74,666
Accrued wages payable	17,094	24,076	41,170	21,490
Accrued note interest payable	29,330	-	29,330	-
Notes payable - current	57,718	-	57,718	-
Total current liabilities	<u>283,502</u>	<u>177,022</u>	<u>460,524</u>	<u>96,156</u>
Noncurrent liabilities:				
Notes payable - net current portion	1,204,702	-	1,204,702	-
Net pension liability	336,525	571,660	908,185	440,655
Total noncurrent liabilities	<u>1,541,227</u>	<u>571,660</u>	<u>2,112,887</u>	<u>440,655</u>
TOTAL LIABILITIES	<u>1,824,729</u>	<u>748,682</u>	<u>2,573,411</u>	<u>536,811</u>
NET POSITION				
Net investment in capital assets	11,477,960	20,711,269	32,189,229	2,714,644
Unrestricted	5,035,924	5,629,911	10,665,835	2,573,282
TOTAL NET POSITION	<u>\$ 16,513,884</u>	<u>\$ 26,341,180</u>	<u>42,855,064</u>	<u>\$ 5,287,926</u>
Adjustment to reflect the consolidation of internal service fund related to enterprise funds				
Change in net assets of business-type activities			130,247	
			<u>\$ 42,985,311</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, 2017**

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
Operating revenues:				
Water charges	\$ 2,501,123	\$ -	\$ 2,501,123	\$ -
Sewer charges	-	2,481,479	2,481,479	-
Other	5,913	224,708	230,621	5,018,253
Total operating revenues	<u>2,507,036</u>	<u>2,706,187</u>	<u>5,213,223</u>	<u>5,018,253</u>
Operating expenses:				
Operations and maintenance	902,056	1,124,832	2,026,888	5,018,472
Administration	152,145	152,562	304,707	-
Depreciation	596,736	804,087	1,400,823	431,810
Total operating expenses	<u>1,650,937</u>	<u>2,081,481</u>	<u>3,732,418</u>	<u>5,450,282</u>
Operating income (loss)	<u>856,099</u>	<u>624,706</u>	<u>1,480,805</u>	<u>(432,029)</u>
Nonoperating revenues (expenses)				
Investment earnings	11,705	13,126	24,831	7,330
Miscellaneous revenue	-	-	-	62,075
Gain on disposal of property	2,700	2,300	5,000	45,317
Interest expense	(51,956)	-	(51,956)	-
Total Nonoperating revenues (expenses)	<u>(37,551)</u>	<u>15,426</u>	<u>(22,125)</u>	<u>114,722</u>
Income (loss) before transfers and contributions	818,548	640,132	1,458,680	(317,307)
Capital contributions	216,559	540,074	756,633	-
Transfers in	-	-	-	50,000
Transfers out	(448,975)	(448,975)	(897,950)	(50,000)
Change in net position	<u>586,132</u>	<u>731,231</u>	<u>1,317,363</u>	<u>(317,307)</u>
Net position at the beginning of year	<u>15,927,752</u>	<u>25,609,949</u>	<u>5,605,233</u>	
Net position at end of year	<u>\$ 16,513,884</u>	<u>\$ 26,341,180</u>	<u>\$ 5,287,926</u>	
Adjustment to reflect the consolidation of internal service fund related to enterprise funds			(53,954)	
Change in net assets of business-type activities			<u>\$ 1,263,409</u>	

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

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2017

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 2,461,978	\$ 2,589,391	\$ 5,051,369	\$ 5,379,831
Other receipts	5,913	224,708	230,621	-
Payments to suppliers and service providers	(606,715)	(342,651)	(949,366)	(4,147,167)
Payments to employees for salaries and benefits	(480,749)	(739,257)	(1,220,006)	(563,985)
Net cash provided (used) by operating activities	<u>1,380,427</u>	<u>1,732,191</u>	<u>3,112,618</u>	<u>668,679</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Miscellaneous non-operating revenue	-	-	-	62,075
Transfers from other funds	-	-	-	50,000
Transfers to other funds	(448,975)	(448,975)	(897,950)	(50,000)
Net cash (used for) noncapital financing activities	<u>(448,975)</u>	<u>(448,975)</u>	<u>(897,950)</u>	<u>62,075</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	216,559	540,074	756,633	-
Acquisition of capital assets	(576,078)	(1,077,244)	(1,653,322)	(722,366)
Principal payments on capital debt	(55,499)	-	(55,499)	-
Interest paid on capital debt	(52,717)	-	(52,717)	-
Net cash provided by (used for) capital and related financing activities	<u>(467,735)</u>	<u>(537,170)</u>	<u>(1,004,905)</u>	<u>(722,366)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(2,021,775)	(2,289,479)	(4,311,254)	(1,041,066)
Interest received on investments	30,216	34,732	64,948	13,398
Proceeds from sales and maturities of investments	438,397	333,550	771,947	569,581
Net cash provided by investing activities	<u>(1,553,162)</u>	<u>(1,921,197)</u>	<u>(3,474,359)</u>	<u>(458,087)</u>
Net increase (decrease) in cash and cash equivalents	(1,089,445)	(1,175,151)	(2,264,596)	(449,699)
Cash and cash equivalents - July 1	<u>2,091,843</u>	<u>2,310,277</u>	<u>4,402,120</u>	<u>995,658</u>
Cash and cash equivalents - June 30	<u>\$ 1,002,398</u>	<u>\$ 1,135,126</u>	<u>\$ 2,137,524</u>	<u>\$ 545,959</u>

(continued)

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2017 (continued)

	Water	Sewage	Totals	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 856,099	\$ 624,706	\$ 1,480,805	\$ (432,029)
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	596,736	804,087	1,400,823	431,810
Pension expense	35,044	55,318	90,362	40,706
(Increase) decrease in accounts receivable	(39,146)	107,913	68,767	367,760
(Increase) in due from other government units	-	-	-	(6,182)
(Increase) in inventory	-	-	-	222,852
(Decrease) accounts payable	(199,522)	139,192	(60,330)	41,514
(Increase) in accounts payable related to equipment purchases	129,763	-	129,763	-
(Decrease) in accrued wages payable	1,453	975	2,428	2,248
Total Adjustments	524,328	1,107,485	1,631,813	1,100,708
Net Cash Provided (Used for) Operating Activities	<u>\$ 1,380,427</u>	<u>\$ 1,732,191</u>	<u>\$ 3,112,618</u>	<u>\$ 668,679</u>
Schedule of noncash investing, capital and financing activities:				
Increase (Decrease) in fair value of investments	\$ (18,511)	\$ (21,607)	\$ (40,118)	\$ (9,647)

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 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 2016 SPET fund accounts for expenditures related to the revenue generated by the 2016 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 cost 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. 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 leases are reported as other financing sources.

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 city 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, 2017, expenditures and other uses exceeded appropriations in no funds. Through four formal supplementary appropriations, the General Fund original budget increased 4%. Actual expenditures and other uses are 4% 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 considered to be 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 2017.

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 and prepaid items

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.

6. 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. 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 as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested debt proceeds over the same period.

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
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.

7. Deferred outflows of resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) 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 and each proprietary fund statement of position.

8. Pension related assets, liabilities and deferred outflows 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.

9. 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.

10. 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.

11. 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.

12. 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.

13. 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.

14. Reclassifications

Where presented, certain 2016 financial statement amounts have been reclassified to conform to the 2017 presentation.

H. Revenues and expenditures/expenses

1. 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 specific purpose excise tax (SPET) for various voter-approved projects.

2. 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 reappeared on the ballot in November, 2014. 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.

3. *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.

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.

4. *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.

5. *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.

6. *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 2017, 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.

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.

B. Deficit fund equity

At June 30, 2017, there were two non-major funds (vertical harvest and fleet management) with a deficit fund balance. Fleet management deficit is due net pension liability calculations

III. Detailed notes on all activities and funds

A. Cash, cash equivalents and investments

Cash, cash equivalents, and investments at June 30, 2017 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and cash equivalents	\$ 8,861,248
Restricted - cash and cash equivalents	1,376,831
Investments	34,568,965
Total cash and investments	<u>\$ 44,807,044</u>

Cash and investments at June 30, 2017 consist of the following:

Cash:	
Cash on hand	\$ 300
Deposit with financial institutions	2,912,193
Cash equivalents:	
Short-term certificate of deposit	6,318,843
Money market funds	1,006,743
Investments:	
Federal agencies	15,930,360
US Securities	5,477,294
WYO-STAR	13,161,311
Total cash, cash equivalents, and investments	<u>\$ 44,807,044</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.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
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

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, 2017, 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.	\$ 1,986,700	1.66
Federal Home Loan Banks	13,943,660	1.11
US Securities	5,477,294	0.90
WYO-STAR	13,161,311	0.00
	<u><u>\$ 34,568,965</u></u>	
Portfolio weighted average maturity (yrs)		0.60

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:

Investment Type	Fair Value	Percent of Investment Portfolio
Federal Agencies:		
Federal National Mortgage Assn.	\$ 1,986,700	5.7%
Federal Home Loan Banks	13,943,660	40.3%
US Securities	5,477,294	15.8%
WYO-STAR	13,161,311	38.1%

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, 2017:

Both the \$15,930,360 in U.S. agency securities and \$5,477,295 in U.S. treasury obligations are valued using quoted market prices (Level 1 inputs).

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents			Investments	Total
Governmental activities:						
General Fund	\$ 1,604,885	\$ -	\$ 6,928,293	\$ 8,533,178		
Start Fund	244,598	-	1,031,079	1,275,677		
5th Cent Capital Projects	1,317,760	-	5,554,877	6,872,637		
2016 SPET	1,056,242	-	4,452,473	5,508,715		
Nonmajor governmental	1,954,280	1,376,831	5,415,921	8,747,032		
Internal service funds	579,087	-	2,175,823	2,754,910		
Total	6,756,852	1,376,831	25,558,466	33,692,149		
Business-type activities:						
Water	1,002,398	-	4,225,499	5,227,897		
Sewage	1,135,126	-	4,785,000	5,920,126		
Internal service funds	(33,128)	-	-	(33,128)		
Total	2,104,396	-	9,010,499	11,114,895		
Government-wide total	8,861,248	1,376,831	34,568,965	44,807,044		
Fiduciary fund	-	-	-	-		
Total cash and investments	\$ 8,861,248	\$ 1,376,831	\$ 34,568,965	\$ 44,807,044		

D. Concentration of sales and revenues

St John's Hospital and Snow King Resort (and affiliates) are the two largest customers of Water and Sewage. St John's Hospital water purchases account for \$45,733 (2%) and sewage charges account for \$65,371 (3%) of total sales. Snow King water purchases account for \$61,922 (3%) of the Water Fund's operating revenue and sewage charges account for \$3,103 (1%) of the Sewage Fund's operating revenue.

E. Lease commitments

The Town leases its winter sports facility (ice arena) to a commercial entity. The operating lease is expires March 31, 2022. The lease requires the tenant to maintain the facility's interior and exterior and to pay all utilities. The winter sports facility monthly lease payment is 8% of net revenue. The Town also leases a ski shelter and land at the base of Snow King for recreation and lift access which expires in 2033. The shelter and land lease monthly payment is \$200. Additionally, the Town leases land to the Teton County fairground operations on an annual basis--the fiscal year 2017 lease payment is \$118,282.

Details for property under lease agreement are as follows:

Leased Property	Historical Carrying Cost	Accumulated Depreciation	Annual Depreciation
Winter Sports Facility	\$ 7,995,801	\$ 3,730,472	\$ 284,777

F. Capital assets

Capital asset activities for the year end June 30, 2017 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Internal Service Fund Assets	Governmental Funds Total	Internal Service Fund Additons	Governmental Fund Additions
Governmental activities:								
Nondepreciable capital assets:								
Land	\$ 28,022,401	\$ 1,100,000	\$ -	\$ 29,122,401	\$ -	\$ 29,122,401	\$ -	\$ 1,100,000
Construction in progress	5,810,257	891,414	(5,497,689)	1,203,982	-	1,203,982	-	891,414
Total	33,832,658	1,991,414	(5,497,689)	30,326,383	-	30,326,383	-	1,991,414
Depreciable capital assets:								
Buildings and improvements	57,896,117	239,817		58,135,934	-	58,135,934	-	239,817
Machinery and equipment	19,891,863	2,732,317	(1,803,063)	20,821,117	4,084,164	16,736,953	735,766	1,996,551
Intangible assets	1,800,000	-	-	1,800,000	-	1,800,000	-	-
Infrastructure	44,775,617	5,179,839	(28,404)	49,927,052	-	49,927,052	-	5,179,839
Total	124,363,597	8,151,973	(1,831,467)	130,684,103	4,084,164	126,599,939	735,766	7,416,207
Total capital assets	158,196,255	10,143,387	(7,329,156)	161,010,486	4,084,164	156,926,322	735,766	9,407,621
Less accumulated depreciation for:								
Buildings and improvements	(15,788,679)	(1,784,485)	-	(17,573,164)	-	(17,573,164)	-	(1,784,485)
Machinery and equipment	(11,975,383)	(1,401,758)	1,799,414	(11,577,727)	(1,369,520)	(10,208,207)	(431,810)	(969,948)
Intangible assets	(151,631)	(18,182)	-	(169,813)	-	(169,813)	-	(18,182)
Infrastructure	(23,304,203)	(841,719)	7,578	(24,138,344)	-	(24,138,344)	-	(841,719)
Total accumulated depreciation	(51,219,896)	(4,046,144)	1,806,992	(53,459,048)	(1,369,520)	(52,089,528)	(431,810)	(3,614,334)
Total governmental activities capital assets, net	\$ 106,976,359	\$ 6,097,243	\$ (5,522,164)	\$ 107,551,438	\$ 2,714,644	\$ 104,836,794	\$ 303,956	\$ 5,793,287
Business-type activities:								
Nondepreciable capital assets								
Land	\$ 1,100,404	\$ -	\$ -	\$ 1,100,404				
Construction in progress	458,880	681,345	(458,879)	681,346				
Total	1,559,284	681,345	(458,879)	1,781,750				
Depreciable capital assets:								
Buildings and improvements	51,426,769	1,367,881	-	52,794,650				
Machinery and equipment	2,866,565	78,584	(22,835)	2,922,314				
Total	54,293,334	1,446,465	(22,835)	55,716,964				
Total capital assets	55,852,618	2,127,810	(481,714)	57,498,714				
Less accumulated depreciation for:								
Buildings and improvements	(20,861,645)	(1,248,599)	-	(22,110,244)				
Machinery and equipment	(1,807,432)	(152,224)	22,835	(1,936,821)				
Total accumulated depreciation	(22,669,077)	(1,400,823)	22,835	(24,047,065)				
Total business-type activities capital assets, net	\$ 33,183,541	\$ 726,987	\$ (458,879)	\$ 33,451,649				

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

Depreciation was charged to function/programs as follows:

Governmental activities:	
General government	\$ 619,418
Public safety	113,678
Public works	1,551,732
Recreation and culture	267,765
Transit	1,493,551
Total depreciation expenses - governmental activities	<u>4,046,144</u>
Internal service fund depreciation on capital assets charged to the various functions based on usage.	(431,810)
Depreciation expense excluding internal service fund.	<u>\$ 3,614,334</u>
Business-type activities:	
Water Fund	\$ 596,736
Sewer Fund	804,087
Total depreciation expenses - business-type activities	<u>\$ 1,400,823</u>

G. 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, 2017, 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, deferred revenues are recognized in those funds that have received grant monies in advance of future reimbursable expenditures.

H. Receivables and deferred revenues

Interfund receivables, payables and transfers: At June 30, 2017, 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. There were 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.

Unearned revenues: Government funds often report deferred revenue in connection with receivables of revenue that are not considered to be available to liquidate liabilities of the current period. 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 deferred revenue reported in governmental funds were as follows:

	Court Bonds	Construction Bonds	Grants	Rent Deposit	Total
Governmental Fund Activities:					
Unearned revenue					
General Fund	\$ 4,870	\$ 486,201	\$ -	\$ -	\$ 491,071
START Bus System	-	-	74,086	-	74,086
Employee Housing	-	-	-	5,000	5,000
Total	<u>\$ 4,870</u>	<u>\$ 486,201</u>	<u>\$ 74,086</u>	<u>\$ 5,000</u>	<u>\$ 570,157</u>

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, 2017:

	Accounts Receivable	Due from other Governments
Governmental activities:		
General Fund	\$ -	\$ 46,740
START Bus System	-	328,500
5th Cent Capital Projects	-	888,410
Internal service funds	7,313	31,925
Total governmental activities	<u>7,313</u>	<u>1,295,575</u>
Business-type activities		
Water Fund	273,228	-
Sewage Fund	306,658	-
Total business-type activities	<u>579,886</u>	<u>-</u>
Total	<u>\$ 587,199</u>	<u>\$ 1,295,575</u>

Transfers: The following interfund transfers are reflected in the fund financial statements at June 30, 2017:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	\$ 978,315	\$ 4,424,799
START	357,050	52,736
5th Cent Capital Projects	2,913,636	-
Nonmajor governmental	<u>1,500,000</u>	<u>373,516</u>
Total governmental funds	<u>5,749,001</u>	<u>4,851,051</u>
Enterprise funds:		
Water	-	448,975
Sewage	-	448,975
Total enterprise funds	<u>-</u>	<u>897,950</u>
Internal service funds	<u>50,000</u>	<u>50,000</u>
Total	<u>\$ 5,799,001</u>	<u>\$ 5,799,001</u>

The following schedule reflects each fund transfer:

In Fund	Out Fund	Amount
General Fund	Water	\$ 448,975 (1)
	Sewage	448,975 (1)
START	START Bus	52,736 (1)
	Animal Care	27,629 (1)
Capital Projects	General Fund	11,163 (1)
Employee Housing	Lodging Tax	345,887 (1)
Affordable Housing	General Fund	2,913,636 (2)
IT Services	Capital Projects	250,000 (3)
	General Fund	1,250,000 (3)
	Capital Projects	50,000 (4)
		<u>\$ 5,799,001</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
- (4) Transfer for equipment purchase

J. Long-term liabilities

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

The first is a \$644,330 Wyoming Water Development Commission (WWDC) note secured by the revenues of the Water Fund and a mortgage on the assets of the water supply system. This 25 year note is payable in equal annual installments.

The second is a \$1,158,046 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 note 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 6/30/2017
Snow King Infrastructure				
Snow King Loan	03/31/35	0.50%	\$ 1,000,000	\$ 904,658

Business-type activities

Notes Payable	Final Maturity	Interest Rates	Issue Amount	Outstanding 6/30/2017
Water supply and storage projects				
1997 WWDC note	05/01/22	4.00%	\$ 644,330	\$ 216,211
2010 WWDC note	11/11/41	4.00%	1,158,046	1,046,209
Total				\$ 1,262,420

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
2018	\$ 48,029	\$ 4,523	\$ 57,718	\$ 50,497
2019	48,269	4,283	60,028	48,188
2020	48,510	4,042	62,430	45,787
2021	48,753	3,799	64,928	43,290
2022	48,997	3,555	67,526	40,693
2023-27	248,682	14,078	205,194	169,965
2028-32	254,962	7,799	201,411	133,438
2033-37	158,457	1,599	245,048	89,802
2038-42	-	-	298,137	36,569
Total	\$ 904,658	\$ 43,679	\$ 1,262,420	\$ 658,229

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2017:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable:					
Snow King Loan	\$ 952,448	\$ -	\$ (47,790)	\$ 904,658	\$ 48,029
Governmental activities total	952,448	-	(47,790)	904,658	48,029
Business-type activities:					
Notes payable:					
Water - supply	247,554	-	(31,343)	216,211	32,596
Water - storage	1,070,365	-	(24,156)	1,046,209	25,122
Business-type activities total	1,317,919	-	(55,499)	1,262,420	57,718
Government-wide total	\$ 2,270,367	\$ -	\$ (103,289)	\$ 2,167,078	\$ 105,747

Redemptions: None.

K. 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, 2017 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 does receive a drug and alcohol discount but not a full safety program discount.

The Town self-insures its health benefit coverage up to an annual \$50,000 per claimant, with exception of laser coverage option. Stop-loss coverage is purchased from private insurers for amounts exceeding \$50,000. For the year ended June 30, 2017, the Town exercised laser coverage for 2 participants up

to \$200,000. 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/\$500,000. Excess insurance coverage provides for out-of-state claims and Federal Civil Rights claims with the current limit of \$4 million with a \$1 million deductible, which LGLP covers. The LGLP policy has a \$1,000 deductible.

Property and casualty insurances are provided by 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:

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Paid losses	\$10,218	\$103,541	\$26,532
Paid expenses	-	36,955	701
Reserves	-	2,505	8,342
Total incurred	<u>\$ 10,218</u>	<u>\$ 10,218</u>	<u>\$ 35,575</u>

The Town's commercial insurance carrier has no set reserve losses or reserve expenses for claims filed after June 30, 2017 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.

L. Retirement plans

1. Defined benefit plans

The Town participates in the Wyoming Retirement System (the "System"), a statewide costsharing 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 <http://retirement.state.wy.us/home/reports.html>. 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 15.87% of the participant's salary to be contributed to PEPP. Contributions consist of 8.25% of the participant's salary as employee contributions and 7.62% as employer contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion. Through legislation passed during the 2014 legislative session, two tiers of benefits were established for participants of this plan.

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

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

annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition, a cost of living adjustment will not be approved by the legislature unless 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 60 (Tier 2 employees).

Contributions to PEPP for the year ended June 30, 2017 were \$716,906.

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 amounts determined by salary, age and years of service of the participant. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless LEPP is 100% funded after the COLA is awarded. Participants may withdraw from LEPP at any time and receive refunds of participant contributions plus accumulated interest.

Contributions to LEPP for the year ended June 30, 2017 were \$216,528.

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 may be made into this Plan at rates determined by the Town.

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

At June 30, 2017, the Town reported an entity-wide net pension liability of \$6,678,708, of which \$5,770,523 is related to governmental activities and \$336,525 and \$571,660 is related to the Town's water and sewer funds, respectively.

Plan	Proportionate Share	Net Pension Liability
PEPP	0.261229%	\$ 5,749,223
LEPP	1.177118%	<u>929,485</u>
Total net pension liability		<u>\$ 6,678,708</u>

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

For the year ended June 30, 2017, the Town recognized entity-wide pension expense of \$733,748. At June 30, 2017, the Town reported entity-wide deferred outflows of resources related to pensions from the following sources:

<u>Deferred Outflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments
Contributions subsequent to the measurement date
<u>\$ 1,271,415</u>
<u>502,310</u>
<u>\$ 1,773,725</u>

Deferred outflows of resources related to pensions resulting from Town contributions of \$502,310 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:

<u>Fiscal Year Ending June 30,</u>	<u>Net Deferred Outflows of Resources</u>
2018	\$ 317,854
2019	317,854
2020	317,854
2021	<u>317,853</u>
	<u><u>\$ 1,271,415</u></u>

Actuarial Assumptions

The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PEPP</u>	<u>LEPP</u>
Projected salary increases, includes inflation	4.25% to 6.00%	4.25% to 8.00%
Assumed inflation rate	3.25%	3.25%
Investment Rate of Return	7.75%	7.75%

Mortality rates were based on the RP-2000 Combined Mortality Table, fully generational, for Males and Females, as appropriate, with adjustments for mortality improvements based on Scale BB.

Discount Rate

The discount rate used to measure the total pension liability for all plans was 7.75%. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made based on the actuarially determined rates based on the 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.

<u>Asset Class</u>	<u>Allocation</u>	<u>20 Year Arithmetic Expected Real Return</u>
Cash	0.00%	-0.20%
Fixed Income	20.00%	2.00%
Equity	45.00%	7.70%
Marketable Alternatives	17.50%	3.70%
Private Markets	17.50%	7.10%
 Totals	 <u>100%</u>	

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

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease 6.75%	Discount Rate 7.75%	1% Increase 8.75%
<i>PEPP</i>			
Proportionate share of net pension liability	\$ 9,070,753	\$ 5,749,223	\$ 4,000,820
<i>LEPP</i>			
Proportionate share of net pension liability (asset)	1,845,260	929,485	98,641

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.

M. Committed contracts

At June 30, 2017, the Town had the following remaining commitments for uncompleted construction and equipment purchase contracts:

Fund/Project	
Water	
Highway 22 - Westview	94,444
Sewage	
E Broadway Sewer Improvements	303,107
Highway 22 - Westview & JH Air	83,773
Teton Meadow Sewer Improvement	77,849
START	
Bike Share	72,500
2010 SPET	
Bike Share	64,862
Capital Projects	
Budge Hillside Stabilization	6,207,481
CNG Station	187,461
2017 Chip Seal	170,500
Highway 22 - Sidewalk	15,436
Central Equipment Fund	
Motorgrader	347,650
Plow Truck	268,279

In 2008, the Town created a shared-appreciation mortgage program as a recruitment tool for key personnel. At June 30, 2017, the Town's commitments totaled \$266,500.

N. Fund changes and fund balances

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2017, are as follows:

<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
Restricted		
General Fund	Victim services	12,866
2010 SPET	Energy/START/Pathways	1,578,141
2006 SPET	Pathways/Sidewalks	496,059
2014 SPET	Pedestrian/Complete Streets	3,456,955
2016 SPET	Landslide mitigation	5,026,517
Parking Exactions	Parking improvements	121,439
Parks Exactions	Park improvements	75,020
Affordable Housing	Housing options	135,531
Lodging Tax	Visitor impacts	72,180
Animal Care	Animal shelter	341,806
Assigned		
Employee Housing	Recruitment & Retention	722,800
Affordable Housing	Housing options	542,594
5th Cent Capital Projects	Various improvements	6,711,309
START Bus System	Transit	1,400,328
Vertical Harvest		(20,924)
Snow King Snow Making		47,587
General Fund	Subsequent year's budget	776,179
Unassigned		
General Fund		<u>6,861,845</u>
Total fund balances		<u>\$28,358,232</u>

For the year ended June 30, 2017, the Town closed the following fund(s): None.

For the same period, the Town opened the following fund(s): Lodging Tax, 2016 SPET.

SCHEDULE THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Public Employees' Pension Plan

June 30, 2017

	2014	2015	2016
Proportion of the net pension liability	0.2477%	0.2588%	0.2612%
Proportionate share of the net pension liability	\$ 4,371,143	6,028,352	5,749,223
Covered employee payroll	\$ 4,230,734	4,622,477	4,778,688
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	103.32%	130.41%	120.31%
Plan fiduciary net position as a percentage of the total pension liability	79.08%	73.40%	73.42%

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 THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Law Enforcement Pension Plan

June 30, 2017

	2014	2015	2016
Proportion of the net pension liability	0.9710%	1.1008%	1.1771%
Proportionate share of the net pension liability	\$ 276,396	826,914	929,485
Covered employee payroll	\$ 1,546,825	1,747,600	1,812,347
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	17.87%	47.32%	51.29%
Plan fiduciary net position as a percentage of the total pension liability	94.76%	87.49%	88.11%

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, 2017

	2014	2015	2016
Contractually required contribution	\$ 599,783	674,888	716,906
Contributions in relation to the contractually required contribution	<u>599,783</u>	<u>674,888</u>	<u>716,906</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 3,779,351	4,252,602	4,517,366
Contributions as a percentage of covered employee payroll	15.87%	15.87%	15.87%

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, 2017

	2014	2015	2016
Contractually required contribution	\$ 194,497	209,399	216,528
Contributions in relation to the contractually required contribution	<u>194,497</u>	<u>209,399</u>	<u>216,528</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 1,130,797	1,217,436	1,258,884
Contributions as a percentage of covered employee payroll	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
Year Ended June 30, 2017

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 840,370	\$ 1,113,910	\$ 1,954,280
Restricted - cash and cash equivalents	1,376,831	-	1,376,831
Investments	920,951	4,494,970	5,415,921
Notes receivable - housing	266,500	-	266,500
Total assets	<u>3,404,652</u>	<u>5,608,880</u>	<u>9,013,532</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Interfund payable - pooled cash	-	20,924	20,924
Accounts payable	11,451	30,138	41,589
Due to other entities	1,376,831	-	1,376,831
Unearned revenue	5,000	-	5,000
Total liabilities	<u>1,393,282</u>	<u>51,062</u>	<u>1,444,344</u>
Fund balances:			
Restricted	745,976	5,531,155	6,277,131
Assigned	1,265,394	26,663	1,292,057
Total fund balances	<u>2,011,370</u>	<u>5,557,818</u>	<u>7,569,188</u>
Total liabilities and fund balances	<u>\$ 3,404,652</u>	<u>\$ 5,608,880</u>	<u>\$ 9,013,532</u>

**Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds by Fund Type
Year Ended June 30, 2017**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
General Taxes	\$ 690,693	\$ -	\$ 690,693
Licenses and permits	468,507	-	468,507
Contributions and Donations	-	4,100	4,100
Investment earnings	12,248	13,920	26,168
Other revenues	276,814	57,552	334,366
Total revenues	<u>1,448,262</u>	<u>75,572</u>	<u>1,523,834</u>
Expenditures:			
Current:			
General Government	192,140	-	192,140
Public safety	23,647	-	23,647
Community development	129,913	-	129,913
Recreation and culture	273,035	-	273,035
Capital outlay	2,178,287	494,637	2,672,924
Debt service	-	52,552	52,552
Total expenditures	<u>2,797,022</u>	<u>547,189</u>	<u>3,344,211</u>
Excess (deficiency) of revenues over expenditures	<u>(1,348,760)</u>	<u>(471,617)</u>	<u>(1,820,377)</u>
Other financing sources (uses)			
Transfers in	1,500,000	-	1,500,000
Transfers out	(373,516)	-	(373,516)
Total other financing sources (uses)	<u>1,126,484</u>	<u>-</u>	<u>1,126,484</u>
Net change in fund balances	<u>(222,276)</u>	<u>(471,617)</u>	<u>(693,893)</u>
Fund balance at beginning of year	2,233,646	6,029,435	8,263,081
Fund balance at end of year	<u>\$ 2,011,370</u>	<u>\$ 5,557,818</u>	<u>\$ 7,569,188</u>

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Employee Housing	Affordable Housing	Parking Exactions	Parks Exactions	Animal Care	Lodging Tax	Total
ASSETS							
Cash and cash equivalents	\$ 88,450	\$ 130,024	\$ 121,439	\$ 75,020	\$ 342,736	\$ 82,701	\$ 840,370
Restricted - cash and cash equivalents	-	1,376,831	-	-	-	-	1,376,831
Investments	372,850	548,101	-	-	-	-	920,951
Notes receivable - housing	266,500	-	-	-	-	-	266,500
Total assets	<u><u>\$ 727,800</u></u>	<u><u>\$ 2,054,956</u></u>	<u><u>\$ 121,439</u></u>	<u><u>\$ 75,020</u></u>	<u><u>\$ 342,736</u></u>	<u><u>\$ 82,701</u></u>	<u><u>\$ 3,404,652</u></u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	-	-	-	-	930	10,521	11,451
Due to other entities	-	1,376,831	-	-	-	-	1,376,831
Unearned revenue	5,000	-	-	-	-	-	5,000
Total liabilities	<u><u>\$ 5,000</u></u>	<u><u>\$ 1,376,831</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>930</u></u>	<u><u>10,521</u></u>	<u><u>1,393,282</u></u>
Fund balances:							
Restricted	-	135,531	121,439	75,020	341,806	72,180	745,976
Assigned	722,800	542,594	-	-	-	-	1,265,394
Total fund balances	<u><u>\$ 722,800</u></u>	<u><u>\$ 678,125</u></u>	<u><u>\$ 121,439</u></u>	<u><u>\$ 75,020</u></u>	<u><u>\$ 341,806</u></u>	<u><u>\$ 72,180</u></u>	<u><u>\$ 2,011,370</u></u>
Total liabilities and fund balances	<u><u>\$ 727,800</u></u>	<u><u>\$ 2,054,956</u></u>	<u><u>\$ 121,439</u></u>	<u><u>\$ 75,020</u></u>	<u><u>\$ 342,736</u></u>	<u><u>\$ 82,701</u></u>	<u><u>\$ 3,404,652</u></u>

**Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Special Revenue Funds
Year Ended June 30, 2017**

	<u>Employee Housing</u>	<u>Affordable Housing</u>	<u>Parking Exactions</u>	<u>Parks Exactions</u>	<u>Animal Care</u>	<u>Lodging Tax</u>	<u>Total</u>
Revenues:							
General taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 690,693	\$ 690,693
Licenses and permits	-	442,182	-	26,325	-	-	468,507
Investment earnings	1,006	9,903	292	255	383	409	12,248
Other revenue:							
Other	206,658	-	-	-	70,156	-	276,814
Total revenues	<u>207,664</u>	<u>452,085</u>	<u>292</u>	<u>26,580</u>	<u>70,539</u>	<u>691,102</u>	<u>1,448,262</u>
Expenditures:							
Current:							
General government	192,140	-	-	-	-	-	192,140
Public safety	-	-	-	-	23,647	-	23,647
Community development	-	129,913	-	-	-	-	129,913
Recreation and culture	-	-	-	-	-	273,035	273,035
Capital outlay	-	2,101,355	-	76,932	-	-	2,178,287
Total expenditures	<u>192,140</u>	<u>2,231,268</u>	<u>-</u>	<u>76,932</u>	<u>23,647</u>	<u>273,035</u>	<u>2,797,022</u>
Excess of revenues over expenditures	<u>15,524</u>	<u>(1,779,183)</u>	<u>292</u>	<u>(50,352)</u>	<u>46,892</u>	<u>418,067</u>	<u>(1,348,760)</u>
Other financing sources (uses):							
Transfers in	250,000	1,250,000	-	-	-	-	1,500,000
Transfers out	-	-	-	-	(27,629)	(345,887)	(373,516)
Total other financing sources (uses)	<u>250,000</u>	<u>1,250,000</u>	<u>-</u>	<u>-</u>	<u>(27,629)</u>	<u>(345,887)</u>	<u>1,126,484</u>
Net change in fund balance	<u>265,524</u>	<u>(529,183)</u>	<u>292</u>	<u>(50,352)</u>	<u>19,263</u>	<u>72,180</u>	<u>(222,276)</u>
Fund balance at begining of year	<u>457,276</u>	<u>1,207,308</u>	<u>121,147</u>	<u>125,372</u>	<u>322,543</u>	<u>-</u>	<u>2,233,646</u>
Fund balance at end of year	<u><u>\$ 722,800</u></u>	<u><u>\$ 678,125</u></u>	<u><u>\$ 121,439</u></u>	<u><u>\$ 75,020</u></u>	<u><u>\$ 341,806</u></u>	<u><u>\$ 72,180</u></u>	<u><u>\$ 2,011,370</u></u>

Employee Housing Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 1,000	\$ 1,000	\$ 1,006	\$ 6
Other revenues:				
Rental charges	169,960	203,260	206,658	3,398
Total revenues	<u>170,960</u>	<u>204,260</u>	<u>207,664</u>	<u>3,404</u>
Expenditures:				
General government:				
Contractual services	108,842	201,405	192,140	(9,265)
Total expenditures	<u>108,842</u>	<u>201,405</u>	<u>192,140</u>	<u>(9,265)</u>
Excess (deficiency) of revenues over expenditures	<u>62,118</u>	<u>2,855</u>	<u>15,524</u>	<u>12,669</u>
Other financing sources (uses):				
Transfers in	250,000	250,000	250,000	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Net change in fund balance	312,118	252,855	265,524	12,669
Fund balance at beginning of year	457,276	457,276	457,276	-
Fund balance at end of year	<u>\$ 769,394</u>	<u>\$ 710,131</u>	<u>\$ 722,800</u>	<u>\$ 12,669</u>

Affordable Housing
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and Permits:				
Employee housing exactions	\$ 10,000	\$ 10,000	\$ 442,182	\$ 432,182
Affordable housing exactions	20,000	20,000	-	(20,000)
Investment earnings	200	200	9,903	9,703
Total revenues	<u>30,200</u>	<u>30,200</u>	<u>452,085</u>	<u>421,885</u>
Expenditures:				
Community development:				
Contracted Services	124,913	129,671	129,913	242
Capital outlay	-	2,102,355	2,101,355	(1,000)
Total expenditures	<u>124,913</u>	<u>2,232,026</u>	<u>2,231,268</u>	<u>(758)</u>
Excess (deficiency) of revenues over expenditures	<u>(94,713)</u>	<u>(2,201,826)</u>	<u>(1,779,183)</u>	<u>422,643</u>
Other financing sources (uses):				
Transfers in	1,250,000	1,250,000	1,250,000	-
Total other financing sources (uses)	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,250,000</u>	<u>-</u>
Net change in fund balance	1,155,287	(951,826)	(529,183)	422,643
Fund balance at beginning of year	1,207,308	1,207,308	1,207,308	-
Fund balance at end of year	<u>\$ 2,362,595</u>	<u>\$ 255,482</u>	<u>\$ 678,125</u>	<u>\$ 422,643</u>

Parking Exactions Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits:				
Parking exactions	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Investment earnings	200	200	292	92
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>292</u>	<u>(908)</u>
Expenditures:				
Public works:				
Other	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
Net change in fund balance	(73,800)	(73,800)	292	(75,908)
Fund balance at beginning of year	<u>121,147</u>	<u>121,147</u>	<u>121,147</u>	<u>-</u>
Fund balance at end of year	<u>\$ 47,347</u>	<u>\$ 47,347</u>	<u>\$ 121,439</u>	<u>\$ (75,908)</u>

Parks Exactions Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits:				
Subdivision exactions	\$ 10,000	\$ 10,000	\$ 26,325	\$ 16,325
Investment earnings	100	100	255	155
Total revenues	<u>10,100</u>	<u>10,100</u>	<u>26,580</u>	<u>16,480</u>
Expenditures:				
Capital outlay	75,000	76,932	76,932	-
Total expenditures	<u>75,000</u>	<u>76,932</u>	<u>76,932</u>	<u>-</u>
Net change in fund balance	(64,900)	(66,832)	(50,352)	14,548
Fund balance at beginning of year	125,372	125,372	125,372	-
Fund balance at end of year	<u>\$ 60,472</u>	<u>\$ 58,540</u>	<u>\$ 75,020</u>	<u>\$ 14,548</u>

Animal Care Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 100	\$ 100	\$ 383	\$ 283
Other revenues:				
Donations and contributions	52,000	52,000	70,156	18,156
Total revenues	<u>52,100</u>	<u>52,100</u>	<u>70,539</u>	<u>18,439</u>
Expenditures:				
Public safety:				
Supplies	22,000	23,500	23,647	147
Total expenditures	<u>22,000</u>	<u>23,500</u>	<u>23,647</u>	<u>147</u>
Other financing sources (uses):				
Transfers out	(75,000)	(75,000)	(27,629)	47,371
Total other financing sources (uses)	<u>(75,000)</u>	<u>(75,000)</u>	<u>(27,629)</u>	<u>47,371</u>
Net change in fund balance	(44,900)	(46,400)	19,263	64,163
Fund balance at beginning of year	322,543	322,543	322,543	-
Fund balance at end of year	<u>\$ 277,643</u>	<u>\$ 276,143</u>	<u>\$ 341,806</u>	<u>\$ 64,163</u>

Lodging Tax Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
General taxes	\$ 630,000	\$ 630,000	\$ 690,693	\$ 60,693
Investment earnings	500.00	500.00	409	\$ (91)
Total revenues	<u>630,500</u>	<u>630,500</u>	<u>691,102</u>	<u>60,602</u>
Expenditures:				
Recreation and culture:				
Parks and Recreation	198,936	198,936	198,936	-
Pathways	85,677	85,677	74,099	(11,578)
Total expenditures	<u>284,613</u>	<u>284,613</u>	<u>273,035</u>	<u>(11,578)</u>
Other financing sources (uses):				
Transfers out	(345,887)	(345,887)	(345,887)	-
Total other financing sources (uses)	<u>(345,887)</u>	<u>(345,887)</u>	<u>(345,887)</u>	<u>-</u>
Net change in fund balance	-	-	72,180	72,180
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,180</u>	<u>\$ 72,180</u>

Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2017

	2006 SPET	2010 SPET	2014 SPET	Vertical Harvest	Snow King	Total
ASSETS						
Cash and cash equivalents	\$ 95,114	\$ 308,372	\$ 662,837	\$ -	\$ 47,587	\$ 1,113,910
Investments	400,945	1,299,907	2,794,118	-	-	4,494,970
Total Assets	<u><u>496,059</u></u>	<u><u>1,608,279</u></u>	<u><u>3,456,955</u></u>	<u><u>-</u></u>	<u><u>47,587</u></u>	<u><u>5,608,880</u></u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Interfund payable - pooled cash	-	-	-	20,924	-	20,924
Accounts Payable	-	30,138	-	-	-	30,138
Total liabilities	<u><u>-</u></u>	<u><u>30,138</u></u>	<u><u>-</u></u>	<u><u>20,924</u></u>	<u><u>-</u></u>	<u><u>51,062</u></u>
Fund balances:						
Restricted	496,059	1,578,141	3,456,955			5,531,155
Assigned	-	-	-	(20,924)	47,587	26,663
Total fund balances	<u><u>496,059</u></u>	<u><u>1,578,141</u></u>	<u><u>3,456,955</u></u>	<u><u>(20,924)</u></u>	<u><u>47,587</u></u>	<u><u>5,557,818</u></u>
Total liabilities and fund balances	<u><u>\$ 496,059</u></u>	<u><u>\$ 1,608,279</u></u>	<u><u>\$ 3,456,955</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 47,587</u></u>	<u><u>\$ 5,608,880</u></u>

**Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Capital Projects Funds
Year Ended June 30, 2017**

	2006 SPET	2010 SPET	2014 SPET	Vertical Harvest	Snow King	Total
Revenues:						
Contributions and Donations	\$ -	\$ -	\$ -	\$ 4,100	\$ -	\$ 4,100
Investment earnings	1,094	4,207	8,592	(71)	98	13,920
Miscellaneous Revenue	5,000	-	-	-	52,552	57,552
Total revenues	<u>6,094</u>	<u>4,207</u>	<u>8,592</u>	<u>4,029</u>	<u>52,650</u>	<u>75,572</u>
Expenditures:						
Capital outlay:						
Infrastructure	2,131	458,849	26,287	7,370	-	494,637
Debt service	-	-	-	-	52,552	52,552
Total expenditures	<u>2,131</u>	<u>458,849</u>	<u>26,287</u>	<u>7,370</u>	<u>52,552</u>	<u>547,189</u>
Excess (deficiency) of revenues over expenditures	<u>3,963</u>	<u>(454,642)</u>	<u>(17,695)</u>	<u>(3,341)</u>	<u>98</u>	<u>(471,617)</u>
Net change in fund balances	3,963	(454,642)	(17,695)	(3,341)	98	(471,617)
Fund balance at beginning of year	492,096	2,032,783	3,474,650	(17,583)	47,489	6,029,435
Fund balance at end of year	<u>\$ 496,059</u>	<u>\$ 1,578,141</u>	<u>\$ 3,456,955</u>	<u>\$ (20,924)</u>	<u>\$ 47,587</u>	<u>\$ 5,557,818</u>

Combining Statement of Net Position
Internal Service Funds
June 30, 2017

	<u>Employee Insurance</u>	<u>Fleet Management</u>	<u>Central Equipment</u>	<u>IT Services</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and Cash Equivalents	\$ 308,830	\$ 29,798	\$ 157,700	\$ 49,631	\$ 545,959
Investments	1,301,842	-	664,766	209,215	2,175,823
Accounts receivable (net)	7,313	-	-	-	7,313
Due from other governmental units	-	31,925	-	-	31,925
Materials and supplies	-	254,739	-	-	254,739
Total current assets	<u>1,617,985</u>	<u>316,462</u>	<u>822,466</u>	<u>258,846</u>	<u>3,015,759</u>
Noncurrent assets:					
Capital assets:					
Machinery & equipment	-	-	2,880,860	1,203,304	4,084,164
Total capital assets	-	-	2,880,860	1,203,304	4,084,164
Less accumulated depreciation	-	-	(873,298)	(496,222)	(1,369,520)
Total capital assets (net)	-	-	2,007,562	707,082	2,714,644
Total noncurrent assets	-	-	2,007,562	707,082	2,714,644
TOTAL ASSETS	<u>1,617,985</u>	<u>316,462</u>	<u>2,830,028</u>	<u>965,928</u>	<u>5,730,403</u>
DEFERRED OUTFLOW OF RESOURCES					
Deferred outflows related to pensions	-	94,334	-	-	94,334
LIABILITIES					
Current liabilities:					
Accounts payable	21,039	15,149	858	37,620	74,666
Accrued wages payable	-	21,490	-	-	21,490
Total current liabilities	<u>21,039</u>	<u>36,639</u>	<u>858</u>	<u>37,620</u>	<u>96,156</u>
Noncurrent liabilities:					
Net pension liability	-	440,655	-	-	440,655
TOTAL LIABILITIES	<u>21,039</u>	<u>477,294</u>	<u>858</u>	<u>37,620</u>	<u>536,811</u>
NET POSITION					
Invested in capital assets, net of related debt	-	-	2,007,562	707,082	2,714,644
Unrestricted	1,596,946	(66,498)	821,608	221,226	2,573,282
TOTAL NET POSITION	<u>\$ 1,596,946</u>	<u>\$ (66,498)</u>	<u>\$ 2,829,170</u>	<u>\$ 928,308</u>	<u>\$ 5,287,926</u>

**Combining Statement of Revenues, Expenses and Changes
in Net Position - Internal Service Funds
Year Ended June 30, 2017**

	Employee Insurance	Fleet Management	Central Equipment	IT Services	Total
Operating revenues:					
Internal customers	\$ 2,224,209	\$ 1,497,514	\$ 365,200	\$ 646,134	\$ 4,733,057
External customers	-	285,196	-	-	285,196
Total operating revenues	<u>2,224,209</u>	<u>1,782,710</u>	<u>365,200</u>	<u>646,134</u>	<u>5,018,253</u>
Operating expenses:					
Operations and maintenance	2,311,190	2,074,978	726	631,578	5,018,472
Depreciation	-	-	312,241	119,569	431,810
Total operating expenses	<u>2,311,190</u>	<u>2,074,978</u>	<u>312,967</u>	<u>751,147</u>	<u>5,450,282</u>
Operating income (loss)	<u>(86,981)</u>	<u>(292,268)</u>	<u>52,233</u>	<u>(105,013)</u>	<u>(432,029)</u>
Nonoperating revenues (expenses):					
Interest revenue	3,536	(53)	2,056	1,791	7,330
Miscellaneous revenue	-	61,075	-	1,000	62,075
Gain on disposal of property	-	-	45,317	-	45,317
Total nonoperating revenues (expenses)	<u>3,536</u>	<u>61,022</u>	<u>47,373</u>	<u>2,791</u>	<u>114,722</u>
Income (loss) before transfers	<u>(83,445)</u>	<u>(231,246)</u>	<u>99,606</u>	<u>(102,222)</u>	<u>(317,307)</u>
Other financing sources (uses):					
Transfers in	-	-	-	50,000	50,000
Transfers out	-	-	(50,000)	-	(50,000)
Change in net assets	<u>(83,445)</u>	<u>(231,246)</u>	<u>49,606</u>	<u>(52,222)</u>	<u>(317,307)</u>
Net position at beginning of year	1,680,391	164,748	2,779,564	980,530	5,605,233
Fund position at end of year	<u>\$ 1,596,946</u>	<u>\$ (66,498)</u>	<u>\$ 2,829,170</u>	<u>\$ 928,308</u>	<u>\$ 5,287,926</u>

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2017

	Employee Insurance	Fleet Management	Central Equipment	IT Services	Total
Cash flow from operating activities:					
Cash received from internal customers	\$ 2,591,969	\$ 1,497,514	\$ 365,200	\$ 646,134	\$ 5,100,817
Cash received from external customers	-	279,014	-	-	279,014
Cash paid to suppliers for goods and services	(2,293,155)	(1,244,649)	(726)	(608,637)	(4,147,167)
Cash paid to employees	-	(563,985)	-	-	(563,985)
Net cash provided (used) by operating activities	<u>298,814</u>	<u>(32,106)</u>	<u>364,474</u>	<u>37,497</u>	<u>668,679</u>
Cash flow from noncapital financing activities:					
Miscellaneous non-operating revenue	-	61,075	-	1,000	62,075
Transfers from other funds	-	-	-	50,000	50,000
Transfers to other funds	-	-	(50,000)	-	(50,000)
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>61,075</u>	<u>(50,000)</u>	<u>51,000</u>	<u>62,075</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	(364,655)	(357,711)	(722,366)
Net cash (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(364,655)</u>	<u>(357,711)</u>	<u>(722,366)</u>
Cash flows from investing activities					
Interest on investments	5,281	(53)	4,814	3,356	13,398
Sale of investments	79,486	-	220,682	269,413	569,581
Purchase of investments	(622,892)	-	(318,071)	(100,103)	(1,041,066)
Net cash provided (used) by investing activities	<u>(538,125)</u>	<u>(53)</u>	<u>(92,575)</u>	<u>172,666</u>	<u>(458,087)</u>
Increase (decrease) in cash and cash equivalents	(239,311)	28,916	(142,756)	(96,548)	(449,699)
Cash and cash equivalents - July 1	<u>548,141</u>	<u>882</u>	<u>300,456</u>	<u>146,179</u>	<u>995,658</u>
Cash and cash equivalents - June 30	<u>\$ 308,830</u>	<u>\$ 29,798</u>	<u>\$ 157,700</u>	<u>\$ 49,631</u>	<u>\$ 545,959</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	(86,981)	(292,268)	52,233	(105,013)	(432,029)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	-	-	312,241	119,569	431,810
Pension Expense	-	40,706	-	-	40,706
Changes in assets and liabilities:					
Account receivable	367,760	-	-	-	367,760
Due from other governmental units	-	(6,182)	-	-	(6,182)
Materials and supplies	-	222,852	-	-	222,852
Accounts payable	18,035	538	-	22,941	41,514
Accrued wages payable	-	2,248	-	-	2,248
Net cash provided (used) by operating activities	<u>\$ 298,814</u>	<u>\$ (32,106)</u>	<u>\$ 364,474</u>	<u>\$ 37,497</u>	<u>\$ 668,679</u>
Noncash investing, capital, and financing activities:					
Increase (decrease) in fair value of investments	\$ (5,772)	\$ -	\$ (2,947)	\$ (928)	\$ (9,647)

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2017

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Original Budget	FY2017 Amended Budget	FY2017 Actual	Variance with Final Budget
Revenue and other sources - summary:								
Taxes	\$ 5,523,438	\$ 6,005,887	\$ 6,715,015	\$ 7,070,617	\$ 6,700,159	\$ 6,700,159	\$ 6,818,813	\$ 118,654
Licenses & Permits	724,420	964,553	993,580	959,738	835,870	835,870	1,139,138	303,268
Intergovernmental Revenue	6,932,128	7,575,832	8,447,052	8,755,329	8,972,246	8,997,246	9,335,317	338,071
Charges for Services	521,239	553,041	572,989	593,626	605,381	605,381	604,640	(741)
Fines & Forfeitures	203,007	278,420	347,687	417,750	463,936	463,936	399,860	(64,076)
Miscellaneous Revenue	48,434	139,080	133,205	151,867	115,465	115,465	120,439	4,974
Interfund Transfers	753,326	800,209	896,125	938,793	1,038,866	1,038,866	978,315	(60,551)
Total Revenues & Other Sources	14,705,992	16,317,022	18,105,653	18,887,720	18,731,923	18,756,923	19,396,522	639,599
Revenue and other sources - detail:								
Taxes								
Local option sales tax	4,465,982	4,849,944	5,405,087	5,674,051	5,827,271	5,827,271	6,034,163	206,892
Lodging tax	551,335	608,316	741,448	826,514	231,000	231,000	230,231	(769)
Franchise taxes								
Franchise tax - electric	113,371	132,477	157,033	156,431	224,422	224,422	164,687	(59,735)
Franchise tax - gas	95,433	104,006	79,380	67,901	107,151	107,151	60,772	(46,379)
Franchise tax - cable	135,210	141,046	147,971	159,520	110,171	110,171	148,613	38,442
Franchise tax - trash	139,208	147,656	155,655	165,724	173,417	173,417	167,178	(6,239)
Franchise tax - phone	21,408	19,923	26,848	18,321	25,503	25,503	10,543	(14,960)
Franchise tax - recycling	1,491	2,519	1,593	2,155	1,224	1,224	2,626	1,402
Licenses & Permits								
Business licenses	307,940	261,459	272,061	291,510	270,000	270,000	288,035	18,035
Transportation license	2,720	1,100	1,380	1,880	2,020	2,020	3,700	1,680
Vehicle license permit	1,560	4,120	5,220	7,000	6,060	6,060	7,980	1,920
Operator license permit	5,280	7,350	11,750	17,150	12,000	12,000	15,095	3,095
Liquor licenses	118,610	126,720	128,341	132,508	130,000	130,000	152,818	22,818
contractor licenses	7,320	61,025	54,910	52,730	50,000	50,000	73,071	23,071
COQ license renewal	5,625	6,800	6,780	6,770	5,000	5,000	6,750	1,750
Building permits	141,161	313,290	305,644	191,199	170,000	170,000	262,335	92,335
Sign permits	3,450	3,800	3,852	2,950	3,000	3,000	4,575	1,575
Mechanical permits	4,001	6,610	5,389	4,218	4,000	4,000	5,466	1,466
Plumbing permits	11,916	17,770	13,283	15,011	12,000	12,000	12,238	238
Development permits/fees	38,750	23,573	59,370	60,540	35,000	35,000	62,923	27,923
Variance permits	100	500	400	1,000	600	600	-	(600)
Final plat	3,700	1,000	-	-	1,020	1,020	-	(1,020)
Grading/erosion permits	100	200	400	400	600	600	400	(200)

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2017 (continued)

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Original Budget	FY2017 Amended Budget	FY2017 Actual	Variance with Final Budget
Demo permits	900	1,700	1,300	1,000	1,000	1,000	2,300	1,300
Animal licenses	469	3,340	5,455	6,586	3,570	3,570	5,270	1,700
Encroachment fees	9,800	26,650	35,097	73,784	40,000	40,000	117,900	77,900
Rodeo contract fees	61,018	97,546	82,948	93,502	90,000	90,000	118,282	28,282
Intergovernmental Revenue								
Bullet proof vest grant	2,550	-	-	3,047	-	-	849	849
Homeland Security 2011	23,064	169	-	-	-	-	-	-
Homeland Security Grant	-	10,086	24,284	-	-	-	-	-
Homeland Security 2010	16,432	-	-	-	-	-	-	-
FTA Grant - integrated transp	-	18,106	27,139	-	-	-	-	-
State grant - tobacco compliance	2,550	3,315	3,315	1,700	10,000	10,000	3,825	(6,175)
State grant - alcohol compliance	5,950	3,570	5,100	5,100	-	-	5,440	5,440
State grant - EUDL	7,825	7,750	4,175	6,953	4,000	4,000	3,414	(586)
State grants - police	18,541	14,775	8,492	10,399	25,000	25,000	10,273	(14,727)
COPS Hiring Grant	-	-	-	-	-	-	-	-
4% state sales tax	5,012,548	5,429,141	5,998,783	6,370,670	6,481,400	6,481,400	6,800,255	318,855
4% state use tax	402,583	453,289	560,933	550,502	594,501	594,501	579,108	(15,393)
Gasoline tax	288,633	425,602	491,774	479,966	550,000	550,000	461,841	(88,159)
Cigarette tax	42,856	42,171	40,152	39,979	40,000	40,000	36,572	(3,428)
Severance tax	356,523	357,496	356,958	357,356	350,000	350,000	357,244	7,244
Federal mineral royalties	489,991	483,765	493,106	508,641	500,000	500,000	517,079	17,079
Lottery distribution	-	-	-	44,815	45,000	45,000	165,339	-
County - split on joint departments	141,331	205,918	308,429	257,262	239,298	264,298	261,882	(2,416)
Victim witness grant	120,751	120,679	120,620	118,939	133,047	133,047	132,196	(851)
Victim witness awareness award	-	-	3,792	-	-	-	-	-
Charges for Services								
Special police services - airport	450,000	450,874	477,350	482,820	487,000	487,000	487,000	-
Special police services - SRO	45,000	45,000	45,000	45,000	65,000	65,000	65,000	-
Special police services - other	7,844	10,351	13,159	16,266	13,130	13,130	12,174	(956)
Alarm bond income	(100)	2,125	-	4,525	2,060	2,060	12,662	10,602
Public Safety Education	390	205	180	300	1,236	1,236	-	(1,236)
VIN inspections	4,305	16,416	9,959	10,749	9,273	9,273	10,815	1,542
Plan review fees	12,375	23,452	20,417	30,096	21,561	21,561	11,979	(9,582)
Cemetery fees	1,425	4,618	6,924	3,870	6,121	6,121	5,010	(1,111)
Fines & Forfeitures								
Enforcement fines & fees	15,333	-	-	-	-	-	-	-
Parking tickets	102,029	142,984	162,748	236,459	245,000	245,000	244,548	(452)
Summons & complaints	85,290	135,589	181,814	181,311	215,000	215,000	155,312	(59,688)
Restitutions	(1,170)	(153)	-	(20)	774	774	-	(774)
Alarm Bond Forfeitures	1,525	-	3,125	-	3,162	3,162	-	(3,162)
Miscellaneous Revenue								
Investment earnings	13,191	9,585	14,326	23,443	15,302	15,302	17,980	2,678

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)**General Fund****Year Ended June 30, 2017**

(continued)

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Original Budget	FY2017 Amended Budget	FY2017 Actual	Variance with Final Budget
Animal shelter equipment rentals	-	14,478	14,121	14,018	12,500	12,500	9,061	(3,439)
DUI Impact Panel	4,970	4,980	5,120	4,325	5,152	5,152	5,490	338
Parking garage rental	20,000	20,000	20,000	20,000	20,000	20,000	15,600	(4,400)
Miscellaneous Reimbursement	-	20,152	-	-	-	-	-	-
Insurance reimbursement	-	11,221	-	-	-	-	-	-
Snow King Lease	1,000	5,632	28,381	19,859	13,261	13,261	26,588	13,327
Lease agreement - fairgrounds	-	-	16,500	26,099	24,000	24,000	25,460	1,460
Miscellaneous revenue	8,934	53,108	34,807	44,643	25,250	25,250	20,402	(4,848)
Cash over/(short)	339	(76)	(50)	(520)	-	-	(142)	(142)
Interfund Transfers								
Indirect cost allocations - utilities	707,232	749,792	827,512	879,698	911,130	911,130	897,950	(13,180)
Indirect cost allocations - Start bus	25,777	32,156	40,234	33,352	52,736	52,736	52,736	-
Transfer in from DARE fund	-	-	600	-	-	-	-	-
Transfer in from DEA fund	-	-	7,348	-	-	-	-	-
SRF - Animal Care	20,317	18,261	20,431	25,743	75,000	75,000	27,629	(47,371)
Total revenues and other sources	<u>14,705,992</u>	<u>16,317,022</u>	<u>18,105,653</u>	<u>18,887,720</u>	<u>18,731,923</u>	<u>18,756,923</u>	<u>19,396,522</u>	<u>519,260</u>
Expenditures and other uses - summary:								
General government	2,715,813	2,893,841	3,361,661	3,489,721	3,816,240	3,968,959	3,795,074	173,885
Public safety	4,843,308	5,311,775	5,860,584	6,357,680	6,579,980	6,618,383	6,262,764	355,619
Public works	1,830,103	1,911,495	2,027,813	2,353,946	2,422,790	2,644,890	2,437,154	207,736
Health & welfare	472,422	470,400	470,705	505,165	544,682	559,682	556,095	3,587
Community development	204,471	277,666	234,971	221,693	256,443	261,443	243,563	17,880
Recreation and culture	1,061,835	1,209,360	1,439,146	1,609,805	1,321,561	1,333,611	1,318,206	15,405
General unallocated	70,302	997,313	277,690	107,825	143,125	231,125	192,277	38,848
Transfers out and other uses	2,816,987	2,780,896	2,834,086	3,807,338	4,438,636	4,438,636	4,424,799	13,837
Total expenditures and other uses	<u>14,015,241</u>	<u>15,852,746</u>	<u>16,506,656</u>	<u>18,453,173</u>	<u>19,523,457</u>	<u>20,056,729</u>	<u>19,229,932</u>	<u>826,797</u>
Expenditures and other uses - divisions:								
General government								
Mayor & town council	283,415	264,921	284,496	295,754	311,599	314,654	302,085	12,569
Town attorney	385,832	366,863	376,424	394,595	407,110	421,270	412,568	8,702
Municipal judge	112,103	157,809	164,250	205,070	213,209	216,309	214,114	2,195
Administration	254,555	299,831	276,177	296,653	326,128	332,572	291,718	40,854
Personnel & town clerk	344,923	402,330	441,501	500,295	541,746	608,776	609,697	(921)
Finance	434,129	483,325	521,514	541,986	578,395	583,095	567,758	15,337
Information technology	262,401	301,662	400,596	458,058	474,114	512,644	492,363	20,281
Planning	484,288	518,166	777,940	673,230	831,689	831,689	763,005	68,684

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2017 (continued)

	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Original Budget	FY2017 Amended Budget	FY2017 Actual	Variance with Final Budget
Town hall building	154,167	98,934	118,763	124,080	132,250	147,950	141,766	6,184
Public safety								
Police								
Police - administration	361,184	386,450	438,335	467,625	494,340	494,340	475,721	18,619
Police - investigation	370,204	337,769	390,363	432,578	421,246	412,432	390,816	21,616
Police - patrol	2,106,930	2,162,350	2,468,372	2,572,116	2,761,791	2,775,921	2,661,614	114,307
Police - community service	305,928	301,573	295,436	326,755	354,337	382,814	362,588	20,226
Police - special operations	12,432	11,833	17,602	18,138	22,620	22,620	14,355	8,265
Fire/EMS (county service)	711,962	1,099,605	1,218,970	1,448,445	1,265,203	1,265,203	1,208,243	56,960
Dispatch (county service)	251,152	275,630	249,684	304,905	420,000	420,000	336,261	83,739
Victim services	208,013	196,391	215,546	213,663	233,435	233,435	231,134	2,301
Animal shelter/control	199,465	212,636	222,724	222,532	234,214	238,824	227,730	11,094
Building inspections	316,038	327,538	343,552	350,923	372,794	372,794	354,302	18,492
Public works								
Administration	111,654	133,528	167,526	230,130	243,332	243,332	242,909	423
Streets	1,080,773	1,169,951	1,164,179	1,440,390	1,453,998	1,624,898	1,483,473	141,425
Town engineer	344,438	349,964	387,085	391,878	422,126	431,826	390,745	41,081
Public works yard operations	148,581	162,886	194,518	147,657	152,437	163,937	140,911	23,026
Parking garage operations	58,242	49,854	60,379	69,797	83,634	98,634	99,722	(1,088)
Public restrooms	86,415	45,312	54,126	74,094	67,263	82,263	79,394	2,869
Health and welfare								
Social services	472,422	470,400	470,705	505,165	544,682	559,682	556,095	3,587
Community development								
Community promotion	204,471	277,666	234,971	221,693	256,443	261,443	243,563	17,880
Recreation and culture								
Parks & recreation (county service)	991,703	1,117,656	1,295,801	1,477,954	1,253,937	1,253,937	1,253,937	-
Pathways operations	47,533	62,780	89,307	73,519	-	-	-	-
Memorial park (cemetery)	11,720	13,695	13,558	17,696	20,447	20,947	19,774	1,173
Sports and Events Center	10,879	15,229	40,480	40,636	47,177	58,727	44,495	14,232
General unallocated								
Town-wide services	70,302	997,313	277,690	107,825	143,125	231,125	192,277	38,848
Transfers out and other uses								
Transfers out	2,816,987	2,780,896	2,834,086	3,807,338	4,438,636	4,438,636	4,424,799	13,837
Total expenditures & other uses	\$ 14,015,241	\$ 15,852,746	\$ 16,506,656	\$ 18,453,173	\$ 19,523,457	\$ 20,056,729	\$ 19,229,932	\$ 826,797
Revenue over/(under) expenditures	\$ 690,751	\$ 464,276	\$ 1,598,997	\$ 434,547	\$ (791,534)	\$ (1,299,806)	\$ 166,590	\$ 1,466,396



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.

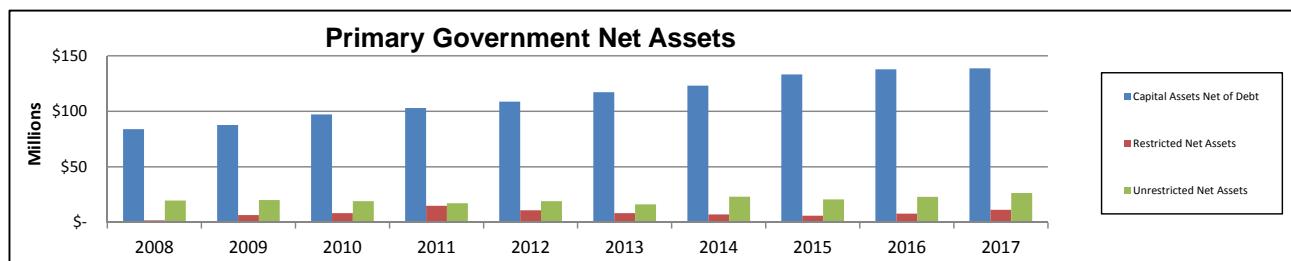
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Invested in capital assets, net of related debt	\$ 56,621,493	\$ 59,591,928	\$ 68,564,888	\$ 71,416,975	\$ 75,155,230	\$ 83,401,853	\$ 91,322,703	\$ 101,175,653	\$ 106,023,911	\$ 106,646,780
Restricted	1,827,361	6,494,722	8,234,179	14,968,402	10,904,378	8,238,644	7,132,056	5,920,619	7,789,841	11,316,514
Unrestricted	8,701,716	10,096,293	10,360,174	9,654,537	11,816,446	9,603,764	14,508,265	11,417,347	13,092,266	15,638,037
Total governmental net position	<u>\$ 67,150,570</u>	<u>\$ 76,182,943</u>	<u>\$ 87,159,241</u>	<u>\$ 96,039,914</u>	<u>\$ 97,876,054</u>	<u>\$ 101,244,261</u>	<u>\$ 112,963,024</u>	<u>\$ 118,513,619</u>	<u>\$ 126,906,018</u>	<u>\$ 133,601,331</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 27,316,665	\$ 28,081,609	\$ 28,691,920	\$ 31,698,375	\$ 33,619,804	\$ 33,851,698	\$ 31,886,646	\$ 32,083,337	\$ 31,865,621	\$ 32,189,229
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	10,901,750	9,946,124	8,756,112	7,557,834	7,291,106	6,649,722	8,585,533	9,246,040	9,856,281	10,796,082
Total business-type net position	<u>\$ 38,218,415</u>	<u>\$ 38,027,733</u>	<u>\$ 37,448,032</u>	<u>\$ 39,256,209</u>	<u>\$ 40,910,910</u>	<u>\$ 40,501,420</u>	<u>\$ 40,472,179</u>	<u>\$ 41,329,377</u>	<u>\$ 41,721,902</u>	<u>\$ 42,985,311</u>
Primary government										
Invested in capital assets, net of related debt	\$ 83,938,158	\$ 87,673,537	\$ 97,256,808	\$ 103,115,350	\$ 108,775,034	\$ 117,253,551	\$ 123,209,349	\$ 133,258,990	\$ 137,889,532	\$ 138,836,009
Restricted	1,827,361	6,494,722	8,234,179	14,968,402	10,904,378	8,238,644	7,132,056	5,920,619	7,789,841	11,316,514
Unrestricted	19,603,466	20,042,417	19,116,286	17,212,371	19,107,552	16,253,486	23,093,798	20,663,387	22,948,547	26,434,119
Total primary government net position	<u>\$ 105,368,985</u>	<u>\$ 114,210,676</u>	<u>\$ 124,607,273</u>	<u>\$ 135,296,123</u>	<u>\$ 138,786,964</u>	<u>\$ 141,745,681</u>	<u>\$ 153,435,203</u>	<u>\$ 159,842,996</u>	<u>\$ 168,627,920</u>	<u>\$ 176,586,642</u>



Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$ 3,203,993	\$ 3,003,909	\$ 2,920,512	\$ 2,664,684	\$ 3,342,700	\$ 3,237,088	\$ 8,686,647	\$ 4,110,441	\$ 4,307,459	\$ 5,053,033
Public safety	5,510,599	5,268,728	5,174,757	5,123,051	5,222,958	4,890,810	5,850,883	5,916,729	6,414,964	6,822,421
Public works	4,399,793	4,142,743	3,996,195	4,377,783	4,966,166	4,394,828	6,505,233	4,901,706	4,949,198	6,395,396
Transit	3,102,306	3,167,104	3,142,687	3,100,877	3,618,916	3,877,107	3,725,168	4,125,077	4,805,587	5,535,770
Health and welfare	596,007	594,989	535,072	490,038	504,468	475,407	509,253	480,463	508,912	563,412
Community development	618,939	434,698	376,726	337,094	226,279	205,764	310,600	244,842	248,337	1,385,406
Recreation and culture	2,001,727	1,723,113	1,583,738	1,452,482	1,388,666	1,267,408	1,508,047	1,667,838	1,839,978	2,217,404
Interest on long-term debt	81,371	76,838	72,170	50,896	-	-	-	-	6,187	4,703
Total governmental activities expenses	<u>19,514,735</u>	<u>18,412,122</u>	<u>17,801,857</u>	<u>17,596,905</u>	<u>19,270,153</u>	<u>18,348,412</u>	<u>27,095,831</u>	<u>21,447,096</u>	<u>23,080,622</u>	<u>27,977,545</u>
Business-type activities										
Water utility	1,226,527	1,253,732	1,271,880	1,232,130	1,279,050	1,378,788	2,067,201	1,592,691	2,036,913	1,740,216
Sewer utility	1,667,979	1,654,881	1,661,537	1,752,203	1,764,479	2,031,930	2,069,849	1,932,052	2,004,888	2,098,112
Total business-type activities expenses	<u>2,894,506</u>	<u>2,908,613</u>	<u>2,933,417</u>	<u>2,984,333</u>	<u>3,043,529</u>	<u>3,410,718</u>	<u>4,137,050</u>	<u>3,524,743</u>	<u>4,041,801</u>	<u>3,838,328</u>
Total primary government expenses	<u>\$ 22,409,241</u>	<u>\$ 21,320,735</u>	<u>\$ 20,735,274</u>	<u>\$ 20,581,238</u>	<u>\$ 22,313,682</u>	<u>\$ 21,759,130</u>	<u>\$ 31,232,881</u>	<u>\$ 24,971,839</u>	<u>\$ 27,122,423</u>	<u>\$ 31,815,873</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 644,564	\$ 572,075	\$ 556,197	\$ 599,146	\$ 619,015	\$ 619,999	\$ 716,553	\$ 780,071	\$ 819,309	\$ 850,420
Public safety	555,174	816,569	671,320	603,916	851,165	895,469	1,206,537	1,296,034	1,301,381	1,422,288
Public works	17,050	-	81,381	45,591	20,100	20,000	20,000	20,000	20,000	15,600
Transit	676,350	701,317	597,600	671,092	682,083	722,277	772,191	678,810	729,631	740,128
Community development	180,237	116,912	80,579	20,749	50,486	11,861	26,455	53,882	222,456	442,182
Recreation and culture	376,469	231,863	294,716	224,836	131,632	73,568	107,796	142,553	200,032	176,205
Operating grants and contributions	2,072,332	2,042,877	1,944,070	2,084,233	2,276,769	2,518,672	2,591,048	2,986,023	3,013,339	2,862,202
Capital grants and contributions	2,170,728	3,257,105	5,365,169	3,358,088	2,376,944	1,635,739	11,594,461	7,686,547	4,910,191	3,246,428
Total governmental activities program revenues	<u>6,692,904</u>	<u>7,738,718</u>	<u>9,591,032</u>	<u>7,607,651</u>	<u>7,008,194</u>	<u>6,497,585</u>	<u>17,035,041</u>	<u>13,643,920</u>	<u>11,216,339</u>	<u>9,755,453</u>
Business-type activities:										
Charges for services:										
Water utility	1,165,971	1,255,643	1,195,369	1,242,499	1,590,161	1,858,454	2,164,168	2,223,021	2,301,436	2,507,036
Sewage utility	1,139,658	1,199,646	1,102,032	1,128,407	1,386,759	1,662,079	2,119,673	2,233,714	2,223,393	2,706,187
Operating grants and contributions			29,700	-	-	-	-	-	-	-
Capital grants and contributions	516,335	520,387	313,874	2,914,818	2,360,946	397,981	561,542	784,191	603,896	756,633
Total business-type activities program revenues	<u>2,821,964</u>	<u>2,975,676</u>	<u>2,640,975</u>	<u>5,285,724</u>	<u>5,337,866</u>	<u>3,918,514</u>	<u>4,845,383</u>	<u>5,240,926</u>	<u>5,128,725</u>	<u>5,969,856</u>
Total primary government program revenues	<u>\$ 9,514,868</u>	<u>\$ 10,714,394</u>	<u>\$ 12,232,007</u>	<u>\$ 12,893,375</u>	<u>\$ 12,346,060</u>	<u>\$ 10,416,099</u>	<u>\$ 21,880,424</u>	<u>\$ 18,884,846</u>	<u>\$ 16,345,064</u>	<u>\$ 15,725,309</u>

(continued)

Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (expense)/revenue										
Governmental activities	\$ (12,821,831)	\$ (10,673,404)	\$ (8,210,825)	\$ (9,989,254)	\$ (12,261,959)	\$ (11,850,827)	\$ (10,060,790)	\$ (7,803,176)	\$ (11,864,283)	\$ (18,222,092)
Business-type activities	(72,542)	67,063	(292,442)	2,301,391	2,294,337	507,796	708,333	1,716,183	1,086,924	2,131,528
Total primary government net expense	<u>\$ (12,894,373)</u>	<u>\$ (10,606,341)</u>	<u>\$ (8,503,267)</u>	<u>\$ (7,687,863)</u>	<u>\$ (9,967,622)</u>	<u>\$ (11,343,031)</u>	<u>\$ (9,352,457)</u>	<u>\$ (6,086,993)</u>	<u>\$ (10,777,359)</u>	<u>\$ (16,090,564)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Local option sales taxes	\$ 4,921,587	\$ 4,776,445	\$ 4,112,968	\$ 4,201,202	\$ 4,217,347	\$ 4,465,982	\$ 4,849,944	\$ 5,405,087	\$ 5,674,051	\$ 6,034,163
Specific purpose excise taxes	1,843,785	4,674,158	5,642,600	5,698,739	828,968	1,114,472	5,469,635	263,388	3,500,000	6,000,000
Lodging Tax				584	503,878	551,335	608,316	741,447	826,514	920,924
Franchise taxes	449,906	487,749	475,703	468,752	504,856	506,121	547,627	568,480	570,053	554,419
Unrestricted grants and contributions	9,372,899	8,735,877	7,829,117	7,042,430	7,071,170	7,277,888	7,800,311	8,250,135	8,609,190	9,179,321
Investment earnings	659,512	434,807	547,243	407,435	175,402	58,502	28,904	39,191	64,292	64,633
Other	135,648	60,431	67,455	391,295	102,932	265,463	1,725,023	255,439	215,577	1,221,827
Gain on sale of capital assets	1,090,309			29,819	-	-	-	-	72,308	44,168
Transfers	541,655	536,310	512,037	629,671	693,546	979,264	749,792	646,921	724,698	897,950
Total governmental activities	<u>19,015,301</u>	<u>19,705,777</u>	<u>19,187,123</u>	<u>18,869,927</u>	<u>14,098,099</u>	<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>
Business-type activities										
Investment earnings	634,002	527,761	278,565	224,778	136,457	53,910	16,978	12,219	22,313	24,831
Proceeds from disp of capital assets							45,000	-	7,986	5,000
Transfers	(69,936)	(541,655)	(536,310)	(512,037)	(629,671)	(693,546)	(979,264)	(749,792)	(724,698)	(897,950)
Total business-type activities	<u>564,066</u>	<u>(13,894)</u>	<u>(257,745)</u>	<u>(287,259)</u>	<u>(493,214)</u>	<u>(639,636)</u>	<u>(917,286)</u>	<u>(737,573)</u>	<u>(694,399)</u>	<u>(868,119)</u>
Total primary government	<u>\$ 19,579,367</u>	<u>\$ 19,691,883</u>	<u>\$ 18,929,378</u>	<u>\$ 18,582,668</u>	<u>\$ 13,604,885</u>	<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>
Changes in Net Position										
Governmental activities	\$ 6,193,470	\$ 9,032,373	\$ 10,976,298	\$ 8,880,673	\$ 1,836,140	\$ 3,368,200	\$ 11,718,762	\$ 8,366,912	\$ 8,392,400	\$ 6,695,313
Business-type activities	491,524	53,169	(550,187)	2,014,132	1,801,123	(131,840)	(208,953)	978,610	392,525	1,263,409
Total primary government	<u>\$ 6,684,994</u>	<u>\$ 9,085,542</u>	<u>\$ 10,426,111</u>	<u>\$ 10,894,805</u>	<u>\$ 3,637,263</u>	<u>\$ 3,236,360</u>	<u>\$ 11,509,809</u>	<u>\$ 9,345,522</u>	<u>\$ 8,784,925</u>	<u>\$ 7,958,722</u>

TOWN OF JACKSON

**Fund Balances of Governmental Funds
Last Ten Fiscal Years**

(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable	\$ 7,691	\$ 86,154	\$ 75,093	\$ 73,293	\$ 69,328	\$ 116,039	\$ -	\$ -	\$ 1,098	\$ -
Restricted	8,356	10,366	10,383	23,303	20,643	19,044	22,157	14,988	13,942	12,866
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	791,534	776,179
Unassigned	2,970,292	3,109,394	3,214,732	3,694,815	4,205,751	4,851,401	5,428,613	7,034,764	6,677,726	6,861,845
Total general fund	<u>\$ 2,986,339</u>	<u>\$ 3,205,914</u>	<u>\$ 3,300,208</u>	<u>\$ 3,791,411</u>	<u>\$ 4,295,722</u>	<u>\$ 4,986,484</u>	<u>\$ 5,450,770</u>	<u>\$ 7,049,752</u>	<u>\$ 7,484,300</u>	<u>\$ 7,650,890</u>
 All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	2,037,561	6,484,356	9,893,479	14,945,099	10,883,735	5,178,156	6,166,340	4,648,284	7,775,899	11,303,648
Committed	575,000	575,000	575,000	675,000	325,000	325,000	-	-	-	-
Assigned	3,881,887	2,908,612	1,984,491	1,790,680	3,982,793	4,002,707	6,965,079	5,157,077	5,855,660	9,403,694
Unassigned	(436,937)	-	(551,161)	(39,549)	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 6,057,511</u>	<u>\$ 9,967,968</u>	<u>\$ 11,901,809</u>	<u>\$ 17,371,230</u>	<u>\$ 15,191,528</u>	<u>\$ 9,505,863</u>	<u>\$ 13,131,419</u>	<u>\$ 9,805,361</u>	<u>\$ 13,631,559</u>	<u>\$ 20,707,342</u>

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
General Taxes	\$ 7,215,278	\$ 9,938,352	\$ 10,231,271	\$ 10,369,277	\$ 6,055,049	\$ 6,637,911	\$ 11,475,522	\$ 6,978,402	\$ 10,570,617	\$ 13,509,506
Licenses and permits	1,315,047	1,135,525	835,156	650,406	800,467	746,405	991,008	1,071,762	1,264,994	1,607,645
Intergovernmental	13,182,488	13,316,969	12,671,205	12,236,185	11,638,830	11,408,375	22,891,132	18,386,121	14,998,295	14,214,075
Loan proceeds	-	-	-	-	-	-	-	1,000,000	-	-
Charges for services	701,142	723,722	929,925	991,434	1,205,748	1,243,516	1,325,232	1,251,799	1,323,258	1,344,767
Fines and forfeitures	208,049	299,613	183,530	187,181	167,281	203,007	278,420	347,687	417,750	399,860
Investment earnings	612,140	387,748	451,621	349,196	152,210	50,923	22,768	32,985	53,332	57,303
Contributions and donations	-	-	-	-	-	1,907	424,940	3,098	929,248	16,390
Other revenues	733,365	529,139	617,788	976,170	369,970	355,361	649,645	979,737	983,549	1,777,551
Total revenues	23,967,509	26,331,068	25,920,496	25,759,849	20,389,555	20,647,405	38,058,667	30,051,591	30,541,043	32,927,097
Expenditures										
General government	2,970,429	2,784,424	2,783,949	2,482,128	2,709,676	2,826,849	3,036,390	3,534,381	3,632,019	3,987,214
Public Safety	5,314,651	5,143,462	5,155,231	5,022,523	5,001,835	4,866,278	5,328,659	5,899,946	6,380,206	6,286,411
Public Works	1,592,788	1,532,404	1,726,836	1,572,974	1,716,085	1,830,098	1,911,495	2,027,818	2,353,946	2,437,154
Transit	2,662,753	2,638,341	2,425,175	2,374,293	2,692,903	3,030,263	3,037,411	3,079,970	3,344,042	3,819,378
Health and welfare	583,890	587,161	530,687	486,339	499,922	472,422	470,400	470,705	505,165	556,095
Community development	607,169	429,439	373,844	334,625	224,330	204,472	287,666	239,971	246,693	373,476
Culture and recreation	1,448,723	1,348,097	1,218,018	1,087,989	987,292	1,061,836	1,209,360	1,439,145	1,609,805	1,591,241
Other	256,097	155,274	95,539	82,601	99,772	70,301	997,313	277,691	107,825	192,277
Capital outlay	15,613,322	6,098,430	10,251,674	5,820,069	9,126,677	12,164,918	18,289,926	15,503,954	8,592,642	7,289,375
Debt service										
Principal	70,000	70,000	80,000	935,000	-	-	-	-	47,552	47,790
Interest	81,818	77,888	73,445	68,295	-	-	-	-	5,000	4,762
Total all other governmental funds	31,201,640	20,864,920	24,714,398	20,266,836	23,058,492	26,527,437	34,568,620	32,473,581	26,824,895	26,585,173
Excess (deficiency) of revenues over (under) expenditures	(7,234,131)	5,466,148	1,206,098	5,493,013	(2,668,937)	(5,880,032)	3,490,047	(2,421,990)	3,716,148	6,341,924
Other financing sources (uses)										
Transfers in	6,715,599	3,871,745	7,176,421	3,906,470	5,321,124	5,005,952	5,517,142	5,292,803	5,287,131	5,749,001
Transfers out	(7,546,830)	(5,226,969)	(6,354,384)	(3,476,799)	(4,827,578)	(4,176,688)	(4,917,350)	(4,645,882)	(4,742,533)	(4,851,051)
Sale of capital assets	-	27,464	-	37,940	-	55,865	-	48,000	-	2,500
Total other financing sources (uses)	(831,231)	(1,327,760)	822,037	467,611	493,546	885,129	599,792	694,921	544,598	900,450
Net change in fund balances	\$(8,065,362)	\$ 4,138,388	\$ 2,028,135	\$ 5,960,624	\$ (2,175,391)	\$ (4,994,903)	\$ 4,089,839	\$ (1,727,069)	\$ 4,260,746	\$ 7,242,374
Debt service as % of noncapital expenditures	1.0%	1.0%	1.1%	6.9%	0.0%	0.0%	0.0%	0.0%	0.3%	0.3%

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)
2008	\$ 4,921,587	\$ 449,906	\$ 1,843,785	-	-	\$ 7,215,278	\$ 2,279,970
2009	4,776,445	487,749	4,674,158	-	-	9,938,352	2,376,814
2010	4,112,968	475,703	5,642,600	-	-	10,231,271	2,074,875
2011	4,201,202	468,752	5,335,203	584	-	10,005,741	1,928,087
2012	4,217,347	504,856	828,968	503,878	-	6,055,049	1,762,000
2013	4,465,982	506,121	1,114,472	551,335	-	6,637,910	1,701,118
2014	4,849,944	547,627	5,469,635	608,316	-	11,475,522	1,818,068
2015	5,405,087	568,480	263,388	741,447	-	6,978,402	2,002,069
2016	5,674,051	570,052	3,500,000	826,514	-	10,570,617	2,088,096
2017	6,034,163	554,419	6,000,000	920,924	-	13,509,506	2,386,622
Change 2008-2017	22.6%	23.2%	225.4%	---	---	87.2%	4.7%

Notes: (1) The local option sales and use tax is divided between the General and Capital Projects funds.
 (2) Franchise fees are 5% of gross revenues for gas, electric, cable, telephone, 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 does not levy property taxes.
 (6) The property tax revenue that could be raised by levying 8 mills on the town's assessed valuation.

Source: Administration and Finance

TOWN OF JACKSON

**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
2008	\$ 5,971,715	\$ 268,263	\$ 58,465	\$ 393,865	\$ 480,123	\$ 1,632,856	\$ 8,805,287
2009	5,785,371	262,801	54,897	363,545	471,832	1,397,433	8,335,879
2010	4,991,727	235,729	46,477	376,081	468,269	1,328,249	7,446,532
2011	5,089,608	274,589	44,005	361,547	471,689	636,028	6,877,466
2012	5,100,747	266,715	41,678	351,448	482,070	712,383	6,955,041
2013	5,415,131	288,633	42,856	356,523	489,991	543,424	7,136,558
2014	5,882,430	425,602	42,171	357,496	483,765	805,858	7,997,322
2015	6,559,716	491,774	40,152	356,958	493,106	697,011	8,638,717
2016	6,921,172	479,966	39,979	357,356	508,641	209,386	8,516,500
2017	7,379,363	461,841	36,572	357,244	517,079	35,808	8,787,907
Change 2008-2017	23.6%	72.2%	-37.4%	-9.3%	7.7%	-97.8%	-0.2%

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 to population and 30% is distributed proportionately to 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

TOWN OF JACKSON

Direct and Overlapping Governmental Activities Debt As of June 30, 2017

(Unaudited)

Teton County assessed valuation	1,449,769,364
Town of Jackson assessed valuation	292,233,508
Town of Jackson percent of total	20.2%

	Total Debt 6/30/2017 (1)	Percent Applicable	Town's Share of Debt 6/30/2017 (2)
<u>Direct and overlapping debt governmental activity debt</u>			
Teton County	\$ 2,730,321	20.2%	\$ 550,357
Town of Jackson	904,658	100.0%	904,658
Total direct and overlapping governmental activities debt	<u><u>\$ 3,634,979</u></u>		<u><u>\$ 1,455,015</u></u>

Ratio to assessed valuations

Direct debt	0.31%
Total direct and overlapping debt	0.50%

Notes: (1) Excludes enterprise revenue debt, specific purpose excise tax supported debt and capital 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
Teton County School District
St. John's Hospital

TOWN OF JACKSON

**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 (2)	Per Capita (2)
	General Obligation Bonds	Revenue Bonds	Notes Payable (1)	Sewage Notes	Water Notes	Capital Leases			
2008	\$ -	\$ 1,085,000	\$ -	\$ 458,576	\$ -	\$ 1,543,576	0.04%	\$ 157	
2009	-	1,015,000	-	435,674	-	1,450,674	0.04%	146	
2010	-	935,000	-	411,856	-	1,346,856	0.05%	141	
2011	-	-	-	419,974	-	419,974	0.01%	43	
2012	-	-	500,000	1,476,423	-	1,976,423	0.06%	204	
2013	-	-	500,000	1,471,930	-	1,971,930	0.05%	200	
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	

Notes: (1) Wyoming Farm Loan Board Loan promissory note on the ice arena was refinanced with revenue bonds.

(2) 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

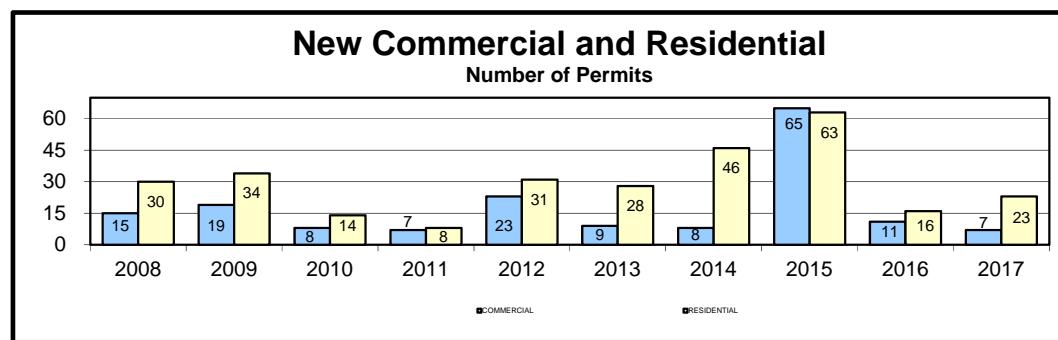
(Unaudited)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Assessed market value	\$ 278,679,434	\$ 290,732,029	\$ 253,080,760	\$ 234,638,855	\$ 214,288,923	\$ 206,348,576	\$ 220,971,568	\$ 242,962,191	\$ 254,621,491	\$ 292,233,508
Total debt	\$ 1,543,576	\$ 1,450,674	\$ 1,346,856	\$ 419,974	\$ 1,476,423	\$ 1,971,930	\$ 1,722,593	\$ 2,371,282	\$ 2,270,367	\$ 2,167,078
Deductions:										
Debt -										
Notes payable	458,576	435,674	411,856	419,974	1,476,423	1,971,930	1,722,593	2,371,282	2,270,367	2,167,078
Revenue bonds	1,085,000	1,015,000	935,000	-	-	-	-	-	-	-
Debt service funds:										
Cash, securities, and restricted cash	-	-	-	-	-	-	-	-	-	-
Less amount applicable to excluded bonds	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to debt limit	\$ 1,543,576	\$ 1,450,674	\$ 1,346,856	\$ 419,974	\$ 1,476,423	\$ 1,971,930	\$ 1,722,593	\$ 2,371,282	\$ 2,270,367	\$ 2,167,078
Debt limit is 4% of assessed value	\$ 11,147,177	\$ 11,629,281	\$ 10,123,230	\$ 9,385,554	\$ 8,571,557	\$ 8,253,943	\$ 8,838,863	\$ 9,718,488	\$ 10,184,860	\$ 11,689,340
Legal Debt Margin	\$ 9,603,601	\$ 10,178,607	\$ 8,776,374	\$ 8,965,580	\$ 7,095,134	\$ 6,282,013	\$ 7,116,270	\$ 7,347,206	\$ 7,914,493	\$ 9,522,262
Total net debt applicable to limit as a percentage of debt limit	13.8%	12.5%	13.3%	4.5%	17.2%	23.9%	19.5%	24.4%	22.3%	18.5%

Construction and Bank Deposits Last Ten Years

(Unaudited)

Year	BUILDING PERMITS			Bank Deposits		Percent Change
	New Commercial	New Residential	All Other	Total	Total	
2008	15	30	86	131	1,350,000,000	16.4%
2009	19	34	70	123	1,435,000,000	6.3%
2010	8	14	83	105	1,460,300,000	1.8%
2011	7	8	80	95	1,451,200,000	-0.6%
2012	23	31	72	126	1,395,508,000	-3.8%
2013	9	28	69	106	1,461,341,000	4.7%
2014	8	46	91	145	1,514,816,000	3.7%
2015	65	63	12	140	1,641,183,000	8.3%
2016	11	16	86	113	1,787,000,000	8.9%
2017	7	23	86	116	2,020,000,000	13.0%



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		
	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	% of Market Value
2008	\$ 278,679,434	\$ 2,933,467,726	\$ 6,316,807	\$ 66,492,705	\$ 284,996,241	\$ 2,999,960,431	9.5%
2009	290,732,029	3,060,337,147	6,369,689	67,049,358	297,101,718	3,127,386,505	9.5%
2010	253,080,760	2,664,008,000	6,278,622	66,090,758	259,359,382	2,730,098,758	9.5%
2011	234,638,855	2,469,882,684	6,371,975	67,073,421	241,010,830	2,536,956,105	9.5%
2012	214,288,923	2,255,672,874	5,961,101	62,748,432	220,250,024	2,318,421,306	9.5%
2013	206,348,576	2,172,090,274	6,291,219	66,223,358	212,639,795	2,238,313,632	9.5%
2014	220,971,568	2,326,016,505	6,286,915	66,178,053	227,258,483	2,392,194,558	9.5%
2015	242,962,191	2,557,496,747	7,296,443	76,804,663	250,258,634	2,634,301,410	9.5%
2016	254,621,491	2,680,226,221	6,390,474	67,268,147	261,011,965	2,747,494,368	9.5%
2017	292,233,508	3,076,142,189	6,094,217	64,149,653	298,327,725	3,140,291,842	9.5%



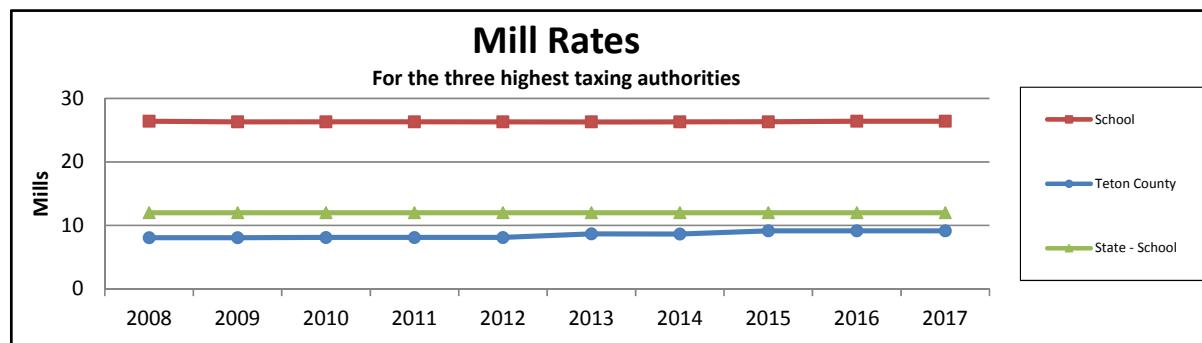
Note: The Town of Jackson does not levy a property tax. State statutes gives the town authority to levy taxes up to 8 mills (.008) on assessed valuation.

Source: County Assessor

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

(Unaudited)

Year	Town	Mill Rates							Total
		School District	Teton County	State - School	County School	Hospital	Other		
2008	0.00	26.40	8.07	12.00	6.00	3.00	1.45	56.92	
2009	0.00	26.30	8.07	12.00	6.00	3.00	1.45	56.82	
2010	0.00	26.30	8.10	12.00	6.00	3.00	1.45	56.85	
2011	0.00	26.30	8.10	12.00	6.00	3.00	1.45	56.85	
2012	0.00	26.30	8.10	12.00	6.00	3.00	1.70	57.10	
2013	0.00	26.30	8.66	12.00	6.00	3.00	2.40	58.36	
2014	0.00	26.30	8.65	12.00	6.00	3.00	2.50	58.45	
2015	0.00	26.30	9.15	12.00	6.00	3.00	1.90	58.35	
2016	0.00	26.40	9.15	12.00	6.00	3.00	1.90	58.45	
2017	0.00	26.40	9.15	12.00	6.00	3.00	1.90	58.45	



Notes: The Town does not levy any mills for property taxes. It has statutory authorization to levy a maximum of 8 mills.

Source: Teton County Assessor

Taxable Sales by Major Business Class, Teton County

Last Ten Years

(Unaudited)

Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ag., forestry, etc	\$ 371,150	\$ 333,125	\$ 265,175	\$ 279,650	\$ 300,625	\$ 286,375	\$ 351,825	\$ 495,225	\$ 612,175	\$ 570,725
Mining	1,604,200	2,280,375	1,123,250	702,575	1,105,150	269,725	797,050	697,250	674,800	566,175
Utilities	35,243,000	31,445,050	34,759,250	33,388,650	34,269,825	33,608,800	37,362,150	55,272,700	55,681,425	57,533,700
Construction	16,788,025	18,977,400	13,243,300	8,937,000	7,029,700	8,019,450	8,551,200	38,630,425	41,549,775	48,641,925
Manufacturing	13,154,075	14,481,475	9,580,600	9,565,975	9,491,325	9,087,475	9,553,200	15,375,175	16,531,050	16,945,675
Wholesale trade	45,502,650	41,921,325	30,866,050	37,226,050	41,635,600	41,788,825	36,580,100	66,268,100	65,519,900	76,380,525
Retail trade	352,245,825	323,386,950	290,959,200	292,983,175	312,290,500	343,831,900	371,417,775	658,628,600	692,585,825	708,722,825
Transport & comm.	-	-	-	-	-	-	-	-	-	-
Transportation/warehse	3,998,450	3,792,750	5,168,225	4,455,200	3,782,150	4,767,525	5,789,150	8,313,550	8,603,200	9,995,500
Information	20,185,350	24,439,650	26,264,050	27,789,575	18,906,775	19,711,050	22,588,075	36,875,350	36,048,750	31,645,400
Finance/Ins./real estate	-	-	-	-	688,525	-	-	-	-	595,825
Services	-	-	-	-	-	-	-	-	-	-
Government	-	-	-	-	-	-	-	-	-	-
Finance and insurance	311,925	435,100	382,575	306,750	-	188,200	160,425	816,425	769,475	-
Real estate, rental & lease	61,324,525	59,994,425	52,299,850	53,030,350	44,337,225	52,209,150	56,160,850	101,550,275	113,693,175	120,476,750
Professional & technical	10,731,925	10,168,700	9,363,050	8,572,725	7,597,275	8,455,650	11,464,075	19,694,950	18,142,650	16,859,550
Management	-	-	-	-	2,712,875	-	-	-	-	-
Admin., support & waste	2,644,900	3,409,625	2,460,100	2,159,750	-	2,490,700	2,611,525	4,594,875	4,766,850	5,736,450
Educational services	59,400	17,875	33,000	51,425	1,057,700	101,600	74,375	292,850	331,150	221,250
Health and social assist	36,100	38,200	38,725	74,575	21,400	11,375	18,275	56,925	58,075	77,375
Arts, entertainment, & rec	14,187,650	13,782,225	11,537,325	14,102,400	7,121,700	6,365,200	6,600,350	8,677,275	12,967,300	13,891,350
Accommodations	337,130,700	326,127,600	296,270,200	301,523,200	317,216,400	350,131,625	379,634,275	844,156,850	893,674,550	939,361,025
Other services	27,920,700	26,909,375	23,454,975	22,100,450	21,820,875	24,007,200	25,483,025	42,960,225	45,470,975	46,679,625
Public administration	29,117,000	19,335,125	16,448,325	18,117,750	23,596,600	21,035,625	23,779,850	116,027,025	121,422,775	125,654,900
	\$ 972,557,550	\$ 921,276,350	\$ 824,517,225	\$ 835,367,225	\$ 854,982,225	\$ 926,367,450	\$ 998,977,550	\$ 2,019,384,050	\$ 2,129,103,875	\$ 2,220,556,550

Note: Sales are derived by dividing sales tax collections by the 4% sales tax rate in each industry classification (SIC coding for 2005-2009 and NAICS coding for 2002-2004).

Source: Wyoming Department of Revenue

Principal Employers

Current Year and Nine Years Ago

(Unaudited)

Employer	2017		Percentage of Total Employment	2007		Percentage of Total Employment
	Employees	Rank		Employees	Rank	
St. John's Hospital	750	1	3.98%	396	2	2.60%
Teton County School District	606	2	3.21%	478	1	3.14%
Teton County	350	3	1.86%	224	4	1.47%
Smith Food and Drug	186	4	0.99%	86	8	0.56%
Albertson's Food Center	150	5	0.80%	65	10	0.43%
Snow King Resort	141	6	0.75%	260	3	1.71%
Town of Jackson	134	7	0.71%	120	7	0.79%
Town Square Inns	128	8	0.68%			
The Wort Hotel	113	9	0.60%	120	6	0.79%
Kmart Corporation	85	10	0.45%	67	9	0.44%
	<u>2,643</u>		<u>14.02%</u>	<u>1,816</u>		<u>11.91%</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 18,850
 Wyoming Dept of Workforce Services <http://doe.state.wy.us/LMI>

Demographic and Economic Statistics Last Ten Years

(Unaudited)

Year	Town of Jackson Population (1)	Teton County Unemploy- ment rate (2)	Teton County School Enrollment (3)	Teton County Personal Income (4) (thousands)	Teton County Per Capita Personal Income (5)	Education Level in Years of Formal Schooling	Teton County Median Age (1)
2008	9,861	2.0%	2,270	3,437,278	167,901	n/a	n/a
2009	9,915	5.7%	2,294	3,472,489	165,451	n/a	n/a
2010	9,577	6.0%	2,317	2,521,222	118,746	n/a	n/a
2011	9,656	5.5%	2,465	2,856,581	134,175	n/a	n/a
2012	9,710	5.1%	2,449	3,163,282	147,253	n/a	32
2013	9,838	4.0%	2,481	4,014,587	185,030	n/a	n/a
2014	10,135	3.5%	2,597	3,934,108	176,046	n/a	n/a
2015	10,449	2.9%	2,691	4,480,958	195,632	n/a	36
2016	10,523	2.6%	2,770	4,506,170	194,861	n/a	36
2017	10,529	2.2%	2,835	4,629,727	199,635	n/a	38

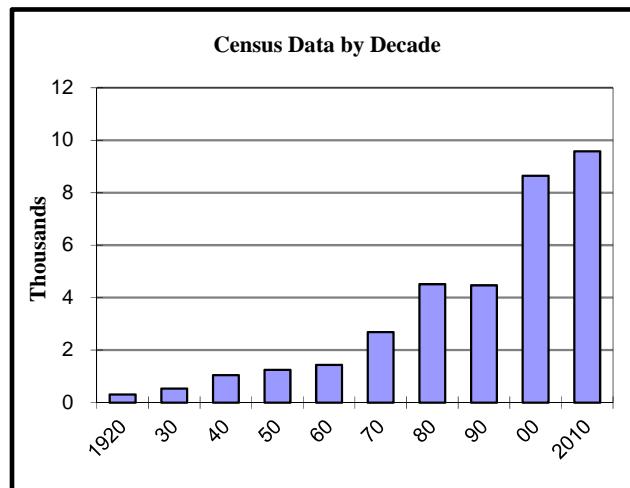
Sources: (1) US Census Bureau
 (2) US Department of Labor - Bureau of Labor Statistics
 (3) Wyoming Department of Education
 (4) & (5) U. S. Department of Commerce - Bureau of Economic Analysis

Demographic Statistics

U.S. Census Data

(Unaudited)

Population Changes:	
1920	307
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



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:	1990	% Total	2000	% Total	2010	% Total
Under 20	1,094	24%	1,795	21%	1,867	19%
20 and over	3,378	76%	6,852	79%	7,710	81%
	4,472	100%	8,647	100%	9,577	100%

Miscellaneous:	1990	2000	2010
Median Age:	32.0 years	30.8 years	31.9 years
Household size:	2.33 people	2.35 people	2.42 people
Number of households:	1,884 units	3,631 units	3,964 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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government:										
Town Attorney	1.30	1.30	1.30	1.50	2.00	2.00	3.00	3.00	3.00	3.00
Municipal Judge	1.50	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.20	2.23
Administration	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Town Clerk/Personnel	3.00	3.50	3.00	2.80	2.80	2.20	3.00	3.00	3.50	3.50
Finance	4.40	4.50	4.50	4.00	3.80	3.80	4.30	4.30	4.30	4.33
Planning	4.70	4.70	4.70	4.30	4.00	4.00	5.00	5.00	5.00	5.25
Information Technology	3.00	3.00	2.00	2.00	2.00	2.00	2.00	3.60	3.60	3.60
Town Hall Building	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Public Safety:										
Police	30.42	29.50	28.00	28.25	30.25	30.58	32.00	32.25	32.75	32.75
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	2.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Animal Shelter	2.75	2.75	2.75	2.55	2.55	2.75	2.75	2.90	2.90	2.90
Public Works										
Streets	9.89	8.50	7.58	7.58	8.00	8.00	8.92	8.92	9.42	9.50
Town Engineer	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water O&M	4.00	4.00	3.50	3.25	3.25	3.25	3.25	3.50	4.00	4.00
Water Billing & Accounting	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.04	1.00
Sewer Plant Operation	4.50	4.50	3.50	3.50	4.50	4.50	4.50	4.75	4.75	5.00
Sewer O&M	2.00	2.00	2.00	2.25	2.25	2.25	2.25	2.25	2.25	2.00
Sewer Billing & Accounting	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.04	1.00
Fleet Management	6.00	6.00	5.60	5.60	5.60	6.00	6.00	6.00	6.00	6.00
Cemetery					0.25	0.25	0.25	0.25	0.25	0.25
Transit										
Start Bus	31.20	33.07	33.26	32.00	36.50	34.89	35.11	35.51	38.63	37.95
Culture & Recreation:										
Pathways Operations	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Total Full-Time Equivalents	<u>124.65</u>	<u>122.82</u>	<u>117.69</u>	<u>114.58</u>	<u>122.75</u>	<u>119.47</u>	<u>126.33</u>	<u>129.23</u>	<u>134.13</u>	<u>133.76</u>

Source: Administration and Finance

TOWN OF JACKSON

Operating Indicators by Function
Last Ten Fiscal Years

(Unaudited)

Function	Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Special events	63	61	59	62	63	69	79	85	88	73
Police										
Total arrests	678	812	582	533	419	609	413	594	537	535
Total part 1 offenses	63	63	61	42	277	249	393	197	590	229
DUI arrests	203	218	86	79	103	111	208	146	102	52
UCR Incidents reported	365	459	345	276	464	335	460	259	674	733
Fire/EMS										
Medical calls	1,068	1,022	946	1,004	1,009	1,217	1,225	1,137	1,142	1,123
Fire calls	48	57	56	69	46	73	52	65	45	51
Hazardous materials calls	38	30	26	32	40	29	17	48	51	46
Service calls	56	30	19	28	29	48	98	147	161	188
False alarms	118	75	68	73	61	78	126	124	122	151
Water Utility										
Annual Tap water billed (millions)	869	896	784	813	874	840	891	762	799	906
Number of water meters billed	3,526	3,562	3,601	3,633	3,639	3,799	3,858	4,049	4,800	4,800
Transit										
Revenue miles	605,118	606,359	557,440	599,180	709,069	748,183	748,183	804,024	859,550	873,010
Passengers	811,807	870,416	782,521	831,602	852,927	900,908	944,357	954,388	979,674	1,002,443
Accidents	8	12	3	5	7	7	3	8	7	12
Accidents/100,000 miles	1.32	1.98	0.54	0.83	0.99	0.94	0.40	0.99	0.81	1.37

Source: Various town departments

Capital Assets Statistics by Function Last Eight Fiscal Years

(Unaudited)

Function	2010	2011	2012	Year Ending June 30,					
	2013	2014	2015	2016	2017				
General government									
Town halls	1	1	1	1	1	1	1	1	1
Public safety									
Stations	1	1	1	1	1	1	1	1	1
Streets									
Street (miles)	33.8	33.8	33.8	34.0	34.0	34.0	34.0	34.0	34.0
Paved alleyways	0.8	0.8	0.8	0.9	0.9	0.9	1.0	1.0	1.0
Gravel alleyways	4.3	4.3	4.3	4.2	4.2	4.2	4.1	4.1	4.1
Parking garages	1	1	1	1	1	1	1	1	1
Recreation and culture									
Parks	12	12	12	12	12	12	12	12	12
Indoor ice arenas	1	1	1	1	1	1	1	1	1
Aquatics center	1	1	1	1	1	1	1	1	1
Water utility									
Well pump stations	7	7	7	7	7	7	5	5	5
Water mains (miles)	64.0	64.0	64.0	64.0	64.0	64.0	64.0	64.0	64.0
Water tanks	3	3	3	3	3	3	3	3	3
Fire hydrants	433	433	433	435	435	435	345	345	345
Sewage utility									
Sanitary sewers (miles)	57.1	57.1	57.1	57.2	57.2	57.2	57.2	57.2	57.2
Maximum daily treatment capacity (thousands of gallons)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Lift stations	5	5	5	5	5	5	5	5	5
Manholes	1,203	1,203	1,203	1,203	1,203	1,203	1,205	1,205	1,205

Source: Various town departments



GOVERNMENT AUDIT REPORTS



Thompson, Palmer & Associates, PC

CERTIFIED PUBLIC ACCOUNTANTS

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275 EAST BROADWAY

December 19, 2017

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*

The Honorable Mayor and Members of the
Town Council 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, 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, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Town of Jackson, Wyoming's basic financial statements, and have issued our report thereon dated December 19, 2017.

Internal Control Over Financial Reporting

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

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

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

Town of Jackson, Wyoming
Independent Auditor's Report on Internal Control
December 19, 2017
Page 2

Compliance and Other Matters

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

Purpose of this Report

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

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December 19, 2017

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming

Report on Compliance for Each Major Federal Program

We have audited Town of Jackson, Wyoming's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Town of Jackson, Wyoming's major federal programs for the year ended June 30, 2017. Town of Jackson, Wyoming's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Town of Jackson, Wyoming's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 US Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Jackson, Wyoming's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Town of Jackson, Wyoming
Independent Auditor's Report on Compliance
December 19, 2017
Page 2

Opinion on Each Major Federal Program

In our opinion, Town of Jackson, Wyoming, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

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

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, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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Certified Public Accountants

TOWN OF JACKSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017

SUMMARY OF AUDIT RESULTS

1. The auditor's report issued an unqualified opinion on the basic financial statements on the Town of Jackson, as of June 30, 2017.
2. The audit disclosed no items considered a reportable condition in internal controls.
3. The audit disclosed no instances of non compliance that were material to the financial statements taken as a whole.
4. The auditor's report on compliance for the major federal award programs for the Town of Jackson expresses an unqualified opinion on all major federal programs.
5. The audit did not disclose any audit findings relating to major programs which are required to be reported.
6. The programs tested as major programs were:

US Department of Transportation – Federal Highway Administration – Wyoming Department of Transportation – Formula Grant for Rural Areas CFDA #20.509

US Department of Transportation-Federal Highway Administration – Wyoming Department of Transportation – Bus and Bus Facilities Grant CFDA # 20.526

7. The threshold for distinguishing Types A and B programs was \$750,000.
8. The Town of Jackson was not considered to be a low risk auditee.

TOWN OF JACKSON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2017

<u>GRANTOR/GRANT TITLE</u>	<u>CFDA NUMBER</u>	<u>TOTAL AWARD AMOUNT</u>	<u>EXPENDITURES</u>
GENERAL FUND			
US Department of Justice passed through the Wyoming Division of Victim Services			
VOCA Program 2015			
	16.575	\$ 75,382	\$ 75,382
US Department of Justice Bureau of Justice Assistance Office of Justice Programs			
Bullet Proof Vest Partnership	16.607	\$ 3,047	\$ 849
US Department of Justice passed through the Wyoming Association of Sheriffs & Chiefs			
Selective Traffic Enforcement DUI	20.616	10,000	2,413
Selective Traffic Enforcement DUI	20.616	11,100	5,776
Selective Traffic Enforcement Non DUI	20.616	2,500	2,084
EULD-Prevention for Success Grant	93.243	4,091	1,227
EULD-Prevention for Success Grant	93.243	<u>5,852</u>	<u>2,187</u>
Total General Fund		<u>\$ 111,972</u>	<u>\$ 89,918</u>

TOWN OF JACKSON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
 FOR THE YEAR ENDED JUNE 30, 2017

<u>GRANTOR/GRANT TITLE</u>	<u>CFDA NUMBER</u>	<u>TOTAL AWARD AMOUNT</u>	<u>EXPENDITURES</u>
SPECIAL REVENUE FUND			
US Department of Transportation Federal Transit Administration passed through the Wyoming Department of Transportation			
Wyoming Rural Public Transit Program			
FTA 16035 Section 5311 Administration and Operating Expenses	20.509	\$ 1,639,507	\$ 176,173
FTA 14035 Section 5311 Administration and Operating Expenses	20.509	1,639,507	1,622,063
FTA Bus and Bus Facilities Formula Program Bus and Bus Facilities Grant	20.526	574,000	560,984
US Department of Transportation Federal Transit Administration passed through the Idaho Transportation Department			
Rural Intercity Grant	20.509	\$ 135,000	\$ 130,852
Total Special Revenue Fund		<u>\$ 3,988,014</u>	<u>\$ 2,490,072</u>
Total Federal Awards		<u>\$ 4,099,986</u>	<u>\$ 2,579,990</u>

TOWN OF JACKSON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Town of Jackson, Wyoming and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Compliance Supplement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.