



**Town of Jackson, Wyoming
Comprehensive Annual Financial Report
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**TOWN OF JACKSON
WYOMING**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019**

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Town Manager**

**Roxanne DeVries Robinson
Assistant Town Manager**

**Kelly Thompson
Finance Director**

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**Prepared by:
Department of Finance**

Comprehensive Annual Financial Report

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INTRODUCTORY SECTION





Administration and Finance

December 6, 2019

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, 2019.

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, 2019, are free of misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Town of Jackson's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP.

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

letter of transmittal and should be read in conjunction with it. The MD&A can be found on pages 10-18.

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 10,400. 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 12,600 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 715,000 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 2.3% unemployment rate (Teton County), is healthier than the 3.8% national average. The state of Wyoming has an unemployment rate of 3.8%.

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 recommended budget to the council for review prior to May 15. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30, the close of the town's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), department (e.g., police), and division (e.g., patrol). Department heads may make transfers of appropriation within a departmental division. Transfers of appropriations between funds and departments, however, require the approval of the town council. Budget-to-actual comparisons are provided in this report for each individual governmental fund which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented starting on page 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 Town Council supports and understands that the main area of focus for the Town of Jackson is the provision of core services, maintaining the current level of service already supported and approved through the annual budget, and most importantly those services that directly contribute to and maintain the health, safety, and welfare of the citizens and guests to our community. A brief summary includes:

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

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

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

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

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

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

Major Budget Initiatives. 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. Thru funding from state and local grants and a passed \$6,000,000 special purpose excise tax, the Town anticipates completion of landslide mitigation in fiscal year 2019. 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, 2019. This is the 34th 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.



Larry Pardee
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, 2018

Christopher P. Morill

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, 2018.

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.

Residents of the Town of Jackson

MAYOR AND COUNCIL

TOWN ATTORNEY

TOWN MANAGER

MUNICIPAL JUDGE

ASSISTANT TOWN MANAGER

COMMUNITY DEVELOPMENT DIRECTOR

Law Enforcement Dispatch

Fire/EMS Department

Parks & Rec Department

Pathways Operations

Housing Department

Drug Court

Information Technology

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

Police

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

Transit

Strategic Planning
Village Transport
In-Town Shuttle
Commuter Services
ADA Paratransit
Bike Share

Finance

Strategic Planning
Business Licensing
Accounting
Priority Based Budget
Disbursements
Utility Billing
Collections
Cash Management
Debt Administration
Risk Management
Municipal Court Clerk

Personnel/ Town Clerk

Strategic Planning
Town Management
Human Resources
Records Management
Town Clerk Duties
Special Events/Projects
Training
Liquor Licensing
Public Information
Property Management

Administration

Strategic Planning
Town Management
Land Acquisition
Council Facilitation & Engagement
Mission/Purpose

Public Works

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

Strategic Planning & Development

Strategic Planning
Council Engagement
Comprehensive Plan Alignment
Strategic Transportation Development
Strategic Housing Development

Public Engagement

Strategic Planning
Community Engagement
Public Outreach & Involvement
Critical Thinking
Community Wide Impact Engagement

Planning & Building

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

MAYOR & TOWN COUNCIL

<u>Position</u>	<u>Name</u>	<u>Term Expires</u>
Mayor.....	Peter Muldoon	12/31/2020
Council, Vice Mayor.....	Hailey Morton Levinson	12/31/2020
Council.....	Jim Stanford	12/31/2020
Council.....	Arne Jorgensen	12/31/2022
Council.....	Jonathan Schechter	12/31/2022

TOWN STAFF

Town Manager.....	Larry Pardee
Town Attorney	Lea Colasuonno
Municipal Judge.....	Melissa Owens
Assistant Town Manager.....	Roxanne Robinson
Community Development Director	Tyler Sinclair
Finance Director	Kelly Thompson
Police Chief	Todd Smith
Planning Director	Paul Anthony
Public Works Director	Floren Poliseo
Transit Director	Darren Brugmann
IT Director	Michael Palazzolo

JOINT TOWN/COUNTY STAFF

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

FINANCIAL SECTION





December 6, 2019

Independent Auditor's Report

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, 2019, 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 misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming, as of June 30, 2019, 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 on pages 10-18 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 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 6, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Jackson, Wyoming's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Jackson, Wyoming's internal control over financial reporting and compliance.



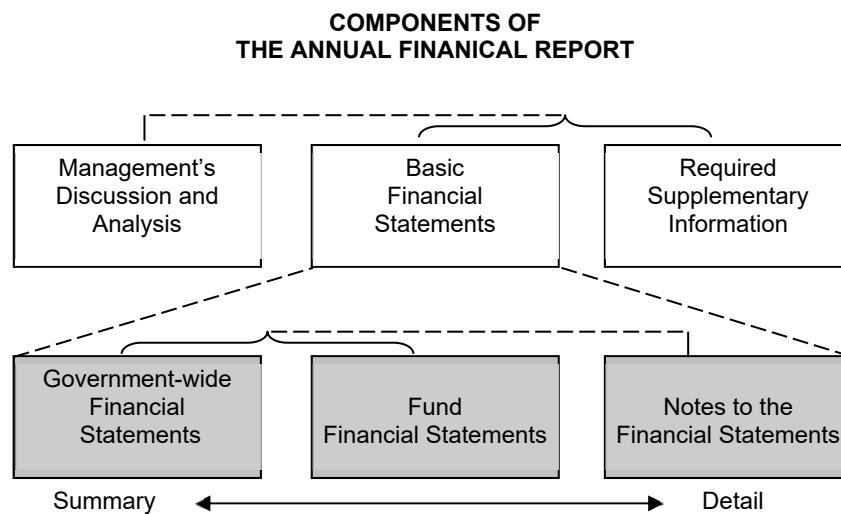
Thompson Palmer & Associates, PC
Certified Public Accountants

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, 2019. 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) increased by 0.2% as a result of this year's operations. The net position of the Town's governmental activities decreased \$1,134,017 (1%) and net position of the Town's business-type activities increased \$1,424,238 (3%).
- Overall, capital assets (net of accumulated depreciation) increased \$5,297,951. Capital assets of governmental activities increased \$3,893,990 (4%) and capital assets of business-type activities increased \$1,403,961 (4%). Significant governmental capital assets acquisitions included: \$4,629,198 for commercial, residential and land at 155 E Pearl Ave, completion of a \$1,013,854 compressed natural gas facility, and \$709,861 for West Broadway pathway. The increases in business-type capital assets include completion of \$1,170,896 lift station and a \$729,220 solar panel facility. The capital increases in the business activities are offset by \$1,560,659 in current year depreciation.

- The Town's long-term liabilities increased \$4,459,114 (46%) as a result of an increase of \$4,567,411 net pension liability and \$108,296 in principal payments which decrease long-term debt.
- At the close of the current fiscal year, the Town's governmental funds reported total ending fund balances of \$24,085,892, a decrease of \$4,828,420 (17%). Majority of the decrease is due to real estate purchase at 155 E Pearl Ave.
- Through conservative budgeting practices and fiscal discipline, the General Fund's total fund balance increased \$353,573 (4%) to \$8,683,289. The ending fund balance is 51% of General Fund expenditures.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 30,015,088	\$ 34,385,221	\$ 12,562,501	\$ 12,524,358	\$ 42,577,589	\$ 46,909,579
Capital assets	110,546,039	106,652,049	35,764,682	34,360,721	146,310,721	141,012,770
Total assets	<u>140,561,127</u>	<u>141,037,270</u>	<u>48,327,183</u>	<u>46,885,079</u>	<u>188,888,310</u>	<u>187,922,349</u>
Deferred outflow of resources	<u>5,028,238</u>	<u>2,946,736</u>	<u>466,827</u>	<u>366,464</u>	<u>5,495,065</u>	<u>3,313,200</u>
Other liabilities	2,744,157	2,654,882	339,071	313,511	3,083,228	2,968,393
Long-term liabilities	11,670,378	7,477,869	2,501,368	2,234,763	14,171,746	9,712,632
Total Liabilities	<u>14,414,535</u>	<u>10,132,751</u>	<u>2,840,439</u>	<u>2,548,274</u>	<u>17,254,974</u>	<u>12,681,025</u>
Deferred inflow of resources	<u>318,829</u>	<u>1,861,237</u>	<u>48,166</u>	<u>222,102</u>	<u>366,995</u>	<u>2,083,339</u>
Net position:						
Net investment in capital assets	109,737,679	105,795,420	34,620,007	33,156,018	144,357,686	138,951,438
Restricted	7,273,683	8,916,903	-	-	7,273,683	8,916,903
Unrestricted	<u>13,844,639</u>	<u>17,277,695</u>	<u>11,285,398</u>	<u>11,325,149</u>	<u>25,130,037</u>	<u>28,602,844</u>
Total net position	<u>\$ 130,856,001</u>	<u>\$ 131,990,018</u>	<u>\$ 45,905,405</u>	<u>\$ 44,481,167</u>	<u>\$ 176,761,406</u>	<u>\$ 176,471,185</u>

By far the largest portion of the Town's net position (82%) 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 (4%) represents resources that are subject to external restrictions on how they can be used. The decrease in governmental activities restricted net position is primarily due to expenditures from the 2016 Special Purpose Excise Tax (SPET).

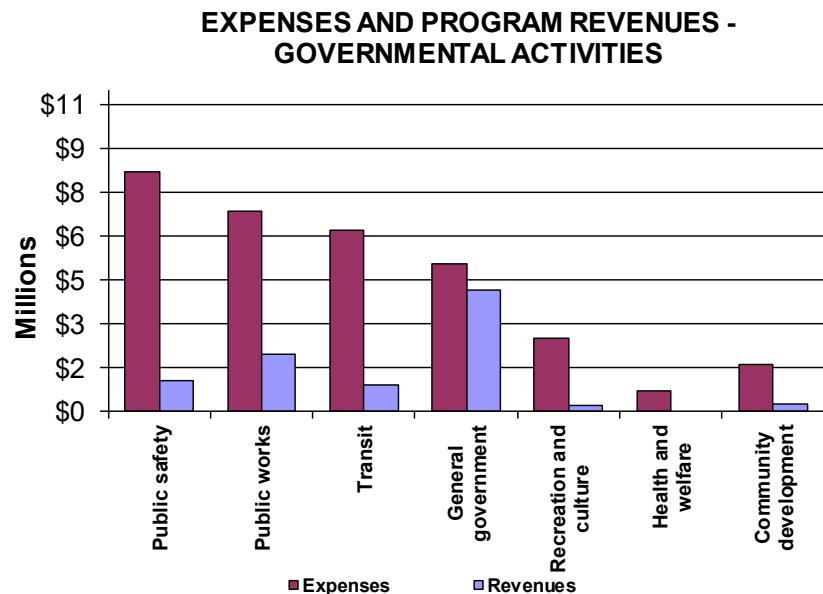
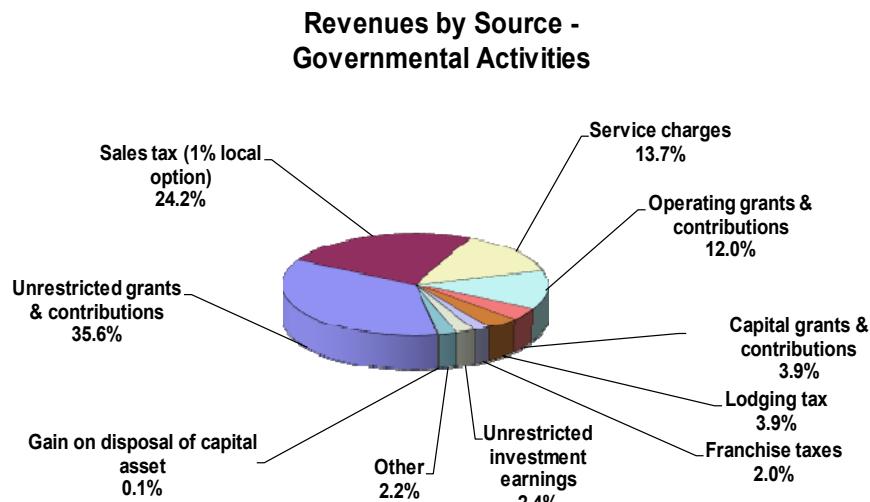
The remaining unrestricted net position of \$25,130,037 may be used to meet one-time obligations to citizens and creditors. Of the unrestricted net positions, \$11,285,398 (45%) is attributable to business-type activities.

The unrestricted governmental activities net position decreased \$3,433,056 (20%), while business-type activities unrestricted net position decreased

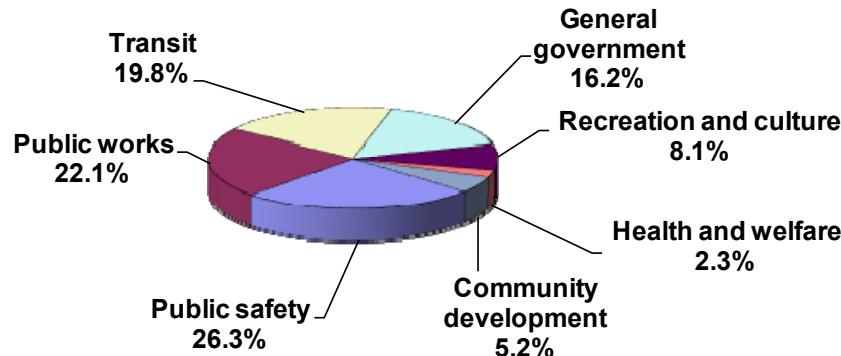
\$39,751 (1%). The government-wide total unrestricted net position decrease of \$3,472,807 (14%) and the \$3,893,990 (4%) increase in governmental activities capital assets is primarily due to real estate purchase at 155 E Pearl Ave. Business-type capital assets increased \$1,403,961 (4%) due to solar panel facility and a lift station.

CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program revenues:						
Charges for services	\$ 4,003,439	\$ 3,447,032	\$ 4,825,784	\$ 5,787,616	\$ 8,829,223	\$ 9,234,648
Operating grants and contributions	3,494,454	2,824,371	-	-	3,494,454	2,824,371
Capital grants and contributions	1,135,374	1,848,629	1,306,532	589,382	2,441,906	2,438,011
General revenues:						
Sales tax (1% local option)	7,069,927	6,672,712	-	-	7,069,927	6,672,712
Specific purpose excise taxes	-	2,760,205	-	-	0	2,760,205
Lodging tax	1,128,200	1,066,481	-	-	1,128,200	1,066,481
Franchise taxes	584,271	610,800	-	-	584,271	610,800
Unrestricted grants and contributions	10,379,182	9,953,969	-	-	10,379,182	9,953,969
Unrestricted investment earnings	695,631	279,679	213,848	107,943	909,479	387,622
Gain on disposal of capital assets	39,974	-	-	-	39,974	-
Other	656,577	138,043	-	74,228	656,577	212,271
Total revenues	29,187,029	29,601,921	6,346,164	6,559,169	35,533,193	36,161,090
EXPENSES						
Program activities:						
Governmental activities:						
General government	5,056,561	5,872,593	-	-	5,056,561	5,872,593
Public safety	8,229,288	7,318,186	-	-	8,229,288	7,318,186
Public works	6,888,180	10,303,854	-	-	6,888,180	10,303,854
Transit	6,191,251	5,290,455	-	-	6,191,251	5,290,455
Health and welfare	706,878	686,098	-	-	706,878	686,098
Community development	1,625,530	199,559	-	-	1,625,530	199,559
Recreation and culture	2,537,041	2,457,190	-	-	2,537,041	2,457,190
Interest on long-term debt	4,223	4,463	-	-	4,223	4,463
Business-type activities						
Water	-	-	1,757,922	1,771,767	1,757,922	1,771,767
Sewage	-	-	2,246,098	2,372,383	2,246,098	2,372,383
Total expenses	31,238,952	32,132,398	4,004,020	4,144,149	35,242,972	36,276,547
Excess (deficiency) before transfers	(2,051,923)	(2,530,477)	2,342,144	2,415,020	290,221	(115,457)
Transfers in (out)	917,906	919,164	(917,906)	(919,164)	-	-
Increase (decrease in net position)	(1,134,017)	(1,611,313)	1,424,238	1,495,856	290,221	(115,457)
Net position at the beginning of the year	131,990,018	133,601,331	44,481,167	42,985,311	176,471,185	176,586,642
Net position at the end of the year	\$ 130,856,001	\$ 131,990,018	\$ 45,905,405	\$ 44,481,167	\$ 176,761,406	\$ 176,471,185



Expenditures by Program- Governmental Activities



Governmental Activities. The most significant revenue (36%) of the governmental activities are \$10.4M in unrestricted grants and state shared revenue. The majority of the revenue in the state-shared category consist of the 4% state-shared sales and use tax (\$8.6M) followed by federal mineral royalties (\$.5M), gasoline tax (\$.5M), severance tax (\$.4M) and in various Teton County reimbursements (\$.3M). The 1% local option (5th cent) sales tax makes up the second highest source of revenue (\$7.1M or 24%) in the governmental funds. The revenue generated from the 5th cent sales tax is split evenly between the general fund and capital projects fund. Service charges make up the third highest source of revenue (\$4M or 14%).

Public Safety (police, fire/EMS, building inspector, victim services, animal shelter and communications) expenses (26%) were the most significant followed by Public Works (22%), Transit (20%), General Government (16%), Recreation and Culture (8%), Community Development (5%) and Health and Welfare (2%). Included in these amounts is \$4,658,762 of depreciation expense, which is 15% of the total expenses for governmental activities.

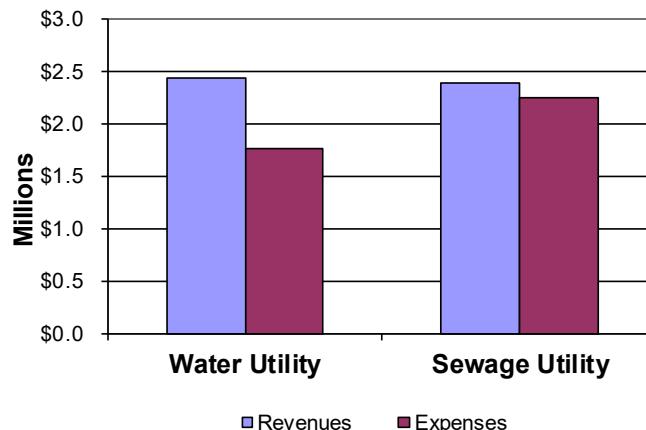
Governmental revenues decreased \$414,892 (1%), in the current year, with the most significant portion of the decrease attributable to lower specific purpose excise tax collections (\$2,760,205).

Governmental activities expenses decreased \$893,446 (3%) in the current year. The most significant changes in program expenses were as follows:

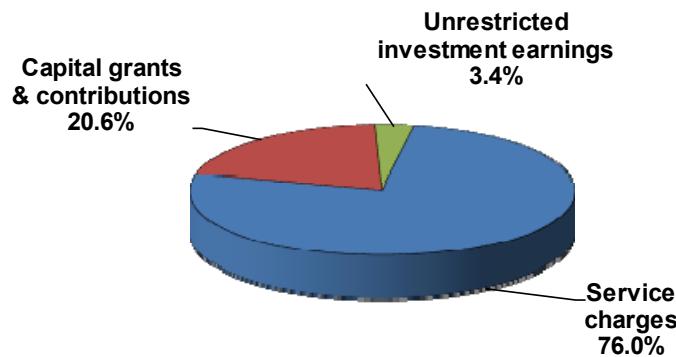
- General government expenses decreased \$ 816,032, (14%). The majority of the increase was the result of decreased employee housing expenditures compared to prior year.
- Public safety expenses increased \$911,102 (12%). The majority of the increase is related to Police -Patrol and Fire/EMS staffing cost.
- Public works expenses decreased \$3,415,674 (33%). The majority of the decrease is a result of prior year West Broadway landslide mitigation expenditures in the 2016 SPET fund.
- Community development expenses increased \$1,425,971 (715%). \$1,025,440 of the increase is from contributions to the Housing Supply Plan.
- Health & Welfare expenses increased \$20,780 (3%) due to increased contributions to social service agencies.
- Transit operating expenses increased \$900,796 (17%). The increases are related to increased commuter service and winter driver shortage.
- Recreation and culture expenses increased \$79,851 (3%), primarily due to increase in Parks and Recreation department operational costs by Teton County.

There were no other programs with significant or unusual changes.

REVENUES AND EXPENSES - BUSINESS-TYPE ACTIVITIES



REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



Business-type activities. Business-type activities increased the Town's net position by \$1,424,238 (3%). In the prior year, the business-type activities increased the Town's net position by \$1,495,856 (3%).

Key elements of the change are as follows:

Water Fund operating revenues decreased \$1,388 (0.1%), which is reflective of normal fluctuation for water services. Sewage Fund operating revenues increased \$2,663 (0.1%), which is reflective of normal fluctuation for water services.

Capital grants and contributions totaled \$1,306,532, 16% lower than the prior year total of \$1,552,489. Capital grants and contributions include capacity and tap fees charged to new customers and intergovernmental grants for capital improvements. Capacity and tap fees decreased due to a few large developments in the prior year. Depreciation expenses in the water and sewage utilities for fiscal year 2019 were \$638,687 and \$921,972, 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, 2019, the Town's governmental funds reported total ending fund balances of \$24,085,892, a decrease of \$4,828,420 (17%) when compared with the prior year. Nearly 30% or \$7,273,683 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 \$8,916,903. The difference is mostly attributable to expenditures in the 2016 SPET capital project fund.

At the end of the fiscal year, the General Fund reported a fund balance of \$8,683,289 increasing \$353,573 (4%) from the prior year. General fund operating revenues were \$1,177,713 (6%) more than the prior fiscal year and operating expenditures increased by \$1,298,229 (8%). Transfers out increased by \$258,983 (5%).

General Fund expenditures increased \$1,298,229 (8%). Salaries and salary related expenditures (Wyoming Retirement, Workers' Compensation, health insurance, etc.) increased \$457,775 in all functions. Costs associated with the patrol staffing and equipment increased \$320,613, the Town's contribution to

Teton County joint Fire/EMS operations increased \$309,582 and the streets department increased \$260,685 due to winter conditions.

The START Bus System Fund net change in fund balance was positive by \$11,491 (1%). Operating expenditures were \$4,692,934. There were \$294,654 in capital outlays during the fiscal year. Intergovernmental revenues increased to \$3,028,774 from the prior year total of \$2,144,202 as a result of \$492,609 operating grant increase and a one-time \$152,460 electronic fare grant. Transit fares increased from \$776,700 to \$819,868. The Town contributed \$430,914 and Teton County contributed \$579,664 for a total of \$1,010,578 to the fund in fiscal year 2019.

The 5th Cent Capital Project Fund saw its fund balance decrease \$3,889,923 (46%) to \$4,488,520 primarily due to real estate purchase at 155 E Pearl Ave. The General Fund transferred \$4,506,697 in 5th Cent sales tax to the fund in FY2019.

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 \$847,494 (5%) from the prior fiscal year. In 2019, operating revenues decreased \$1,388 (0.1%). Capital contributions increased to \$520,618 from \$136,201 in the previous year (282%), primarily related to solar panel facility contributions. Operating expenses increased \$133,076 (8%) to \$1,709,287. The 2019 operating income of \$730,128 includes \$638,687 in depreciation.

The sewage utility's net position increased \$579,427 (2%) in the fiscal year ending June 30, 2019. Sewage utility operating revenues increased \$2,663 (0.1%) to \$2,386,369 and the utility's operating expenses increased \$4,593 (0.2%) to \$2,236,702. Capital contributions decreased \$630,374 (45%) from \$1,416,288 to \$785,914. The \$149,667 operating income includes \$921,972 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 2019 original budget and the final amended budget are adopted by council resolution throughout the year.

General Fund revenues totaled \$21,330,281 and exceeded the final budget by \$1,187,177 (6%). General taxes and intergovernmental revenues were \$276,263

(4%) and \$357,247 (3%) 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 4.0%. However, this major revenue source increased an additional 4.8% to \$727,483 over estimates.

General Fund operating expenditures totaled \$16,991,236 and were \$855,088 (5%) less than the final amended budget and \$148,281 (1%) less than the adopted budget. Including transfers out, supplemental appropriations from budget amending council actions increased the original budget by \$1,831,807 (9%). \$1,125,000 of the increase was a transfer out to the 5th Cent Capital Projects fund to purchase real estate at 155 E Pearl Ave. In fiscal year 2019, Public Restrooms and Parks and Recreation (county service) finished the year over budget.

The General Fund year end fund balances since 2010 are as follows:

Year	Amount	Year	Amount
2010	\$3,300,208	2015	\$ 7,049,752
2011	3,791,412	2016	7,484,300
2012	4,295,723	2017	7,650,890
2013	4,986,484	2018	8,329,716
2014	5,450,770	2019	8,683,289

CAPITAL ASSETS AND DEBT ADMINISTRATION

	CAPITAL ASSETS (net of accumulated depreciation)					
	Governmental		Business-type		Total	
	Activities	2019	Activities	2018	Government	2018
Land	\$ 30,552,146	\$ 29,122,401	\$ 1,100,404	\$ 1,100,404	\$ 31,652,550	\$ 30,222,805
Construction in progress	1,634,963	2,920,182	1,475,668	1,667,750	3,110,631	4,587,932
Building, structures, & improvements	41,049,359	39,550,760	31,418,405	30,500,103	72,467,764	70,050,863
Machinery and equipment	9,300,528	8,586,779	1,770,206	1,092,464	11,070,734	9,679,243
Intangible assets	1,593,823	1,612,005	-	-	1,593,823	1,612,005
Infrastructure	26,415,220	24,859,922	-	-	26,415,220	24,859,922
Total	<u>\$110,546,039</u>	<u>\$106,652,049</u>	<u>\$ 35,764,682</u>	<u>\$ 34,360,720</u>	<u>\$146,310,721</u>	<u>\$141,012,769</u>

Capital assets. The Town's investment in capital assets for its governmental and business-type activities at June 30, 2019 totaled \$146,310,721 (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 include: \$4,629,198 for commercial, residential and land at 155 E Pearl Ave, completion of a \$1,013,854 compressed

natural gas facility, and \$709,861 for West Broadway pathway. The total government-wide capital asset increase over the prior fiscal year is approximately \$5,297,951; governmental activities increased 4% and business-type activities increased 4%.

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

	Governmental Activities		Business-type Activities		Total Government	
	2019	2018	2019	2018	2019	2018
Accrued interest payable	\$ 1,008	\$ 1,068	\$ 26,594	\$ 27,877	\$ 27,602	\$ 28,945
Note payable - Snow King	808,360	856,629	-	-	808,360	856,629
Notes payable - State of Wyoming	-	-	1,144,675	1,204,703	1,144,675	1,204,703
Net pension liability	10,862,018	6,621,240	1,356,693	1,030,060	12,218,711	7,651,300
Total	<u>\$ 11,671,386</u>	<u>\$ 7,478,937</u>	<u>\$ 2,527,962</u>	<u>\$ 2,262,640</u>	<u>\$ 14,199,348</u>	<u>\$ 9,741,577</u>

Long-term liabilities. The Town's outstanding long-term liabilities—including notes payable, accrued interest payable, and net pension liability—totaled \$14,199,348 at June 30, 2019. Governmental long-term and business-type long-term liabilities increased primarily due to net pension liability increase.

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, 2019 was 2.3%, which is below the state average (3.3%) and below the national average (3.3%).
- 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.

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.



TOWN OF JACKSON

Statement of Net Position
June 30, 2019

	Primary Government		
	Governmental Activities		Total
	Business-type Activities		
ASSETS			
Cash and cash equivalents	\$ 2,379,889	\$ 658,661	\$ 3,038,550
Investments	28,155,888	8,810,070	36,965,958
Accrued interest receivable	75,942	-	75,942
Accounts receivable, net	13,323	467,648	480,971
Due from other governmental units	1,234,874	-	1,234,874
Internal Balances	(2,564,934)	2,564,934	-
Prepaid items	43,318	-	43,318
Deposits	36,950	-	36,950
Inventories	373,338	61,188	434,526
Notes receivable - housing	266,500	-	266,500
Capital assets:			
Nondepreciable	32,187,109	2,576,072	34,763,181
Depreciable, net	78,358,930	33,188,610	111,547,540
TOTAL ASSETS	<u>140,561,127</u>	<u>48,327,183</u>	<u>188,888,310</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred outflows related to pensions	<u>5,028,238</u>	<u>466,827</u>	<u>5,495,065</u>
LIABILITIES			
Accounts payable	1,294,612	276,060	1,570,672
Accrued wages payable	374,205	36,417	410,622
Accrued interest payable	1,008	26,594	27,602
Unearned revenue	1,074,332	-	1,074,332
Long-term liabilities:			
Portion due or payable within one year:			
Notes payable	48,510	62,430	110,940
Portion due or payable after one year:			
Notes payable	759,850	1,082,245	1,842,095
Net pension liability	10,862,018	1,356,693	12,218,711
TOTAL LIABILITIES	<u>14,414,535</u>	<u>2,840,439</u>	<u>17,254,974</u>
DEFERRED INFLOW OF RESOURCES			
Deferred inflows related to pensions	<u>318,829</u>	<u>48,166</u>	<u>366,995</u>
NET POSITION			
Net investment in capital assets	109,737,679	34,620,007	144,357,686
Restricted for:			
Community development	1,072,749	-	1,072,749
Capital projects	6,193,212	-	6,193,212
Public safety programs	7,722	-	7,722
Unrestricted	13,844,639	11,285,398	25,130,037
TOTAL NET POSITION	<u>\$ 130,856,001</u>	<u>\$ 45,905,405</u>	<u>\$ 176,761,406</u>

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

Statement of Activities

Year Ended June 30, 2019

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	\$ 5,056,561	\$ 935,436	\$ -	\$ -	\$ (4,121,125)	\$ -	\$ (4,121,125)
Public safety	8,229,288	1,647,139	319,827	-	(6,262,322)	-	(6,262,322)
Public works	6,888,180	86,420	-	962,507	(5,839,253)	-	(5,839,253)
Transit	6,191,251	838,815	3,174,627	172,867	(2,004,942)	-	(2,004,942)
Health and welfare	706,878	-	-	-	(706,878)	-	(706,878)
Community development	1,625,530	268,168	-	-	(1,357,362)	-	(1,357,362)
Recreation and culture	2,537,041	227,461	-	-	(2,309,580)	-	(2,309,580)
Interest of long-term debt	4,223	-	-	-	(4,223)	-	(4,223)
Total governmental activities	<u>\$ 31,238,952</u>	<u>\$ 4,003,439</u>	<u>\$ 3,494,454</u>	<u>\$ 1,135,374</u>	<u>(22,605,685)</u>	<u>-</u>	<u>(22,605,685)</u>
Business-type activities							
Water Utility	\$ 1,757,922	\$ 2,439,415	\$ -	\$ 520,618	-	1,202,111	1,202,111
Sewage Utility	2,246,098	2,386,369	-	785,914	-	926,185	926,185
Total business-type activities	<u>\$ 4,004,020</u>	<u>\$ 4,825,784</u>	<u>-</u>	<u>1,306,532</u>	<u>-</u>	<u>2,128,296</u>	<u>2,128,296</u>
Total primary government	<u>\$ 35,242,972</u>	<u>\$ 8,829,223</u>	<u>\$ 3,494,454</u>	<u>\$ 2,441,906</u>	<u>(22,605,685)</u>	<u>2,128,296</u>	<u>(20,477,389)</u>
General Revenues:							
Sales tax (1% local option)				7,069,927	-	7,069,927	
Lodging tax				1,128,200	-	1,128,200	
Franchise taxes				584,271	-	584,271	
Unrestricted grants and contributions (revenue sharing)				10,379,182	-	10,379,182	
Unrestricted investment earnings				695,631	213,848	909,479	
Gain on sale of capital assets				39,974	-	39,974	
Other				656,577	-	656,577	
Transfers				917,906	(917,906)		
Total general revenues				<u>21,471,668</u>	<u>(704,058)</u>	<u>20,767,610</u>	
Change in Net Position				<u>(1,134,017)</u>	<u>1,424,238</u>	<u>290,221</u>	
Net position - July 1				<u>131,990,018</u>	<u>44,481,167</u>	<u>176,471,185</u>	
Net Position - June 30				<u>\$ 130,856,001</u>	<u>\$ 45,905,405</u>	<u>\$ 176,761,406</u>	

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

TOWN OF JACKSON

Balance Sheet
Governmental Funds
June 30, 2019

	General	START Bus System	5th Cent Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 506,175	\$ 31,325	\$ 412,405	\$ 1,373,130	\$ 2,323,035
Investments	9,779,072	533,589	7,024,888	8,028,074	25,365,623
Interfund receivable - pooled cash	1,823	-	-	-	1,823
Interest receivable	75,942	-	-	-	75,942
Accounts receivable	-	-	9,564	3,759	13,323
Due from other governmental units	57,556	1,015,023	132,327	-	1,204,906
Prepaid items	1,803	-	-	9,448	11,251
Deposits	-	32,850	-	4,100	36,950
Notes receivable - housing	-	-	-	266,500	266,500
TOTAL ASSETS	<u>10,422,371</u>	<u>1,612,787</u>	<u>7,579,184</u>	<u>9,685,011</u>	<u>29,299,353</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	450,010	145,227	525,730	99,539	1,220,506
Accrued wages payable	272,520	81,169	-	-	353,689
Interfund payable	-	-	2,564,934	-	2,564,934
Unearned revenue	1,016,552	25,940	-	31,840	1,074,332
Total liabilities	<u>1,739,082</u>	<u>252,336</u>	<u>3,090,664</u>	<u>131,379</u>	<u>5,213,461</u>
Fund balance:					
Nonspendable	1,803	32,850	-	-	34,653
Restricted	7,722	-	-	7,265,961	7,273,683
Assigned	-	1,327,601	4,488,520	2,287,671	8,103,792
Unassigned	8,673,764	-	-	-	8,673,764
Total fund balance	<u>8,683,289</u>	<u>1,360,451</u>	<u>4,488,520</u>	<u>9,553,632</u>	<u>24,085,892</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 10,422,371</u>	<u>\$ 1,612,787</u>	<u>\$ 7,579,184</u>	<u>\$ 9,685,011</u>	<u>\$ 29,299,353</u>

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, 2019

Total fund balances - governmental funds \$ 24,085,892

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	\$ 30,552,146	
Construction in progress	1,634,963	
Buildings, structures and improvements	62,239,398	
Machinery and equipment	16,952,648	
Intangible	1,800,000	
Infrastructure	52,429,973	
Accumulated depreciation	<u>(58,320,816)</u>	107,288,312

Deferred outflows of resources related to pensions are not reported in the funds 5,028,238

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	(1,008)
Note payable	(808,360)
Net pension liability	(10,862,018)

Deferred inflows of resources related to pensions are not reported in the funds (318,829)

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	\$ 56,854	
Investments	2,790,265	
Due from other governmental units	29,968	
Inventories	373,338	
Prepaid items	32,067	
Machinery and equipment, net	3,257,727	
Interfund Payable - pooled cash	(1,823)	
Accounts payable	(74,106)	
Accrued wages payable	<u>(20,516)</u>	6,443,774

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 130,856,001

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

TOWN OF JACKSON

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2019

	General	START Bus System	5th Cent Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
General taxes	\$ 7,936,248	\$ -	\$ -	\$ 846,150	\$ 8,782,398
Licenses and permits	1,307,330	-	-	340,618	1,647,948
Intergovernmental	10,579,103	3,028,774	955,307	-	14,563,184
Charges for services	622,744	838,815	-	-	1,461,559
Fines and forfeitures	476,375	-	-	-	476,375
Investment earnings	229,797	11,081	167,267	220,760	628,905
Contributions and Donations	-	4,424	-	7,200	11,624
Other revenues	178,684	757,936	111,976	459,741	1,508,337
Total revenues	21,330,281	4,641,030	1,234,550	1,874,469	29,080,330
Expenditures:					
Current:					
General government	4,121,780	-	-	406,450	4,528,230
Public safety	7,474,592	-	-	27,395	7,501,987
Public works	2,960,810	-	-	-	2,960,810
Transit	-	4,692,934	-	-	4,692,934
Health and welfare	699,172	-	-	-	699,172
Community development	270,716	-	-	316,184	586,900
Recreation and culture	1,278,947	-	-	468,801	1,747,748
Other expenditures	185,219	-	-	-	185,219
Capital outlay	-	294,654	8,318,952	2,985,336	11,598,942
Debt Service	-	-	-	52,552	52,552
Total expenditures	16,991,236	4,987,588	8,318,952	4,256,718	34,554,494
Excess (deficiency) of revenues over expenditures	4,339,045	(346,558)	(7,084,402)	(2,382,249)	(5,474,164)
Other financing sources (uses):					
Sale of capital assets	5,000	-	-	-	5,000
Transfers in	1,051,926	430,914	4,506,697	1,535,701	7,525,238
Transfers out	(5,042,398)	(72,865)	(1,312,218)	(457,013)	(6,884,494)
Total other financing sources (uses)	(3,985,472)	358,049	3,194,479	1,078,688	645,744
Net change in fund balances	353,573	11,491	(3,889,923)	(1,303,561)	(4,828,420)
Fund balance at beginning of year	8,329,716	1,348,960	8,378,443	10,857,193	28,914,312
Fund balance at end of year	\$ 8,683,289	\$ 1,360,451	\$ 4,488,520	\$ 9,553,632	\$ 24,085,892

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, 2019

Net change in fund balances--total governmental funds	\$ (4,828,420)
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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	\$ 7,821,069	
Depreciation	<u>(4,019,516)</u>	3,801,553

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.	48,329
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The net effect of transactions involving net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense is to decrease net position	(592,940)
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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	25,224
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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.	<u>412,237</u>
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Change in net position of governmental activities	<u>\$ (1,134,017)</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, 2019

	Budgeted Amounts			Variance with Final Budget
	Orginal	Final	Actual	
Revenues:				
General taxes	\$ 7,659,985	\$ 7,659,985	\$ 7,936,248	\$ 276,263
Licenses and permits	1,011,226	1,011,226	1,307,330	296,104
Intergovernmental	10,195,931	10,221,856	10,579,103	357,247
Charges for services	644,621	651,921	622,744	(29,177)
Fines and forfeitures	408,226	408,226	476,375	68,149
Investment earnings	50,000	50,000	229,797	179,797
Other revenues	133,857	139,890	178,684	38,794
Total revenues	<u>20,103,846</u>	<u>20,143,104</u>	<u>21,330,281</u>	<u>1,187,177</u>
Expenditures:				
Current:				
General government				
Mayor & town council	305,725	316,925	316,675	(250)
Town attorney	467,142	607,142	582,361	(24,781)
Municipal judge	246,965	247,965	233,620	(14,345)
Administration	318,382	318,382	260,375	(58,007)
Personnel & town clerk	610,129	649,294	639,856	(9,438)
Finance	577,302	592,925	578,610	(14,315)
Information technology	523,132	524,132	513,557	(10,575)
Planning	967,525	957,579	818,306	(139,273)
Town hall building	168,116	191,116	178,420	(12,696)
Public safety				
Police - administration	554,769	577,301	555,451	(21,850)
Police - investigation	433,759	433,759	414,660	(19,099)
Police - patrol	3,122,731	3,186,931	3,052,579	(134,352)
Police - community service	512,091	512,091	481,362	(30,729)
Police - special operations	26,005	26,005	22,705	(3,300)
Fire/EMS (county service)	1,726,235	1,726,235	1,707,904	(18,331)
Dispatch (county service)	380,000	380,000	312,310	(67,690)
Victim services	253,158	303,928	295,908	(8,020)
Animal shelter/control	259,253	264,116	238,688	(25,428)
Building inspections	383,669	423,669	393,025	(30,644)

(continued)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2019 (continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Orginal	Final		
Expenditures (continued):				
Public works				
Administration	259,161	259,161	233,011	(26,150)
Streets	1,802,062	2,017,062	1,943,289	(73,773)
Town engineer	463,988	463,988	437,128	(26,860)
Public works yard operations	165,239	165,239	136,693	(28,546)
Parking garage operations	97,583	137,583	132,536	(5,047)
Public restrooms	76,951	76,951	78,153	1,202
Health and welfare				
Social services	699,172	699,172	699,172	-
Community development				
Community promotion	260,325	271,625	270,716	(909)
Recreation and culture				
Parks and recreation (county service)	1,202,148	1,202,148	1,202,170	22
Sports and Events Center	79,203	79,203	63,521	(15,682)
Memorial park (cemetery)	19,887	19,887	13,256	(6,631)
Other expenditures				
Town-wide and insurances	177,710	214,810	185,219	(29,591)
Total expenditures	<u>17,139,517</u>	<u>17,846,324</u>	<u>16,991,236</u>	<u>(855,088)</u>
Excess (deficiency) of revenues over expenditures	<u>2,964,329</u>	<u>2,296,780</u>	<u>4,339,045</u>	<u>2,042,265</u>
Other financing sources (uses)				
Sale of capital assets	-	-	5,000	5,000
Transfers in	1,071,518	1,071,518	1,051,926	(19,592)
Transfers out	(3,917,398)	(5,042,398)	(5,042,398)	-
Total other financing sources (uses)	<u>(2,845,880)</u>	<u>(3,970,880)</u>	<u>(3,985,472)</u>	<u>(14,592)</u>
Net change in fund balance	118,449	(1,674,100)	353,573	2,027,673
Fund balance at beginning of year	<u>8,329,716</u>	<u>8,329,716</u>	<u>8,329,716</u>	<u>-</u>
Fund balance at end of year	<u>\$ 8,448,165</u>	<u>\$ 6,655,616</u>	<u>\$ 8,683,289</u>	<u>\$ 2,027,673</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, 2019

	Budgeted Amounts			Variance with Final Budget
	Orginal	Final	Actual	
Revenues:				
Intergovernmental	\$ 4,984,423	\$ 5,103,460	\$ 3,028,774	\$ (2,074,686)
Charges for services	840,619	840,619	838,815	(1,804)
Investment earnings	1,500	1,500	11,081	9,581
Contributions and Donations	3,000	3,000	4,424	1,424
Other revenues	480,000	480,000	757,936	277,936
Total revenues	<u>6,309,542</u>	<u>6,428,579</u>	<u>4,641,030</u>	<u>(1,787,549)</u>
Expenditures:				
Current:				
Transit	4,567,458	4,916,560	4,692,934	(223,626)
Capital outlay	2,478,750	2,582,840	294,654	(2,288,186)
Total expenditures	<u>7,046,208</u>	<u>7,499,400</u>	<u>4,987,588</u>	<u>(2,511,812)</u>
Excess (deficiency) of revenues over expenditures	<u>(736,666)</u>	<u>(1,070,821)</u>	<u>(346,558)</u>	<u>724,263</u>
Other financing sources (uses)				
Transfers in	430,914	430,914	430,914	-
Transfers out	(73,346)	(73,346)	(72,865)	481
Total other financing sources (uses)	<u>357,568</u>	<u>357,568</u>	<u>358,049</u>	<u>481</u>
Net change in fund balance	(379,098)	(713,253)	11,491	724,744
Fund balance at beginning of year	<u>1,348,960</u>	<u>1,348,960</u>	<u>1,348,960</u>	<u>-</u>
Fund balance at end of year	<u>\$ 969,862</u>	<u>\$ 635,707</u>	<u>\$ 1,360,451</u>	<u>\$ 724,744</u>

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

Statement of Net Position
Proprietary Funds
June 30, 2019

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 265,379	\$ 251,828	\$ 517,207	\$ 198,308
Investments	4,520,450	4,289,620	8,810,070	2,790,265
Account receivable (net)	184,298	283,350	467,648	-
Due from other governmental units	-	-	-	29,968
Interfund receivable	300,000	300,000	600,000	-
Inventories	30,593	30,595	61,188	373,338
Prepaid items	-	-	-	32,067
Total current assets	<u>5,300,720</u>	<u>5,155,393</u>	<u>10,456,113</u>	<u>3,423,946</u>
Noncurrent assets:				
Interfund receivable - net current portion	982,467	982,467	1,964,934	-
Capital assets:				
Land	128,404	972,000	1,100,404	-
Buildings and systems	21,016,253	34,667,792	55,684,045	-
Machinery and equipment	1,257,103	2,503,013	3,760,116	5,807,147
Construction in progress	1,160,958	314,710	1,475,668	-
Total capital assets	<u>23,562,718</u>	<u>38,457,515</u>	<u>62,020,233</u>	<u>5,807,147</u>
Less accumulated depreciation	<u>(10,121,726)</u>	<u>(16,133,825)</u>	<u>(26,255,551)</u>	<u>(2,549,420)</u>
Total capital assets (net)	<u>13,440,992</u>	<u>22,323,690</u>	<u>35,764,682</u>	<u>3,257,727</u>
Total noncurrent assets	<u>14,423,459</u>	<u>23,306,157</u>	<u>37,729,616</u>	<u>3,257,727</u>
TOTAL ASSETS	<u>19,724,179</u>	<u>28,461,550</u>	<u>48,185,729</u>	<u>6,681,673</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflows related to pensions	<u>180,503</u>	<u>286,324</u>	<u>466,827</u>	<u>226,526</u>

(continued)

Statement of Net Position
Proprietary Funds
June 30, 2019 (continued)

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
LIABILITIES				
Current liabilities:				
Interfund Payable - pooled cash	\$ -	\$ -	\$ -	\$ 1,823
Accounts payable	190,867	85,193	276,060	74,106
Accrued wages payable	15,340	21,077	36,417	20,516
Accrued note interest payable	26,594	-	26,594	-
Notes payable - current	62,430	-	62,430	-
Total current liabilities	<u>295,231</u>	<u>106,270</u>	<u>401,501</u>	<u>96,445</u>
Noncurrent liabilities:				
Notes payable - net current portion	1,082,245	-	1,082,245	-
Net pension liability	513,002	843,691	1,356,693	657,927
Total noncurrent liabilities	<u>1,595,247</u>	<u>843,691</u>	<u>2,438,938</u>	<u>657,927</u>
TOTAL LIABILITIES	<u><u>1,890,478</u></u>	<u><u>949,961</u></u>	<u><u>2,840,439</u></u>	<u><u>754,372</u></u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred inflows related to pensions	<u>19,665</u>	<u>28,501</u>	<u>48,166</u>	<u>17,851</u>
NET POSITION				
Net investment in capital assets	12,296,317	22,323,690	34,620,007	3,257,727
Nonspendable	982,467	982,467	1,964,934	32,067
Unrestricted	4,715,755	4,463,255	9,179,010	2,846,182
TOTAL NET POSITION	<u><u>\$ 17,994,539</u></u>	<u><u>\$ 27,769,412</u></u>	<u><u>45,763,951</u></u>	<u><u>\$ 6,135,976</u></u>
	Adjustment to reflect the consolidation of internal service fund related to enterprise funds		141,454	
	Net position of business-type activities		<u><u>\$ 45,905,405</u></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, 2019**

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
Operating revenues:				
Water charges	\$ 2,438,490	\$ -	\$ 2,438,490	\$ -
Sewer charges	-	2,386,369	2,386,369	-
Other	925	-	925	5,862,576
Total operating revenues	<u>2,439,415</u>	<u>2,386,369</u>	<u>4,825,784</u>	<u>5,862,576</u>
Operating expenses:				
Operations and maintenance	904,771	1,146,850	2,051,621	5,167,414
Administration	165,829	167,880	333,709	-
Depreciation	638,687	921,972	1,560,659	639,246
Total operating expenses	<u>1,709,287</u>	<u>2,236,702</u>	<u>3,945,989</u>	<u>5,806,660</u>
Operating income (loss)	<u>730,128</u>	<u>149,667</u>	<u>879,795</u>	<u>55,916</u>
Nonoperating revenues (expenses)				
Investment earnings	105,800	108,048	213,848	66,726
Miscellaneous revenue	-	-	-	-
Contributions and donations	-	-	-	7,000
Gain (loss) on disposal of property	(3,194)	(5,249)	(8,443)	2,750
Interest expense	(46,905)	-	(46,905)	-
Total Nonoperating revenues (expenses)	<u>55,701</u>	<u>102,799</u>	<u>158,500</u>	<u>76,476</u>
Income (loss) before transfers and contributions	<u>785,829</u>	<u>252,466</u>	<u>1,038,295</u>	<u>132,392</u>
Capital contributions	520,618	785,914	1,306,532	-
Transfers in	27,028	27,028	54,056	277,162
Transfers out	(485,981)	(485,981)	(971,962)	-
Change in net position	<u>847,494</u>	<u>579,427</u>	<u>1,426,921</u>	<u>409,554</u>
Net position at the beginning of year	<u>17,147,045</u>	<u>27,189,985</u>		<u>5,726,422</u>
Net position at end of year	<u>\$ 17,994,539</u>	<u>\$ 27,769,412</u>		<u>\$ 6,135,976</u>
Adjustment to reflect the consolidation of internal service fund related to enterprise funds			(2,683)	
Changes in net position of business-type activities			<u>\$ 1,424,238</u>	

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

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2019

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 2,479,497	\$ 2,529,564	\$ 5,009,061	\$ 5,927,665
Other receipts	925	-	925	-
Payments to suppliers and service providers	(460,301)	(646,610)	(1,106,911)	(4,627,209)
Payments to employees for salaries and benefits	(479,801)	(698,607)	(1,178,408)	(592,828)
Net cash provided (used) by operating activities	<u>1,540,320</u>	<u>1,184,347</u>	<u>2,724,667</u>	<u>707,628</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund Loan	(1,507,467)	(1,507,467)	(3,014,934)	-
Proceeds from Interfund loan repayments	225,000	225,000	450,000	-
Transfers from other funds	27,028	27,028	54,056	277,162
Transfers to other funds	(485,981)	(485,981)	(971,962)	-
Net cash (used for) noncapital financing activities	<u>(1,741,420)</u>	<u>(1,741,420)</u>	<u>(3,482,840)</u>	<u>277,162</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	520,618	785,914	1,306,532	-
Acquisition of capital assets	(1,265,655)	(1,705,100)	(2,970,755)	(703,709)
Contributions and donations	-	-	-	7,000
Principal payments on capital debt	(60,028)	-	(60,028)	-
Interest paid on capital debt	(50,497)	-	(50,497)	-
Net cash provided by (used for) capital and related financing activities	<u>(855,562)</u>	<u>(919,186)</u>	<u>(1,774,748)</u>	<u>(696,709)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(1,955,175)	(1,855,337)	(3,810,512)	(1,206,839)
Interest received on investments	86,454	89,690	176,144	54,784
Proceeds from sales and maturities of investments	<u>2,808,416</u>	<u>3,099,860</u>	<u>5,908,276</u>	<u>774,015</u>
Net cash provided by investing activities	<u>939,695</u>	<u>1,334,213</u>	<u>2,273,908</u>	<u>(378,040)</u>
Net increase (decrease) in cash and cash equivalents	(116,967)	(142,046)	(259,013)	(89,959)
Cash and cash equivalents - July 1	<u>382,346</u>	<u>393,874</u>	<u>776,220</u>	<u>288,267</u>
Cash and cash equivalents - June 30	<u>\$ 265,379</u>	<u>\$ 251,828</u>	<u>\$ 517,207</u>	<u>\$ 198,308</u>

(continued)

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2019 (continued)

	<u>Water</u>	<u>Sewage</u>	<u>Totals</u>	Governmental Activities Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 730,128	\$ 149,667	\$ 879,795	\$ 55,916
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	638,687	921,972	1,560,659	639,246
Pension expense	17,320	35,013	52,333	23,929
Decrease in accounts receivable	41,006	143,195	184,201	52,747
Decrease in due from other government units	-	-	-	12,344
(Increase) decrease in inventory	10,417	10,417	20,834	(22,564)
Decrease in prepaid items	-	-	-	58,256
Increase in interfund payable - pooled cash	-	-	-	1,823
Increase (decrease) accounts payable	103,532	(72,060)	31,472	(111,626)
(Decrease) in accrued wages payable	(770)	(3,857)	(4,627)	(2,443)
Total Adjustments	<u>810,192</u>	<u>1,034,680</u>	<u>1,844,872</u>	<u>651,712</u>
Net Cash Provided (Used for) Operating Activities	<u><u>\$ 1,540,320</u></u>	<u><u>\$ 1,184,347</u></u>	<u><u>\$ 2,724,667</u></u>	<u><u>\$ 707,628</u></u>
Schedule of noncash investing, capital and financing activities:				
Increase (Decrease) in fair value of investments	\$ 19,346	\$ 18,358	\$ 37,704	\$ 11,942

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 property 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 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, 2019, expenditures exceeded appropriations in two General Fund departments: Public Restrooms and Parks and Recreation (county service). Through four formal supplementary appropriations, the General Fund original budget increased 8.7%. Actual expenditures and other uses are 3.7% under the final amended budget.

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

1. Cash and cash equivalents

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

2. Investments

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

Investments for the Town are reported at fair value.

3. Receivables

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

A receivable is considered past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on receivables that are outstanding for more than 30 days. Accrual of interest is not suspended until a receivable is determined to be uncollectible. Provisions for bad debts would be insignificant and immaterial and none has been made for 2019.

4. Short-term interfund receivables/payables

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

5. Inventories, prepaid items, and deposits

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and

fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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

6. 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 and inflows 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, each proprietary fund statement of position, and the Fleet Management Fund within the Internal Service Fund statement of net position.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The Town has reported deferred inflows of resources related to pensions on the government-wide statement of net position, each proprietary fund statement of position, and the Fleet Management Fund within the Internal Service Fund statement of net position.

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

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

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 2018 financial statement amounts have been reclassified to conform to the 2019 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 was reapproved on the ballot in November 2018. The Jackson Hole Travel and Tourism Joint Powers board is responsible for allocating 60% of the collected funds. Teton County and the Town of Jackson governments are responsible for the remaining 40% of the funds collected.

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 2019, 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, 2019, there was one non-major fund (fleet management) with a deficit fund balance. Fleet management deficit is due to 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, 2019 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and cash equivalents	\$ 3,038,550
Investments	36,965,958
Total cash and investments	<u>\$ 40,004,508</u>

Cash and investments at June 30, 2019 consist of the following:

Cash:

Cash on hand	\$ 300
Deposit with financial institutions	778,114

Cash equivalents:

Short-term certificate of deposit	2,133,690
Money market funds	126,446

Investments:

Federal agencies	22,025,127
US Securities	998,860
WYO-STAR	13,941,971
Total cash, cash equivalents, and investments	<u>\$ 40,004,508</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, 2019, 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.	\$ 11,007,997	1.08
Federal Farm Credit Bank	2,000,210	1.79
Federal Home Loan Banks	9,016,920	0.87
US Securities	998,860	0.08
WYO-STAR	13,941,971	0.00
	\$ 36,965,958	0.00
Portfolio weighted average maturity (yrs)		0.61

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Investment Portfolio</u>
Federal Agencies:		
Federal National Mortgage Assn.	\$ 11,007,997	29.8%
Federal Farm Credit Bank	2,000,210	5.4%
Federal Home Loan Banks	9,016,920	24.4%
US Securities	998,860	2.7%
WYO-STAR	13,941,971	37.7%

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, 2019:

Both the \$22,025,127 in U.S. agency securities and \$998,860 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	Investments	Total
Governmental activities:			
General Fund	\$ 506,175	\$ 9,779,072	\$10,285,247
Start Fund	31,325	533,589	564,914
5th Cent Capital Projects	412,405	7,024,888	7,437,293
Nonmajor governmental	1,373,130	8,028,074	9,401,204
Internal service funds	200,991	2,790,265	2,991,256
Total	2,524,026	28,155,888	30,679,914
Business-type activities:			
Water	265,379	4,520,450	4,785,829
Sewage	251,828	4,289,620	4,541,448
Internal service funds	(2,683)	-	(2,683)
Total	514,524	8,810,070	9,324,594
Government-wide total	3,038,550	36,965,958	40,004,508
Total cash and investments	\$ 3,038,550	\$36,965,958	\$40,004,508

D. Concentration of sales and revenues

Teton County School District and Snow King Resort (and affiliates) are the two largest customers of water and sewage. Teton County School District water purchases account for \$76,249 (3%) and sewage charges account for \$30,475 (1%) of total sales. Snow King water purchases account for \$92,026 (4%) of the Water Fund's operating revenue and sewage charges account for \$19,306 (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 2019 lease payment is \$129,037.

Details for property under lease agreement are as follows:

Leased Property	Historical Carrying Cost	Accumulated Depreciation	Annual Depreciation
Winter Sports Facility	\$ 7,995,801	\$ 4,300,030	\$ 284,777

F. Capital assets

Capital asset activities for the year end June 30, 2019 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	\$ 29,122,401	\$ 1,429,745	\$ -	\$ 30,552,146	\$ -	\$ 30,552,146	\$ -	\$ 1,429,745
Construction in progress	2,920,182	1,180,512	(2,465,731)	1,634,963	-	1,634,963	-	1,180,512
Total	32,042,583	2,610,257	(2,465,731)	32,187,109	-	32,187,109	-	2,610,257
Depreciable capital assets:								
Buildings and improvements	58,864,837	3,374,561	-	62,239,398	-	62,239,398	-	3,374,561
Machinery and equipment	20,738,173	2,313,160	(291,538)	22,759,795	5,807,147	16,952,648	763,943	1,549,217
Intangible assets	1,800,000	-	-	1,800,000	-	1,800,000	-	-
Infrastructure	49,760,332	2,695,281	(25,640)	52,429,973	-	52,429,973	-	2,695,281
Total	131,163,342	8,383,002	(317,178)	139,229,166	5,807,147	133,422,019	763,943	7,619,059
Total capital assets	163,205,925	10,993,259	(2,782,909)	171,416,275	5,807,147	165,609,128	763,943	10,229,316
Less accumulated depreciation for:								
Buildings and improvements	(19,314,077)	(1,875,962)	-	(21,190,039)	-	(21,190,039)	-	(1,875,962)
Machinery and equipment	(12,151,394)	(1,599,411)	291,538	(13,459,267)	(2,549,420)	(10,909,847)	(639,246)	(960,165)
Intangible assets	(187,995)	(18,182)	-	(206,177)	-	(206,177)	-	(18,182)
Infrastructure	(24,900,410)	(1,165,207)	50,864	(26,014,753)	-	(26,014,753)	-	(1,165,207)
Total accumulated depreciation	(56,553,876)	(4,658,762)	342,402	(60,870,236)	(2,549,420)	(58,320,816)	(639,246)	(4,019,516)
Total governmental activities capital assets, net	\$ 106,652,049	\$ 6,334,497	\$ (2,440,507)	\$ 110,546,039	\$ 3,257,727	\$ 107,288,312	\$ 124,697	\$ 6,209,800
Business-type activities:								
Nondepreciable capital assets								
Land	\$ 1,100,404	\$ -	\$ -	\$ 1,100,404	-	-	-	-
Construction in progress	1,667,750	978,708	(1,170,790)	1,475,668	-	-	-	-
Total	2,768,154	978,708	(1,170,790)	2,576,072	-	-	-	-
Depreciable capital assets:								
Buildings and improvements	53,414,749	2,289,246	(19,950)	55,684,045	-	-	-	-
Machinery and equipment	2,947,111	875,900	(62,895)	3,760,116	-	-	-	-
Total	56,361,859	3,165,146	(82,845)	59,444,160	-	-	-	-
Total capital assets	59,130,013	4,143,854	(1,253,635)	62,020,232	-	-	-	-
Less accumulated depreciation for:								
Buildings and improvements	(22,914,646)	(1,362,501)	11,507	(24,265,640)	-	-	-	-
Machinery and equipment	(1,854,647)	(198,158)	62,895	(1,989,910)	-	-	-	-
Total accumulated depreciation	(24,769,293)	(1,560,659)	74,402	(26,255,550)	-	-	-	-
Total business-type activities capital assets, net	\$ 34,360,720	\$ 2,583,195	\$ (1,179,233)	\$ 35,764,682	-	-	-	-

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	\$ 854,598
Public safety	178,073
Public works	1,756,767
Recreation and culture	473,229
Transit	1,396,095
Total depreciation expenses - governmental activities	4,658,762
Internal service fund depreciation on capital assets charged to the various functions based on usage.	(639,246)
Depreciation expense excluding internal service fund.	\$ 4,019,516

Business-type activities:

Water Fund	\$ 638,687
Sewer Fund	921,972
Total depreciation expenses - business-type activities	\$ 1,560,659

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, 2019, 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, 2019, there are interfund balances that are generally short-term loans used to cover temporary cash deficits in various funds. The interfund transfers generally are made for the

purposes of distributing revenue from the general fund to other funds for capital projects and operations. Aside from utility transfers discussed below, no significant transfers during the fiscal year that were either non-routine in nature or inconsistent with the activities of the fund making the transfer.

The composition of interfund balances as of June 30, 2019 is as follows:

Receivable Fund	Payable Fund	Amount
General	Vertical Harvest	\$ 1,823
Water	5th Cent Capital Projects	1,282,467
Sewage	5th Cent Capital Projects	1,282,467

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

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:

Governmental Fund Activities:	Court	Construction	Housing		Total
	Bonds	Bonds	Grants	Deposits	
Unearned revenue					
General Fund	\$ 9,740	\$ 1,006,812	\$ -	\$ -	\$ 1,016,552
START Bus System	-	-	25,940	-	25,940
Employee Housing	-	-	-	31,840	31,840
Total	\$ 9,740	\$ 1,006,812	\$ 25,940	\$ 31,840	\$ 1,074,332

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, 2019:

	Accounts Receivable	Due from other Governments
Governmental activities:		
General Fund	\$ -	\$ 57,556
START Bus System	-	1,015,023
5th Cent Capital Projects	9,564	132,327
2006 SPET	3,759	-
Internal service funds	-	29,968
Total governmental activities	<u>13,323</u>	<u>1,234,874</u>
Business-type activities		
Water Fund	184,298	-
Sewage Fund	283,350	-
Total business-type activities	<u>467,648</u>	<u>-</u>
Total	<u>\$ 480,971</u>	<u>\$ 1,234,874</u>

Transfers: The following interfund transfers are reflected in the fund financial statements at June 30, 2019:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	\$1,051,926	\$5,042,398
START	430,914	72,865
5th Cent Capital Projects	4,506,697	1,312,218
Nonmajor governmental	1,535,701	457,013
Total governmental funds	<u>7,525,238</u>	<u>6,884,494</u>
Enterprise funds:		
Water	27,028	485,981
Sewage	27,028	485,981
Total enterprise funds	<u>54,056</u>	<u>971,962</u>
Internal service funds		
Total	<u>\$7,856,456</u>	<u>\$7,856,456</u>

The following schedule reflects each fund transfer:

In Fund	Out Fund	Amount
General Fund	Water	\$ 485,981 (1)
	Sewage	485,981 (1)
	START Bus	53,865 (1)
	Animal Care	26,099 (1)
START	Lodging Tax	430,914 (1)
Capital Projects	General Fund	4,506,697 (2)
Employee Housing	General Fund	1,250,000 (3)
Affordable Housing	General Fund	285,701 (3)
Utility Funds	Capital Projects	54,056 (4)
IT Services	Capital Projects	175,812 (5)
Central Equipment	Capital Projects	82,350 (5)
	START Bus	19,000 (5)
		<u>\$ 7,856,456</u>

Annual reimbursement for shared expenditures

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

J. Long-term liabilities

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

The first is a \$644,330, 4% 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, 4% note also with the WWDC. This note is secured by the revenues of the Water Fund and a mortgage on the assets of the water supply system. This 30 year note is also payable in equal annual installments.

The last 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 6/30/2019
Snow King Infrastructure				
Snow King Loan	03/31/35	0.50%	\$ 1,000,000	\$ 808,360
Business-type activities				
Notes Payable	Final Maturity	Interest Rates	Issue Amount	Outstanding 6/30/2019
Water supply and storage projects				
1997 WWDC note	05/01/22	4.00%	\$ 644,330	\$ 149,714
2010 WWDC note	11/11/41	4.00%	1,158,046	994,961
Total				<u>\$ 1,144,675</u>

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
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	49,242	3,311	70,212	37,067
2024	49,488	3,064	31,787	35,183
2025-2029	251,175	11,585	179,054	155,796
2030-34	257,518	5,243	217,847	117,003
2035-39	54,678	273	265,044	69,806
2040-41	-	-	185,847	14,920
Total	<u>\$ 808,360</u>	<u>\$ 34,872</u>	<u>\$ 1,144,675</u>	<u>\$ 559,545</u>

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2019:

	Beginning Balance	Additions/ Proceeds	Reductions/ Payments	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable:					
Snow King Loan	\$ 856,629	\$ -	\$ (48,269)	\$ 808,360	\$ 48,510
Governmental activities total	856,629	-	(48,269)	808,360	48,510
Business-type activities:					
Notes payable:					
Water - supply	183,615	-	(33,901)	149,714	35,259
Water - storage	1,021,087	-	(26,126)	994,961	27,171
Business-type activities total	1,204,702	-	(60,027)	1,144,675	62,430
Government-wide total	\$2,061,331	\$ -	\$ (108,296)	\$1,953,035	\$110,940

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, 2019 will not materially affect the financial condition of the Town.

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

The Town self-insures its health benefit coverage up to an annual \$60,000 per claimant, with exception of laser coverage option. Stop-loss coverage is purchased from private insurers for amounts exceeding \$60,000. For the year ended June 30, 2019, the Town did exercise laser coverage on one participant. Health benefit self-insurance activities are accounted for in the Employee Insurance Fund, an internal service fund.

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

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

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

	2017	2018	2019
Paid losses	\$26,532	\$30,316	\$48,075
Paid expenses	701	-	20,824
Reserves	8,342	-	24,812
Total incurred	<u>\$35,575</u>	<u>\$30,316</u>	<u>\$93,711</u>

The Town's commercial insurance carrier has no set reserve losses or reserve expenses for claims filed after June 30, 2019 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 cost sharing multiple-employer public employee retirement system. The System is established and governed by the respective sections of Wyoming state statute. The statute provides for the administration of the System under the direction of the Wyoming State Retirement Board whose members are appointed by the Governor. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. A copy of the report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, Suite 500, Cheyenne, Wyoming 82002, by calling 1-307-777-7691, or <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 17.12% of the participant's salary to be contributed to PEPP. Contributions consist of 8.50% of the participant's salary as employee contributions and 8.62% 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 eight optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

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

Contributions to PEPP for the year ended June 30, 2019 were \$793,171.

Law Enforcement Pension Plan

The Wyoming Law Enforcement Pension Plan (LEPP) is a cost sharing multiple employer defined benefit, contributory plan covering all law enforcement employees of the Town.

LEPP statutorily requires participants to contribute 8.6% of their salary to LEPP and the employer is required to contribute 8.6% of each participant's salary.

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

Contributions to LEPP for the year ended June 30, 2019 were \$211,035.

Wyoming Deferred Compensation Plan

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

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

At June 30, 2019, the Town reported an entity-wide net pension liability of \$12,218,711 of which \$10,862,018 is related to governmental activities and \$513,002 and \$843,691 is related to the Town's water and sewer funds, respectively.

Plan	Proportionate Share	Net Pension Liability
PEPP	0.295472%	\$ 8,997,981
LEPP	1.330483%	<u>3,220,730</u>
Total net pension liability		<u>\$ 12,218,711</u>

The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018 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 2018.

For the year ended June 30, 2019, the Town recognized entity-wide pension expense of \$669,202. At June 30, 2019, the Town reported entity-wide deferred outflows of resources related to pensions from the following sources:

	PEPP		Fiscal Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources	
	Outflows of Resources	Inflows of Resources		PEPP	LEPP
Difference between expected and actual experience			2020	\$ 518,858	\$ 407,275
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 225,971	2021	518,858	407,275
Changes in assumptions	2,372,920	2,221	2022	518,858	407,275
Contributions subsequent to the measurement date	449,560	-	2023	518,858	407,275
	399,487	-	2024	518,858	407,275
	<u>\$ 3,221,967</u>	<u>\$ 228,192</u>		<u>\$ 2,594,288</u>	<u>\$ 2,036,377</u>

	LEPP		Fiscal Year Ending June 30,	Net Deferred Outflows (Inflows) of Resources	
	Deferred Outflows of Resources	Deferred Inflows of Resources		PEPP	LEPP
Difference between expected and actual experience	\$ -	\$ 141,024			
Net difference between projected and actual earnings on pension plan investments	839,950	37,047			
Changes in assumptions	1,374,498	-			
Contributions subsequent to the measurement date	97,918	-			
	<u>\$ 2,312,366</u>	<u>\$ 178,071</u>			

Deferred outflows of resources related to pensions resulting from Town contributions of \$497,405 made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

	Fiscal Year Ending June 30,		PEPP	LEPP
	Outflows of Resources	Inflows of Resources		
Difference between expected and actual experience				
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 225,971		
Changes in assumptions	2,372,920	2,221		
Contributions subsequent to the measurement date	449,560	-		
	399,487	-		
	<u>\$ 3,221,967</u>	<u>\$ 228,192</u>		
			<u>\$ 2,594,288</u>	<u>\$ 2,036,377</u>

Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	PEPP	LEPP
Projected salary increases, includes inflation	4.75% to 8.75%	4.75% to 8.75%
Assumed inflation rate	2.25%	2.25%
Investment Rate of Return	7.00%	7.00%

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

Discount Rate

The discount rate used to measure the total pension liability for PEEP was 7.00% and LEPP was 5.92%. 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.

Asset Class	Allocation	20 Year Arithmetic Expected Real Return
Cash	0.00%	30.00%
Fixed Income	20.00%	2.00%
Equity	49.00%	7.40%
Marketable Alternatives	19.00%	3.50%
Private Markets	12.00%	7.00%
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 PEPP discount rate of 7.00 percent and the LEPP discount rate of 5.92 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 or 1-percentage-point higher than the current rate:

	Discount Rate		
	1% Decrease	Rate	1% Increase
<i>PEPP</i>	6.00%	7.00%	8.00%
Proportionate share of net pension liability	\$ 12,478,988	\$ 8,997,981	\$ 6,093,115
<i>LEPP</i>	4.92%	5.92%	6.92%
Proportionate share of net pension liability (asset)	4,849,102	3,220,730	1,900,602

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, 2019, the Town had the following remaining commitments for uncompleted construction and equipment purchase contracts:

Fund/Project	Remaining Contract
Water	
Upper Snow King Estates	227,669
START	
Bus	473,893
Capital Projects	
Cache Creek storm drainage	942,378
Powderhorn Lane storm drainage	267,574
Aspen Cemetery	171,205

In 2008, the Town created a shared-appreciation mortgage program as a recruitment tool for key personnel. At June 30, 2019, 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, 2019, are as follows:

Classification/Fund	Purpose	Amount
Nonspendable		
General Fund	Prepaid items	\$ 1,803
START Bus System	Deposits	32,850
Restricted		
General Fund	Victim services	7,722
2010 SPET	Energy	532,318
2006 SPET	Pathways/Sidewalks	315,511
2014 SPET	Pedestrian/Complete Streets	3,235,846
2016 SPET	Landslide mitigation	2,109,537
Parking Exactions	Parking improvements	131,627
Parks Exactions	Park improvements	141,427
Affordable Housing	Housing options	252,762
Lodging Tax	Visitor impacts	113,988
Animal Care	Animal shelter	432,945
Assigned		
Employee Housing	Employee housing	1,479,654
Affordable Housing	Housing options	734,379
5th Cent Capital Projects	Various improvements	4,488,520
START Bus System	Transit	1,327,601
Vertical Harvest	Greenhouse	24,512
Snow King Snow Making	Snowmaking infrastructure	49,126
Unassigned		
General Fund		8,673,764
Total fund balances		<u>\$24,085,892</u>

For the year ended June 30, 2019, the Town closed the following fund(s): None.

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

REQUIRED SUPPLEMENTARY INFORMATION**TOWN OF JACKSON****SCHEDULE THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY****Public Employees' Pension Plan****June 30, 2019**

	Year Ended June 30, 2015	Year Ended June 30, 2016	Year Ended June 30, 2017	Year Ended June 30, 2018	Year Ended June 30, 2019
Proportion of the net pension liability	0.2477%	0.2588%	0.2691%	0.2887%	0.2955%
Proportionate share of the net pension liability	\$ 4,371,143	6,028,352	5,479,223	6,580,771	8,997,981
Covered payroll	\$ 3,943,265	4,230,734	4,778,688	5,262,281	5,293,019
Proportionate share of the net pension liability as a percentage of its covered payroll	110.85%	142.49%	120.31%	125.06%	170.00%
Plan fiduciary net position as a percentage of the total pension liability	79.08%	73.40%	73.42%	76.35%	69.17%

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.

REQUIRED SUPPLEMENTARY INFORMATION**TOWN OF JACKSON****SCHEDULE THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY****Law Enforcement Pension Plan****June 30, 2019**

	Year Ended June 30, 2015	Year Ended June 30, 2016	Year Ended June 30, 2017	Year Ended June 30, 2018	Year Ended June 30, 2019
Proportion of the net pension liability	0.9710%	1.1008%	1.1771%	1.2442%	1.3305%
Proportionate share of the net pension liability	\$ 276,396	826,914	929,485	1,070,529	3,220,730
Covered payroll	\$ 1,417,464	1,546,825	1,812,347	1,864,861	1,868,644
Proportionate share of the net pension liability as a percentage of its covered payroll	19.50%	53.46%	51.29%	57.41%	172.36%
Plan fiduciary net position as a percentage of the total pension liability	94.76%	87.49%	88.11%	87.99%	71.22%

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.

REQUIRED SUPPLEMENTARY INFORMATION**TOWN OF JACKSON****SCHEDULE OF CONTRIBUTIONS****Public Employees' Pension Plan****June 30, 2019**

	Year Ended June 30, 2015	Year Ended June 30, 2016	Year Ended June 30, 2017	Year Ended June 30, 2018	Year Ended June 30, 2019
Contractually required contribution	\$ 599,783	674,888	716,906	748,507	793,171
Contributions in relation to the contractually required contribution	<u>599,783</u>	<u>674,888</u>	<u>716,906</u>	<u>748,507</u>	<u>793,171</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 3,779,351	4,060,698	4,313,514	4,503,653	4,633,008
Contributions as a percentage of covered payroll	15.87%	16.62%	16.62%	16.62%	17.12%

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.

REQUIRED SUPPLEMENTARY INFORMATION**TOWN OF JACKSON****SCHEDULE OF CONTRIBUTIONS****Law Enforcement Pension Plan****June 30, 2019**

	Year Ended June 30, 2015	Year Ended June 30, 2016	Year Ended June 30, 2017	Year Ended June 30, 2018	Year Ended June 30, 2019
Contractually required contribution	\$ 194,497	209,399	216,528	205,142	211,035
Contributions in relation to the contractually required contribution	<u>194,497</u>	<u>209,399</u>	<u>216,528</u>	<u>205,142</u>	<u>211,035</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered payroll	\$ 1,130,797	1,217,436	1,258,884	1,192,687	1,226,948
Contributions as a percentage of covered payroll	17.20%	17.20%	17.20%	17.20%	17.20%

Note: Amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

Schedule intends to show ten years of data, additional years will be displayed when it becomes available.

Combining Balance Sheet
Nonmajor Governmental Funds by Fund Type
June 30, 2019

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 951,288	\$ 421,842	\$ 1,373,130
Investments	2,098,837	5,929,237	8,028,074
Accounts receivable	-	3,759	3,759
Prepaid items	9,448	-	9,448
Deposits	4,100	-	4,100
Notes receivable - housing	266,500	-	266,500
Total assets	<u>3,330,173</u>	<u>6,354,838</u>	<u>9,685,011</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	11,551	87,988	99,539
Unearned revenue	31,840	-	31,840
Total liabilities	<u>43,391</u>	<u>87,988</u>	<u>131,379</u>
Fund balances:			
Nonspendable	-	-	-
Restricted	1,072,749	6,193,212	7,265,961
Assigned	2,214,033	73,638	2,287,671
Total fund balances	<u>3,286,782</u>	<u>6,266,850</u>	<u>9,553,632</u>
Total liabilities and fund balances	<u>\$ 3,330,173</u>	<u>\$ 6,354,838</u>	<u>\$ 9,685,011</u>

**Combining Statement of Revenues, Expenditures, and Changes
in Fund Balances - Nonmajor Governmental Funds by Fund Type
Year Ended June 30, 2019**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
General Taxes	\$ 846,150	\$ -	\$ 846,150
Licenses and permits	340,618	-	340,618
Contributions and Donations	-	7,200	7,200
Investment earnings	70,064	150,696	220,760
Other revenues	380,479	79,262	459,741
Total revenues	1,637,311	237,158	1,874,469
Expenditures:			
Current:			
General Government	406,450	-	406,450
Public safety	27,395	-	27,395
Community development	316,184	-	316,184
Recreation and culture	468,801	-	468,801
Capital outlay	1,025,440	1,959,896	2,985,336
Debt service	-	52,552	52,552
Total expenditures	2,244,270	2,012,448	4,256,718
Excess (deficiency) of revenues over expenditures	(606,959)	(1,775,290)	(2,382,249)
Other financing sources (uses)			
Transfers in	1,535,701	-	1,535,701
Transfers out	(457,013)	-	(457,013)
Total other financing sources (uses)	1,078,688	-	1,078,688
Net change in fund balances	471,729	(1,775,290)	(1,303,561)
Fund balance at beginning of year	2,815,053	8,042,140	10,857,193
Fund balance at end of year	\$ 3,286,782	\$ 6,266,850	\$ 9,553,632

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019

	Employee Housing	Affordable Housing	Parking Exactions	Parks Exactions	Animal Care	Lodging Tax	Total
ASSETS							
Cash and cash equivalents	\$ 68,477	\$ 54,738	\$ 131,627	\$ 141,427	\$ 433,286	\$ 121,733	\$ 951,288
Investments	1,166,434	932,403	-	-	-	-	2,098,837
Notes receivable - housing	266,500	-	-	-	-	-	266,500
Deposits	4,100	-	-	-	-	-	4,100
Prepaid items	9,448	-	-	-	-	-	9,448
Total assets	<u>1,514,959</u>	<u>\$ 987,141</u>	<u>\$ 131,627</u>	<u>\$ 141,427</u>	<u>\$ 433,286</u>	<u>\$ 121,733</u>	<u>\$ 3,330,173</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	3,465	-	-	-	341	7,745	11,551
Deposits payable	31,840	-	-	-	-	-	31,840
Total liabilities	<u>35,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>341</u>	<u>7,745</u>	<u>43,391</u>
Fund balances:							
Restricted	-	252,762	131,627	141,427	432,945	113,988	1,072,749
Assigned	1,479,654	734,379	-	-	-	-	2,214,033
Total fund balances	<u>1,479,654</u>	<u>987,141</u>	<u>131,627</u>	<u>141,427</u>	<u>432,945</u>	<u>113,988</u>	<u>3,286,782</u>
Total liabilities and fund balances	<u>\$ 1,514,959</u>	<u>\$ 987,141</u>	<u>\$ 131,627</u>	<u>\$ 141,427</u>	<u>\$ 433,286</u>	<u>\$ 121,733</u>	<u>\$ 3,330,173</u>

**Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Special Revenue Funds
Year Ended June 30, 2019**

	<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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 846,150	\$ 846,150
Licenses and permits	-	249,868	18,300	72,450	-	-	340,618
Investment earnings	29,337	29,025	3,081	3,039	378	5,204	70,064
Other revenue:							
Other	260,574	-	-	-	119,905	-	380,479
Total revenues	<u>289,911</u>	<u>278,893</u>	<u>21,381</u>	<u>75,489</u>	<u>120,283</u>	<u>851,354</u>	<u>1,637,311</u>
Expenditures:							
Current:							
General government	406,450	-	-	-	-	-	406,450
Public safety	-	-	-	-	27,395	-	27,395
Community development	-	281,184	35,000	-	-	-	316,184
Recreation and culture	-	-	-	-	-	468,801	468,801
Capital outlay	-	1,025,440	-	-	-	-	1,025,440
Total expenditures	<u>406,450</u>	<u>1,306,624</u>	<u>35,000</u>	<u>-</u>	<u>27,395</u>	<u>468,801</u>	<u>2,244,270</u>
Excess of revenues over expenditures	<u>(116,539)</u>	<u>(1,027,731)</u>	<u>(13,619)</u>	<u>75,489</u>	<u>92,888</u>	<u>382,553</u>	<u>(606,959)</u>
Other financing sources (uses):							
Transfers in	1,250,000	285,701	-	-	-	-	1,535,701
Transfers out	-	-	-	-	(26,099)	(430,914)	(457,013)
Total other financing sources (uses)	<u>1,250,000</u>	<u>285,701</u>	<u>-</u>	<u>-</u>	<u>(26,099)</u>	<u>(430,914)</u>	<u>1,078,688</u>
Net change in fund balance	1,133,461	(742,030)	(13,619)	75,489	66,789	(48,361)	471,729
Fund balance at beginning of year	346,193	1,729,171	145,246	65,938	366,156	162,349	2,815,053
Fund balance at end of year	<u>\$ 1,479,654</u>	<u>\$ 987,141</u>	<u>\$ 131,627</u>	<u>\$ 141,427</u>	<u>\$ 432,945</u>	<u>\$ 113,988</u>	<u>\$ 3,286,782</u>

Employee Housing Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 1,000	\$ 1,000	\$ 29,337	\$ 28,337
Other revenues:				
Rental charges	214,660	279,660	260,574	(19,086)
Total revenues	<u>215,660</u>	<u>280,660</u>	<u>289,911</u>	<u>9,251</u>
Expenditures:				
General government:				
Contractual services	240,655	466,740	406,450	(60,290)
Total expenditures	<u>240,655</u>	<u>466,740</u>	<u>406,450</u>	<u>(60,290)</u>
Excess (deficiency) of revenues over expenditures	(24,995)	(186,080)	(116,539)	69,541
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	1,225,005	1,063,920	1,133,461	69,541
Fund balance at beginning of year	346,193	346,193	346,193	-
Fund balance at end of year	<u>\$ 1,571,198</u>	<u>\$ 1,410,113</u>	<u>\$ 1,479,654</u>	<u>\$ 69,541</u>

Affordable Housing
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and Permits:				
Employee housing exactions	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Affordable housing exactions	20,000	20,000	-	(20,000)
Workforce housing exactions	30,000	30,000	249,868	219,868
Investment earnings	10,000	10,000	29,025	19,025
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>278,893</u>	<u>208,893</u>
Expenditures:				
Community development:				
Contracted Services	285,701	285,701	281,184	(4,517)
Capital outlay	766,538	1,025,442	1,025,440	(2)
Total expenditures	<u>1,052,239</u>	<u>1,311,143</u>	<u>1,306,624</u>	<u>(4,519)</u>
Excess (deficiency) of revenues over expenditures	<u>(982,239)</u>	<u>(1,241,143)</u>	<u>(1,027,731)</u>	<u>213,412</u>
Other financing sources (uses):				
Transfers in	285,701	285,701	285,701	-
Total other financing sources (uses)	<u>285,701</u>	<u>285,701</u>	<u>285,701</u>	<u>-</u>
Net change in fund balance	(696,538)	(955,442)	(742,030)	213,412
Fund balance at beginning of year	1,729,171	1,729,171	1,729,171	-
Fund balance at end of year	<u>\$ 1,032,633</u>	<u>\$ 773,729</u>	<u>\$ 987,141</u>	<u>\$ 213,412</u>

Parking Exactions Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits:				
Parking exactions	\$ 1,000	\$ 1,000	\$ 17,000	\$ 16,000
Encroachment fees	-	-	1,300	1,300
Investment earnings	200	200	3,081	2,881
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>21,381</u>	<u>20,181</u>
Expenditures:				
Community development:				
Other	35,000	35,000	35,000	-
Total expenditures	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net change in fund balance	(33,800)	(33,800)	(13,619)	20,181
Fund balance at beginning of year	145,246	145,246	145,246	-
Fund balance at end of year	<u>\$ 111,446</u>	<u>\$ 111,446</u>	<u>\$ 131,627</u>	<u>\$ 20,181</u>

Parks Exactions Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits:				
Subdivision exactions	\$ 10,000	\$ 10,000	\$ 72,450	\$ 62,450
Investment earnings	100	100	3,039	2,939
Total revenues	<u>10,100</u>	<u>10,100</u>	<u>75,489</u>	<u>65,389</u>
Expenditures:				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	<u>10,100</u>	<u>10,100</u>	<u>75,489</u>	<u>65,389</u>
Net change in fund balance	10,100	10,100	75,489	65,389
Fund balance at beginning of year	65,938	65,938	65,938	-
Fund balance at end of year	<u>\$ 76,038</u>	<u>\$ 76,038</u>	<u>\$ 141,427</u>	<u>\$ 65,389</u>

Animal Care Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 200	\$ 200	\$ 378	\$ 178
Other revenues:				
Donations and contributions	60,000	60,000	119,905	59,905
Total revenues	<u>60,200</u>	<u>60,200</u>	<u>120,283</u>	<u>60,083</u>
Expenditures:				
Public safety:				
Supplies	30,000	30,000	27,395	(2,605)
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>27,395</u>	<u>(2,605)</u>
Other financing sources (uses):				
Transfers out	(35,000)	(35,000)	(26,099)	8,901
Total other financing sources (uses)	<u>(35,000)</u>	<u>(35,000)</u>	<u>(26,099)</u>	<u>8,901</u>
Net change in fund balance	(4,800)	(4,800)	66,789	71,589
Fund balance at beginning of year	366,156	366,156	366,156	-
Fund balance at end of year	<u>\$ 361,356</u>	<u>\$ 361,356</u>	<u>\$ 432,945</u>	<u>\$ 71,589</u>

Lodging Tax Fund
Schedule of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual
Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
General taxes	\$ 829,638	\$ 829,638	\$ 846,150	\$ 16,512
Investment earnings	200.00	200.00	5,204	\$ 5,004
Total revenues	<u>829,838</u>	<u>829,838</u>	<u>851,354</u>	<u>21,516</u>
Expenditures:				
Recreation and culture:				
Parks and Recreation	398,474	398,474	398,452	(22.00)
Pathways	84,600	84,600	70,349	(14,251)
Total expenditures	<u>483,074</u>	<u>483,074</u>	<u>468,801</u>	<u>(14,273)</u>
Other financing sources (uses):				
Transfers out	(430,914)	(430,914)	(430,914)	-
Total other financing sources (uses)	<u>(430,914)</u>	<u>(430,914)</u>	<u>(430,914)</u>	<u>-</u>
Net change in fund balance	(84,150)	(84,150)	(48,361)	35,789
Fund balance at beginning of year	162,349	162,349	162,349	-
Fund balance at end of year	<u>\$ 78,199</u>	<u>\$ 78,199</u>	<u>\$ 113,988</u>	<u>\$ 35,789</u>

Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2019

	2006 SPET	2010 SPET	2014 SPET	2016 SPET	Vertical Harvest	Snow King	Total
ASSETS							
Cash and cash equivalents	\$ 17,287	\$ 33,114	\$ 180,498	\$ 117,185	\$ 24,632	\$ 49,126	\$ 421,842
Investments	294,465	564,066	3,074,588	1,996,118	-	-	5,929,237
Accounts Receivable	3,759	-	-	-	-	-	3,759
Total Assets	<u>315,511</u>	<u>597,180</u>	<u>3,255,086</u>	<u>2,113,303</u>	<u>24,632</u>	<u>49,126</u>	<u>6,354,838</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	-	64,862	19,240	3,766	120	-	87,988
Total liabilities	-	<u>64,862</u>	<u>19,240</u>	<u>3,766</u>	<u>120</u>	<u>-</u>	<u>87,988</u>
Fund balances:							
Restricted	315,511	532,318	3,235,846	2,109,537	-	-	6,193,212
Assigned	-	-	-	-	24,512	49,126	73,638
Total fund balances	<u>315,511</u>	<u>532,318</u>	<u>3,235,846</u>	<u>2,109,537</u>	<u>24,512</u>	<u>49,126</u>	<u>6,266,850</u>
Total liabilities and fund balances	<u>\$ 315,511</u>	<u>\$ 597,180</u>	<u>\$ 3,255,086</u>	<u>\$ 2,113,303</u>	<u>\$ 24,632</u>	<u>\$ 49,126</u>	<u>\$ 6,354,838</u>

**Combining Statement of Revenues, Expenditures and Changes
in Fund Balances - Nonmajor Capital Projects Funds
Year Ended June 30, 2019**

	2006 SPET	2010 SPET	2014 SPET	2016 SPET	Vertical Harvest	Snow King	Total
Revenues:							
Contributions and Donations	\$ -	\$ -	\$ -	\$ -	\$ 7,200	\$ -	\$ 7,200
Investment earnings	7,882	13,626	74,987	52,672	425	1,104	150,696
Miscellaneous Revenue	-	-	-	-	26,710	52,552	79,262
Total revenues	<u>7,882</u>	<u>13,626</u>	<u>74,987</u>	<u>52,672</u>	<u>34,335</u>	<u>53,656</u>	<u>237,158</u>
Expenditures:							
Capital outlay:							
Infrastructure	150,559	577,426	249,766	971,939	10,206	-	1,959,896
Debt service	-	-	-	-	-	52,552	52,552
Total expenditures	<u>150,559</u>	<u>577,426</u>	<u>249,766</u>	<u>971,939</u>	<u>10,206</u>	<u>52,552</u>	<u>2,012,448</u>
Excess (deficiency) of revenues over expenditures	<u>(142,677)</u>	<u>(563,800)</u>	<u>(174,779)</u>	<u>(919,267)</u>	<u>24,129</u>	<u>1,104</u>	<u>(1,775,290)</u>
Net change in fund balances	<u>(142,677)</u>	<u>(563,800)</u>	<u>(174,779)</u>	<u>(919,267)</u>	<u>24,129</u>	<u>1,104</u>	<u>(1,775,290)</u>
Fund balance at beginning of year	458,188	1,096,118	3,410,625	3,028,804	383	48,022	8,042,140
Fund balance at end of year	<u>\$ 315,511</u>	<u>\$ 532,318</u>	<u>\$ 3,235,846</u>	<u>\$ 2,109,537</u>	<u>\$ 24,512</u>	<u>\$ 49,126</u>	<u>\$ 6,266,850</u>

Combining Statement of Net Position
Internal Service Funds
June 30, 2019

	Employee Insurance	Fleet Management	Central Equipment	IT Services	Total
ASSETS					
Current assets:					
Cash and Cash Equivalents	\$ 123,617	\$ 34,502	\$ 40,189	\$ -	\$ 198,308
Investments	2,105,685	-	684,580	-	2,790,265
Due from other governmental units	-	29,968	-	-	29,968
Materials and supplies	-	373,338	-	-	373,338
Prepaid Items	-	-	-	32,067	32,067
Total current assets	<u>2,229,302</u>	<u>437,808</u>	<u>724,769</u>	<u>32,067</u>	<u>3,423,946</u>
Noncurrent assets:					
Capital assets:					
Machinery & equipment	-	-	4,231,492	1,575,655	5,807,147
Construction in progress	-	-	-	-	-
Total capital assets	-	-	4,231,492	1,575,655	5,807,147
Less accumulated depreciation	-	-	(1,672,398)	(877,022)	(2,549,420)
Total capital assets (net)	-	-	2,559,094	698,633	3,257,727
Total noncurrent assets	-	-	2,559,094	698,633	3,257,727
TOTAL ASSETS	<u>2,229,302</u>	<u>437,808</u>	<u>3,283,863</u>	<u>730,700</u>	<u>6,681,673</u>
DEFERRED OUTFLOW OF RESOURCES					
Deferred outflows related to pensions	<u>-</u>	<u>226,526</u>	<u>-</u>	<u>-</u>	<u>226,526</u>
LIABILITIES					
Current liabilities:					
Interfund Payable - pooled cash	-	-	-	1,823	1,823
Accounts payable	8,549	37,938	-	27,619	74,106
Accrued wages payable	-	20,516	-	-	20,516
Total current liabilities	<u>8,549</u>	<u>58,454</u>	<u>-</u>	<u>29,442</u>	<u>96,445</u>
Noncurrent liabilities:					
Net pension liability	-	657,927	-	-	657,927
TOTAL LIABILITIES	<u>8,549</u>	<u>716,381</u>	<u>-</u>	<u>29,442</u>	<u>754,372</u>
DEFERRED INFLOW OF RESOURCES					
Deferred outflows related to pensions	<u>-</u>	<u>17,851</u>	<u>-</u>	<u>-</u>	<u>17,851</u>
NET POSITION					
Net investment in capital assets	-	-	2,559,094	698,633	3,257,727
Nonspendable	-	-	-	32,067	32,067
Unrestricted	2,220,753	(69,898)	724,769	(29,442)	2,846,182
TOTAL NET POSITION	<u>\$ 2,220,753</u>	<u>\$ (69,898)</u>	<u>\$ 3,283,863</u>	<u>\$ 701,258</u>	<u>\$ 6,135,976</u>

**Combining Statement of Revenues, Expenses and Changes
in Net Position - Internal Service Funds
Year Ended June 30, 2019**

	<u>Employee Insurance</u>	<u>Fleet Management</u>	<u>Central Equipment</u>	<u>IT Services</u>	<u>Total</u>
Operating revenues:					
Internal customers	\$ 2,466,382	\$ 1,779,105	\$ 553,700	\$ 699,768	\$ 5,498,955
External customers	-	363,621	-	-	363,621
Total operating revenues	<u>2,466,382</u>	<u>2,142,726</u>	<u>553,700</u>	<u>699,768</u>	<u>5,862,576</u>
Operating expenses:					
Operations and maintenance	2,216,625	2,179,777	14,665	756,347	5,167,414
Depreciation	-	-	421,539	217,707	639,246
Total operating expenses	<u>2,216,625</u>	<u>2,179,777</u>	<u>436,204</u>	<u>974,054</u>	<u>5,806,660</u>
Operating income (loss)	<u>249,757</u>	<u>(37,051)</u>	<u>117,496</u>	<u>(274,286)</u>	<u>55,916</u>
Nonoperating revenues (expenses):					
Interest revenue	49,293	2,338	14,376	719	66,726
Contributions and donations	-	-	7,000	-	7,000
Gain on disposal of property	-	-	2,750	-	2,750
Total nonoperating revenues (expenses)	<u>49,293</u>	<u>2,338</u>	<u>24,126</u>	<u>719</u>	<u>76,476</u>
Income (loss) before transfers	299,050	(34,713)	141,622	(273,567)	132,392
Other financing sources (uses):					
Transfers in	-	-	101,350	175,812	277,162
Change in net assets	299,050	(34,713)	242,972	(97,755)	409,554
Net position at beginning of year	1,921,703	(35,185)	3,040,891	799,013	5,726,422
Fund position at end of year	<u>\$ 2,220,753</u>	<u>\$ (69,898)</u>	<u>\$ 3,283,863</u>	<u>\$ 701,258</u>	<u>\$ 6,135,976</u>

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2019

	Employee Insurance	Fleet Management	Central Equipment	IT Services	Total
Cash flow from operating activities:					
Cash received from internal customers	\$ 2,519,129	\$ 1,779,105	\$ 553,700	\$ 699,768	\$ 5,551,702
Cash received from external customers	-	375,963	-	-	375,963
Cash paid to suppliers for goods and services	(2,352,446)	(1,561,625)	(14,665)	(698,473)	(4,627,209)
Cash paid to employees	-	(592,828)	-	-	(592,828)
Net cash provided (used) by operating activities	<u>166,683</u>	<u>615</u>	<u>539,035</u>	<u>1,295</u>	<u>707,628</u>
Cash flow from noncapital financing activities:					
Miscellaneous non-operating revenue	-	-	-	-	-
Transfers from other funds	-	-	101,350	175,812	277,162
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>-</u>	<u>101,350</u>	<u>175,812</u>	<u>277,162</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	(436,654)	(267,055)	(703,709)
Contributions and donations	-	-	7,000	-	7,000
Net cash (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(429,654)</u>	<u>(267,055)</u>	<u>(696,709)</u>
Cash flows from investing activities					
Interest on investments	40,281	2,338	11,446	719	54,784
Sale of investments	693,212	-	80,803	-	774,015
Purchase of investments	(910,746)	-	(296,093)	-	(1,206,839)
Net cash provided (used) by investing activities	<u>(177,253)</u>	<u>2,338</u>	<u>(203,844)</u>	<u>719</u>	<u>(378,040)</u>
Increase (decrease) in cash and cash equivalents	(10,570)	2,953	6,887	(89,229)	(89,959)
Cash and cash equivalents - July 1	134,187	31,549	33,302	89,229	288,267
Cash and cash equivalents - June 30	<u>\$ 123,617</u>	<u>\$ 34,502</u>	<u>\$ 40,189</u>	<u>\$ -</u>	<u>\$ 198,308</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	249,757	(37,051)	117,496	(274,286)	55,916
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	-	-	421,539	217,707	639,246
Pension Expense	-	23,929	-	-	23,929
Changes in assets and liabilities:					
Account receivable	52,747	-	-	-	52,747
Due from other governmental units	-	12,344	-	-	12,344
Materials and supplies	-	(22,564)	-	-	(22,564)
Prepaid items	6,750	-	-	51,506	58,256
Interfund payable - pooled cash				1,823	1,823
Accounts payable	(142,571)	26,400	-	4,545	(111,626)
Accrued wages payable	-	(2,443)	-	-	(2,443)
Net cash provided (used) by operating activities	<u>\$ 166,683</u>	<u>\$ 615</u>	<u>\$ 539,035</u>	<u>\$ 1,295</u>	<u>\$ 707,628</u>
Noncash investing, capital, and financing activities:					
Increase (decrease) in fair value of investments	\$ 9,012	\$ -	\$ 2,930	\$ -	11,942

Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Original Budget	FY2019 Amended Budget	FY2019 Actual	Variance with Final Budget
Revenue and other sources - summary:								
Taxes	\$ 6,715,015	\$ 7,070,617	\$ 6,818,813	\$ 7,550,132	\$ 7,659,985	\$ 7,659,985	\$ 7,936,248	\$ 276,263
Licenses & Permits	993,580	959,738	1,139,138	1,181,412	1,011,226	1,011,226	1,307,330	296,104
Intergovernmental Revenue	8,447,052	8,755,329	9,335,317	10,133,434	10,195,931	10,221,856	10,579,103	357,247
Charges for Services	572,989	593,626	604,640	636,061	644,621	651,921	622,744	(29,177)
Fines & Forfeitures	347,687	417,750	399,860	442,861	408,226	408,226	476,375	68,149
Miscellaneous Revenue	133,205	151,867	120,439	208,668	183,857	189,890	408,481	218,591
Other Financing Sources	-	-	-	-	-	-	5,000	5,000
Interfund Transfers	896,125	938,793	978,315	1,002,680	1,071,518	1,071,518	1,051,926	(19,592)
Total Revenues & Other Sources	18,105,653	18,887,720	19,396,522	21,155,248	21,175,364	21,214,622	22,387,207	1,172,585
Revenue and other sources - detail:								
Taxes								
Local option sales tax	5,405,087	5,674,051	6,034,163	6,672,712	6,763,393	6,763,393	7,069,927	306,534
Lodging tax	741,448	826,514	230,231	266,620	276,546	276,546	282,050	5,504
Franchise taxes								
Franchise tax - electric	157,033	156,431	164,687	192,020	193,940	193,940	172,179	(21,761)
Franchise tax - gas	79,380	67,901	60,772	68,343	69,026	69,026	64,383	(4,643)
Franchise tax - cable	147,971	159,520	148,613	145,087	148,004	148,004	134,378	(13,626)
Franchise tax - trash	155,655	165,724	167,178	177,193	180,381	180,381	184,836	4,455
Franchise tax - phone	26,848	18,321	10,543	24,408	26,016	26,016	26,495	479
Franchise tax - recycling	1,593	2,155	2,626	3,749	2,679	2,679	2,000	(679)
Licenses & Permits								
Business licenses	272,061	291,510	288,035	305,217	296,980	296,980	298,741	1,761
Transportation license	1,380	1,880	3,700	840	2,020	2,020	680	(1,340)
Special Event Permit	-	-	-	950	-	-	675	675
Vehicle license permit	5,220	7,000	7,980	9,460	9,000	9,000	9,000	-
Operator license permit	11,750	17,150	15,095	11,690	12,000	12,000	12,435	435
Liquor licenses	128,341	132,508	152,818	134,665	141,000	141,000	138,330	(2,670)
Contractor licenses	54,910	52,730	73,071	75,081	70,000	70,000	79,415	9,415
COQ license renewal	6,780	6,770	6,750	8,560	5,000	5,000	7,270	2,270
Building permits	305,644	191,199	262,335	309,548	235,000	235,000	438,490	203,490
Sign permits	3,852	2,950	4,575	5,605	3,000	3,000	4,500	1,500
Mechanical permits	5,389	4,218	5,466	8,498	6,000	6,000	11,080	5,080
Plumbing permits	13,283	15,011	12,238	18,980	10,000	10,000	20,670	10,670
Development permits/fees	59,370	60,540	62,923	78,071	50,000	50,000	85,200	35,200
Variance permits	400	1,000	-	-	-	-	-	-
Final plat	-	-	-	-	-	-	925	925
Grading/erosion permits	400	400	400	3,250	600	600	2,700	2,100

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Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2019

(continued)

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Original Budget	FY2019 Amended Budget	FY2019 Actual	Variance with Final Budget
Demo permits	1,300	1,000	2,300	1,400	1,000	1,000	1,300	300
Animal licenses	5,455	6,586	5,270	4,875	4,626	4,626	4,748	122
Encroachment fees	35,097	73,784	117,900	80,761	50,000	50,000	62,134	12,134
Rodeo contract fees	82,948	93,502	118,282	123,961	115,000	115,000	129,037	14,037
Intergovernmental Revenue								
Bullet proof vest grant	-	3,047	849	2,400	3,000	3,000	2,850	(150)
Homeland Security 2011	-	-	-	-	-	-	-	-
Homeland Security Grant	24,284	-	-	20,000	20,000	20,000	19,826	(174)
FTA Grant - integrated transp	27,139	-	-	-	-	-	-	-
State grant - tobacco compliance	3,315	1,700	3,825	2,465	6,000	6,000	1,360	(4,640)
State grant - alcohol compliance	5,100	5,100	5,440	4,420	6,000	6,000	4,930	(1,070)
State grant - EUDL	4,175	6,953	3,414	3,600	5,500	5,500	4,025	(1,475)
State grants - police	8,492	10,399	10,273	15,280	25,000	35,900	25,399	(10,501)
4% state sales tax	5,998,783	6,370,670	6,800,255	7,515,414	7,522,603	7,522,603	8,009,604	487,001
4% state use tax	560,933	550,502	579,108	638,575	690,005	690,005	623,953	(66,052)
Gasoline tax	491,774	479,966	461,841	462,917	500,000	500,000	487,356	(12,644)
Cigarette tax	40,152	39,979	36,572	24,933	35,000	35,000	23,563	(11,437)
Severance tax	356,958	357,356	357,244	356,615	350,000	350,000	356,362	6,362
Federal mineral royalties	493,106	508,641	517,079	519,831	500,000	500,000	543,460	43,460
Lottery distribution	-	44,815	165,339	40,622	30,000	30,000	66,253	36,253
County - split on joint departments	308,429	257,262	261,882	395,061	377,276	392,301	268,631	(123,670)
Victim witness grant	120,620	118,939	132,196	131,301	125,547	125,547	141,531	15,984
Victim witness awareness award	3,792	-	-	-	-	-	-	-
Charges for Services								
Special police services - airport	477,350	482,820	487,000	521,273	531,000	531,000	502,462	(28,538)
Special police services - SRO	45,000	45,000	65,000	65,000	65,000	65,000	65,000	-
Special police services - other	13,159	16,266	12,174	13,466	17,120	24,420	15,448	(8,972)
Alarm bond income	-	4,525	12,662	3,475	5,971	5,971	-	(5,971)
Public Safety Education	180	300	-	250	1,500	1,500	5,653	4,153
VIN inspections	9,959	10,749	10,815	11,987	11,000	11,000	13,976	2,976
Plan review fees	20,417	30,096	11,979	18,400	10,000	10,000	16,525	6,525
Cemetery fees	6,924	3,870	5,010	2,210	3,030	3,030	3,680	650
Fines & Forfeitures								
Parking tickets	162,748	236,459	244,548	270,039	255,000	255,000	293,135	38,135
Summons & complaints	181,814	181,311	155,312	172,702	150,000	150,000	183,240	33,240
Restitutions	-	(20)	-	120	-	-	-	-
Alarm Bond Forfeitures	3,125	-	-	-	3,226	3,226	-	(3,226)
Miscellaneous Revenue								
Investment earnings	14,326	23,443	17,980	79,863	50,000	50,000	229,797	179,797

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Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2019

(continued)

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Original Budget	FY2019 Amended Budget	FY2019 Actual	Variance with Final Budget
Animal shelter equipment rentals	14,121	14,018	9,061	10,038	13,500	13,500	9,581	(3,919)
DUI Impact Panel	5,120	4,325	5,490	4,165	4,500	4,500	5,250	750
Parking garage rental	20,000	20,000	15,600	26,200	20,000	20,000	86,420	66,420
Miscellaneous Reimbursement	-	-	-	14,275	12,831	12,831	14,164	1,333
Insurance reimbursement	-	-	-	-	-	-	-	-
Snow King Lease	28,381	19,859	26,588	26,298	27,123	27,123	22,294	(4,829)
Lease agreement - fairgrounds	16,500	26,099	25,460	26,693	25,400	25,400	28,936	3,536
Miscellaneous revenue	34,807	44,643	20,402	21,463	30,503	36,536	13,193	(23,343)
Cash over/(short)	(50)	(520)	(142)	(327)	-	-	(1,154)	(1,154)
Other Financing Sources								-
Sale of capital assets	-	-	-	-	-	-	5,000	5,000
Interfund Transfers								
Indirect cost allocations - utilities	827,512	879,698	897,950	919,164	982,172	982,172	971,962	(10,210)
Indirect cost allocations - Start bus	40,234	33,352	52,736	51,903	54,346	54,346	53,865	(481)
Transfer in from DARE fund	600	-	-	-	-	-	-	-
Transfer in from DEA fund	7,348	-	-	-	-	-	-	-
SRF - Animal Care	20,431	25,743	27,629	31,613	35,000	35,000	26,099	(8,901)
Total revenues and other sources	<u>18,105,653</u>	<u>18,887,720</u>	<u>19,396,522</u>	<u>21,155,248</u>	<u>21,175,364</u>	<u>21,214,622</u>	<u>22,387,207</u>	<u>1,172,585</u>

Expenditures and other uses - summary:

General government	3,361,661	3,489,721	3,795,074	4,063,395	4,184,418	4,405,460	4,121,780	283,680
Public safety	5,860,584	6,357,680	6,262,764	6,609,212	7,651,670	7,834,035	7,474,592	359,443
Public works	2,027,813	2,353,946	2,437,154	2,667,634	2,864,984	3,119,984	2,960,810	159,174
Health & welfare	470,705	505,165	556,095	675,838	699,172	699,172	699,172	-
Community development	234,971	221,693	243,563	254,636	260,325	271,625	270,716	909
Recreation and culture	1,439,146	1,609,805	1,318,206	1,187,616	1,301,238	1,301,238	1,278,947	22,291
General unallocated	277,690	107,825	192,277	234,676	177,710	214,810	185,219	29,591
Transfers out and other uses	2,834,086	3,807,338	4,424,799	4,783,415	3,917,398	5,042,398	5,042,398	-
Total expenditures and other uses	<u>16,506,656</u>	<u>18,453,173</u>	<u>19,229,932</u>	<u>20,476,422</u>	<u>21,056,915</u>	<u>22,888,722</u>	<u>22,033,634</u>	<u>855,088</u>

Expenditures and other uses - divisions:

General government								
Mayor & town council	284,496	295,754	302,085	289,473	305,725	316,925	316,675	250
Town attorney	376,424	394,595	412,568	426,650	467,142	607,142	582,361	24,781
Municipal judge	164,250	205,070	214,114	245,675	246,965	247,965	233,620	14,345
Administration	276,177	296,653	291,718	316,770	318,382	318,382	260,375	58,007
Personnel & town clerk	441,501	500,295	609,697	583,496	610,129	649,294	639,856	9,438
Finance	521,514	541,986	567,758	540,368	577,302	592,925	578,610	14,315
Information technology	400,596	458,058	492,363	490,084	523,132	524,132	513,557	10,575

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Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2019

(continued)

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Original Budget	FY2019 Amended Budget	FY2019 Actual	Variance with Final Budget
Planning	777,940	673,230	763,005	1,004,472	967,525	957,579	818,306	139,273
Town hall building	118,763	124,080	141,766	166,407	168,116	191,116	178,420	12,696
Public safety								
Police								
Police - administration	438,335	467,625	475,721	516,636	554,769	577,301	555,451	21,850
Police - investigation	390,363	432,578	390,816	367,512	433,759	433,759	414,660	19,099
Police - patrol	2,468,372	2,572,116	2,661,614	2,731,966	3,122,731	3,186,931	3,052,579	134,352
Police - community service	295,436	326,755	362,588	486,377	512,091	512,091	481,362	30,729
Police - special operations	17,602	18,138	14,355	15,488	26,005	26,005	22,705	3,300
Fire/EMS (county service)	1,218,970	1,448,445	1,208,243	1,398,322	1,726,235	1,726,235	1,707,904	18,331
Dispatch (county service)	249,684	304,905	336,261	240,450	380,000	380,000	312,310	67,690
Victim services	215,546	213,663	231,134	234,094	253,158	303,928	295,908	8,020
Animal shelter/control	222,724	222,532	227,730	257,315	259,253	264,116	238,688	25,428
Building inspections	343,552	350,923	354,302	361,052	383,669	423,669	393,025	30,644
Public works								
Administration	167,526	230,130	242,909	249,571	259,161	259,161	233,011	26,150
Streets	1,164,179	1,440,390	1,483,473	1,682,604	1,802,062	2,017,062	1,943,289	73,773
Town engineer	387,085	391,878	390,745	391,811	463,988	463,988	437,128	26,860
Public works yard operations	194,518	147,657	140,911	168,230	165,239	165,239	136,693	28,546
Parking garage operations	60,379	69,797	99,722	82,870	97,583	137,583	132,536	5,047
Public restrooms	54,126	74,094	79,394	92,548	76,951	76,951	78,153	(1,202)
Health and welfare								
Social services	470,705	505,165	556,095	675,838	699,172	699,172	699,172	-
Community development								
Community promotion	234,971	221,693	243,563	254,636	260,325	271,625	270,716	909
Recreation and culture								
Parks & recreation (county service)	1,295,801	1,477,954	1,253,937	1,071,839	1,202,148	1,202,148	1,202,170	(22)
Pathways operations	89,307	73,519	-	-	-	-	-	-
Memorial park (cemetery)	13,558	17,696	19,774	17,391	19,887	19,887	13,256	6,631
Sports and Events Center	40,480	40,636	44,495	98,386	79,203	79,203	63,521	15,682
General unallocated								
Town-wide services	277,690	107,825	192,277	234,676	177,710	214,810	185,219	29,591
Transfers out and other uses								
Transfers out	2,834,086	3,807,338	4,424,799	4,783,415	3,917,398	5,042,398	5,042,398	-
Total expenditures & other uses	\$ 16,506,656	\$ 18,453,173	\$ 19,229,932	\$ 20,476,422	\$ 21,056,915	\$ 22,888,722	\$ 22,033,634	\$ 855,088
Revenue over/(under) expenditures	\$ 1,598,997	\$ 434,547	\$ 166,590	\$ 678,826	\$ 118,449	\$ (1,674,100)	\$ 353,573	\$ 2,027,673

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.

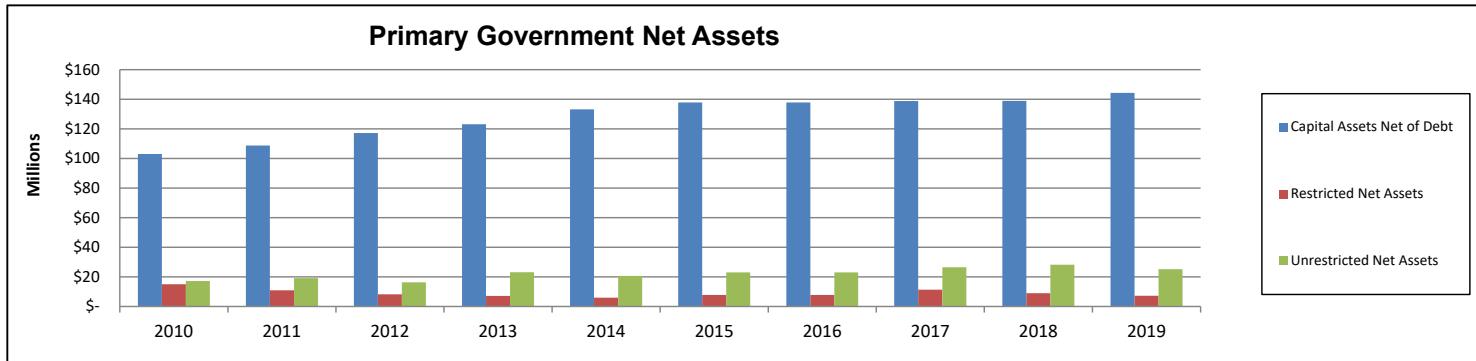
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 68,564,888	\$ 71,416,975	\$ 75,155,230	\$ 83,401,853	\$ 91,322,703	\$ 101,175,653	\$ 106,023,911	\$ 106,646,780	\$ 105,795,420	\$ 109,737,679
Restricted	8,234,179	14,968,402	10,904,378	8,238,644	7,132,056	5,920,619	7,789,841	11,316,514	8,916,903	7,273,683
Unrestricted	10,360,174	9,654,537	11,816,446	9,603,764	14,508,265	11,417,347	13,092,266	15,638,037	16,861,903	13,844,639
Total governmental net position	<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>	<u>\$ 131,574,226</u>	<u>\$ 130,856,001</u>
Business-type activities										
Net investment in capital assets	\$ 28,691,920	\$ 31,698,375	\$ 33,619,804	\$ 33,851,698	\$ 31,886,646	\$ 32,083,337	\$ 31,865,621	\$ 32,189,229	\$ 33,156,018	\$ 34,620,007
Unrestricted	8,756,112	7,557,834	7,291,106	6,649,722	8,585,533	9,246,040	9,856,281	10,796,082	11,325,149	11,285,398
Total business-type net position	<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>	<u>\$ 44,481,167</u>	<u>\$ 45,905,405</u>
Primary government										
Net investment in capital assets	\$ 103,115,350	\$ 108,775,034	\$ 117,253,551	\$ 123,209,349	\$ 133,258,990	\$ 137,889,532	\$ 137,889,532	\$ 138,836,009	\$ 138,951,438	\$ 144,357,686
Restricted	14,968,402	10,904,378	8,238,644	7,132,056	5,920,619	7,789,841	7,789,841	11,316,514	8,916,903	7,273,683
Unrestricted	17,212,371	19,107,552	16,253,486	23,093,798	20,663,387	22,948,547	22,948,547	26,434,119	28,187,052	25,130,037
Total primary government net position	<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>\$ 168,627,920</u>	<u>\$ 176,586,642</u>	<u>\$ 176,055,393</u>	<u>\$ 176,761,406</u>



Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 2,920,512	\$ 2,664,684	\$ 3,342,700	\$ 3,237,088	\$ 8,686,647	\$ 4,110,441	\$ 4,307,459	\$ 5,053,033	\$ 5,678,127	\$ 5,056,561
Public safety	5,174,757	5,123,051	5,222,958	4,890,810	5,850,883	5,916,729	6,414,964	6,822,421	7,318,186	8,229,288
Public works	3,996,195	4,377,783	4,966,166	4,394,828	6,505,233	4,901,706	4,949,198	6,395,396	10,303,854	6,888,180
Transit	3,142,687	3,100,877	3,618,916	3,877,107	3,725,168	4,125,077	4,805,587	5,535,770	5,290,455	6,191,251
Health and welfare	535,072	490,038	504,468	475,407	509,253	480,463	508,912	563,412	686,098	706,878
Community development	376,726	337,094	226,279	205,764	310,600	244,842	248,337	1,385,406	199,559	1,625,530
Recreation and culture	1,583,738	1,452,482	1,388,666	1,267,408	1,508,047	1,667,838	1,839,978	2,217,404	2,457,190	2,537,041
Interest on long-term debt	72,170	50,896	-	-	-	-	6,187	4,703	4,463	4,223
Total governmental activities expenses	<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>	<u>31,937,932</u>	<u>31,238,952</u>
Business-type activities										
Water utility	1,271,880	1,232,130	1,279,050	1,378,788	2,067,201	1,592,691	2,036,913	1,740,216	1,621,429	1,757,922
Sewer utility	1,661,537	1,752,203	1,764,479	2,031,930	2,069,849	1,932,052	2,004,888	2,098,112	2,222,045	2,246,098
Total business-type activities expenses	<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>	<u>3,843,474</u>	<u>4,004,020</u>
Total primary government expenses	<u><u>\$ 20,735,274</u></u>	<u><u>\$ 20,581,238</u></u>	<u><u>\$ 22,313,682</u></u>	<u><u>\$ 21,759,130</u></u>	<u><u>\$ 31,232,881</u></u>	<u><u>\$ 24,971,839</u></u>	<u><u>\$ 27,122,423</u></u>	<u><u>\$ 31,815,873</u></u>	<u><u>\$ 35,781,406</u></u>	<u><u>\$ 35,242,972</u></u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 556,197	\$ 599,146	\$ 619,015	\$ 619,999	\$ 716,553	\$ 780,071	\$ 819,309	\$ 850,420	\$ 899,062	\$ 935,436
Public safety	671,320	603,916	851,165	895,469	1,206,537	1,296,034	1,301,381	1,422,288	1,514,805	1,647,139
Public works	81,381	45,591	20,100	20,000	20,000	20,000	20,000	15,600	26,200	86,420
Transit	597,600	671,092	682,083	722,277	772,191	678,810	729,631	740,128	795,204	838,815
Community development	80,579	20,749	50,486	11,861	26,455	53,882	222,456	442,182	59,292	268,168
Recreation and culture	294,716	224,836	131,632	73,568	107,796	142,553	200,032	176,205	152,469	227,461
Operating grants and contributions	1,944,070	2,084,233	2,276,769	2,518,672	2,591,048	2,986,023	3,013,339	2,862,202	2,824,371	3,494,454
Capital grants and contributions	3,257,105	5,365,169	3,358,088	2,376,944	1,635,739	11,594,461	7,686,547	4,910,191	1,848,629	1,135,374
Total governmental activities program revenues	<u>7,482,968</u>	<u>9,614,732</u>	<u>7,989,338</u>	<u>7,238,790</u>	<u>7,076,319</u>	<u>17,551,834</u>	<u>13,992,695</u>	<u>11,419,216</u>	<u>8,120,032</u>	<u>8,633,267</u>
Business-type activities:										
Charges for services:										
Water utility	1,195,369	1,242,499	1,590,161	1,858,454	2,164,168	2,223,021	2,301,436	2,507,036	2,440,803	2,439,415
Sewage utility	1,102,032	1,128,407	1,386,759	1,662,079	2,119,673	2,233,714	2,223,393	2,706,187	3,346,813	2,386,369
Operating grants and contributions	29,700	-	-	-	-	-	-	-	-	-
Capital grants and contributions	313,874	2,914,818	2,360,946	397,981	561,542	784,191	603,896	756,633	589,382	1,306,532
Total business-type activities program revenues	<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>	<u>6,376,998</u>	<u>6,132,316</u>
Total primary government program revenues	<u><u>\$ 10,123,943</u></u>	<u><u>\$ 14,900,456</u></u>	<u><u>\$ 13,327,204</u></u>	<u><u>\$ 11,157,304</u></u>	<u><u>\$ 11,921,702</u></u>	<u><u>\$ 22,792,760</u></u>	<u><u>\$ 19,121,420</u></u>	<u><u>\$ 17,389,072</u></u>	<u><u>\$ 14,497,030</u></u>	<u><u>\$ 14,765,583</u></u>

(continued)

Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (expense)/revenue										
Governmental activities	\$ (10,318,889)	\$ (7,982,173)	\$ (11,280,815)	\$ (11,109,622)	\$ (20,019,512)	\$ (3,895,262)	\$ (9,087,927)	\$ (16,558,329)	\$ (23,817,900)	\$ (22,605,685)
Business-type activities	(292,442)	2,301,391	2,294,337	507,796	708,333	1,716,183	1,086,924	2,131,528	2,533,524	2,128,296
Total primary government net expense	<u><u>\$ (10,611,331)</u></u>	<u><u>\$ (5,680,782)</u></u>	<u><u>\$ (8,986,478)</u></u>	<u><u>\$ (10,601,826)</u></u>	<u><u>\$ (19,311,179)</u></u>	<u><u>\$ (2,179,079)</u></u>	<u><u>\$ (8,001,003)</u></u>	<u><u>\$ (14,426,801)</u></u>	<u><u>\$ (21,284,376)</u></u>	<u><u>\$ (20,477,389)</u></u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Local option sales taxes	\$ 4,112,968	\$ 4,201,202	\$ 4,217,347	\$ 4,465,982	\$ 4,849,944	\$ 5,405,087	\$ 5,674,051	\$ 6,034,163	\$ 6,672,712	\$ 7,069,927
Specific purpose excise taxes	5,642,600	5,698,739	828,968	1,114,472	5,469,635	263,388	3,500,000	6,000,000	2,760,205	-
Lodging Tax	-	584	503,878	551,335	608,316	741,447	826,514	920,924	1,066,481	1,128,200
Franchise taxes	475,703	468,752	504,856	506,121	547,627	568,480	570,053	554,419	610,800	584,271
Unrestricted grants and contributions	7,829,117	7,042,430	7,071,170	7,277,888	7,800,311	8,250,135	8,609,190	9,179,321	9,953,969	10,379,182
Investment earnings	547,243	407,435	175,402	58,502	28,904	39,191	64,292	64,633	279,679	695,631
Other	67,455	391,295	102,932	265,463	1,725,023	255,439	215,577	1,221,827	138,043	656,577
Gain on sale of capital assets	-	29,819	-	-	-	-	72,308	44,168	(194,466)	39,974
Transfers	512,037	629,671	693,546	979,264	749,792	646,921	724,698	897,950	919,164	917,906
Total governmental activities	<u><u>\$ 19,187,123</u></u>	<u><u>\$ 18,869,927</u></u>	<u><u>\$ 14,098,099</u></u>	<u><u>\$ 15,219,027</u></u>	<u><u>\$ 21,779,552</u></u>	<u><u>\$ 16,170,088</u></u>	<u><u>\$ 20,256,683</u></u>	<u><u>\$ 24,917,405</u></u>	<u><u>\$ 22,206,587</u></u>	<u><u>\$ 21,471,668</u></u>
Business-type activities										
Investment earnings	278,565	224,778	136,457	53,910	16,978	12,219	22,313	24,831	107,943	213,848
Proceeds from disp of capital assets	-	-	-	-	45,000	-	7,986	5,000	(300,675)	-
Transfers	(536,310)	(512,037)	(629,671)	(693,546)	(979,264)	(749,792)	(724,698)	(897,950)	(919,164)	(917,906)
Total business-type activities	<u><u>\$ (257,745)</u></u>	<u><u>\$ (287,259)</u></u>	<u><u>\$ (493,214)</u></u>	<u><u>\$ (639,636)</u></u>	<u><u>\$ (917,286)</u></u>	<u><u>\$ (737,573)</u></u>	<u><u>\$ (694,399)</u></u>	<u><u>\$ (868,119)</u></u>	<u><u>\$ (1,111,896)</u></u>	<u><u>\$ (704,058)</u></u>
Total primary government	<u><u>\$ 18,929,378</u></u>	<u><u>\$ 18,582,668</u></u>	<u><u>\$ 13,604,885</u></u>	<u><u>\$ 14,579,391</u></u>	<u><u>\$ 20,862,266</u></u>	<u><u>\$ 15,432,515</u></u>	<u><u>\$ 19,562,284</u></u>	<u><u>\$ 24,049,286</u></u>	<u><u>\$ 21,094,691</u></u>	<u><u>\$ 20,767,610</u></u>
Changes in Net Position										
Governmental activities	\$ 8,868,234	\$ 10,887,754	\$ 2,817,284	\$ 4,109,405	\$ 1,760,040	\$ 12,274,826	\$ 11,168,756	\$ 8,359,076	\$ (1,611,313)	\$ (1,134,017)
Business-type activities	(550,187)	2,014,132	1,801,123	(131,840)	(208,953)	978,610	392,525	1,263,409	1,421,628	1,424,238
Total primary government	<u><u>\$ 8,318,047</u></u>	<u><u>\$ 12,901,886</u></u>	<u><u>\$ 4,618,407</u></u>	<u><u>\$ 3,977,565</u></u>	<u><u>\$ 1,551,087</u></u>	<u><u>\$ 13,253,436</u></u>	<u><u>\$ 11,561,281</u></u>	<u><u>\$ 9,622,485</u></u>	<u><u>\$ (189,685)</u></u>	<u><u>\$ 290,221</u></u>

TOWN OF JACKSON

Fund Balances of Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Nonspendable	\$ 75,093	\$ 73,293	\$ 69,328	\$ 116,039	\$ -	\$ -	\$ 1,098	\$ -	\$ 13,016	\$ 1,803
Restricted	10,383	23,303	20,643	19,044	22,157	14,988	13,942	12,866	10,015	7,722
Assigned	-	-	-	-	-	-	791,534	776,179	-	-
Unassigned	3,214,732	3,694,815	4,205,751	4,851,401	5,428,613	7,034,764	6,677,726	6,861,845	8,306,685	8,673,764
Total general fund	<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>	<u>\$ 8,329,716</u>	<u>\$ 8,683,289</u>
 All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 312,453	\$ 32,850
Restricted	9,893,479	14,945,099	10,883,735	5,178,156	6,166,340	4,648,284	7,775,899	11,303,648	8,906,888	7,265,961
Committed	575,000	675,000	325,000	325,000	-	-	-	-	-	-
Assigned	1,984,491	1,790,680	3,982,793	4,002,707	6,965,079	5,157,077	5,855,660	9,403,694	11,365,255	8,103,792
Unassigned	(551,161)	(39,549)	-	-	-	-	-	-	-	-
Total all other governmental funds	<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>	<u>\$ 20,272,143</u>	<u>\$ 15,369,753</u>

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
General Taxes	\$ 10,231,271	\$ 10,369,277	\$ 6,055,049	\$ 6,637,911	\$ 11,475,522	\$ 6,978,402	\$ 10,570,617	\$ 13,509,506	\$ 11,110,198	\$ 8,782,398
Licenses and permits	835,156	650,406	800,467	746,405	991,008	1,071,762	1,264,994	1,607,645	1,240,704	1,647,948
Intergovernmental	12,671,205	12,236,185	11,638,830	11,408,375	22,891,132	18,386,121	14,998,295	14,214,075	13,958,627	14,563,184
Loan proceeds	-	-	-	-	-	1,000,000	-	-	-	-
Charges for services	929,925	991,434	1,205,748	1,243,516	1,325,232	1,251,799	1,323,258	1,344,767	1,431,265	1,461,559
Fines and forfeitures	183,530	187,181	167,281	203,007	278,420	347,687	417,750	399,860	442,861	476,375
Investment earnings	451,621	349,196	152,210	50,923	22,768	32,985	53,332	57,303	255,877	628,905
Contributions and donations	-	-	-	1,907	424,940	3,098	929,248	16,390	14,515	11,624
Other revenues	617,788	976,170	369,970	355,361	649,645	979,737	983,549	1,777,551	982,044	1,508,337
Total revenues	<u>25,920,496</u>	<u>25,759,849</u>	<u>20,389,555</u>	<u>20,647,405</u>	<u>38,058,667</u>	<u>30,051,591</u>	<u>30,541,043</u>	<u>32,927,097</u>	<u>29,436,091</u>	<u>29,080,330</u>
Expenditures										
General government	2,783,949	2,482,128	2,709,676	2,826,849	3,036,390	3,534,381	3,632,019	3,987,214	4,974,937	10,944,585
Public Safety	5,155,231	5,022,523	5,001,835	4,866,278	5,328,659	5,899,946	6,380,206	6,286,411	6,642,881	7,501,987
Public Works	2,161,034	2,536,412	3,175,280	2,510,304	4,691,057	3,253,276	2,353,946	3,536,686	8,624,864	1,284,270
Transit	2,425,175	2,374,293	2,692,903	3,030,263	3,037,411	3,079,970	3,344,042	3,921,002	3,784,604	4,502,359
Health and welfare	530,687	486,339	499,922	472,422	470,400	470,705	505,165	556,095	675,838	699,172
Community development	373,844	334,625	224,330	204,472	287,666	239,971	246,693	2,474,831	439,691	586,900
Culture and recreation	1,218,018	1,087,989	987,292	1,061,836	1,209,360	1,439,145	1,609,805	1,668,173	1,531,158	976,381
Other	95,539	82,601	99,772	70,301	997,313	277,691	107,825	192,277	234,676	185,219
Capital outlay	9,817,476	4,856,631	7,667,482	11,484,712	15,510,364	14,278,496	7,231,748	3,909,932	2,687,974	7,821,069
Debt service										
Principal	80,000	935,000	-	-	-	-	47,552	47,790	48,029	48,269
Interest	73,445	68,295	-	-	-	-	5,000	4,762	4,523	4,283
Total all other governmental funds	<u>24,714,398</u>	<u>20,266,836</u>	<u>23,058,492</u>	<u>26,527,437</u>	<u>34,568,620</u>	<u>32,473,581</u>	<u>25,464,001</u>	<u>26,585,173</u>	<u>29,649,175</u>	<u>34,554,494</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,206,098</u>	<u>5,493,013</u>	<u>(2,668,937)</u>	<u>(5,880,032)</u>	<u>3,490,047</u>	<u>(2,421,990)</u>	<u>5,077,042</u>	<u>6,341,924</u>	<u>(213,084)</u>	<u>(5,474,164)</u>
Other financing sources (uses)										
Transfers in	7,176,421	3,906,470	5,321,124	5,005,952	5,517,142	5,292,803	5,287,131	5,749,001	6,013,896	7,525,238
Transfers out	(6,354,384)	(3,476,799)	(4,827,578)	(4,176,688)	(4,917,350)	(4,645,882)	(4,742,533)	(4,851,051)	(5,244,732)	(6,884,494)
Sale of capital assets	-	37,940	-	55,865	-	48,000	-	2,500	-	5,000
Total other financing sources (uses)	<u>822,037</u>	<u>467,611</u>	<u>493,546</u>	<u>885,129</u>	<u>599,792</u>	<u>694,921</u>	<u>544,598</u>	<u>900,450</u>	<u>769,164</u>	<u>645,744</u>
Net change in fund balances	<u>\$ 2,028,135</u>	<u>\$ 5,960,624</u>	<u>\$ (2,175,391)</u>	<u>\$ (4,994,903)</u>	<u>\$ 4,089,839</u>	<u>\$ (1,727,069)</u>	<u>\$ 5,621,640</u>	<u>\$ 7,242,374</u>	<u>\$ 556,080</u>	<u>\$ (4,828,420)</u>
Debt service as % of noncapital expenditures	1.0%	6.5%	0.0%	0.0%	0.0%	0.0%	0.3%	0.2%	0.2%	0.2%

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)
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
2018	6,672,712	610,800	2,760,205	1,066,481	-	11,110,198	2,384,984
2019	7,069,927	584,271	-	1,128,200	-	8,782,398	3,583,420
Change 2010-2019	71.9%	22.8%	-100.0%	---	---	-14.2%	72.7%

- 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
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
2018	8,153,989	462,917	24,933	356,615	519,831	-	9,518,285
2019	8,633,557	487,356	23,563	356,362	543,460	-	10,044,298
Change 2010-2019	73.0%	106.7%	-49.3%	-5.2%	16.1%	-100.0%	34.9%

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

Source: Administration and Finance

Direct and Overlapping Governmental Activities Debt

As of June 30, 2019

(Unaudited)

Teton County assessed valuation	1,956,444,044
Town of Jackson assessed valuation	441,609,935
Town of Jackson percent of total	22.6%

	Total Debt 6/30/2019 (1)	Percent Applicable	Town's Share of Debt 6/30/2019 (2)
<u>Direct and overlapping debt governmental activity debt</u>			
Teton County	\$ 326,230	22.6%	\$ 73,637
Town of Jackson	<u>808,360</u>	<u>100.0%</u>	<u>808,360</u>
Total direct and overlapping governmental activities debt	<u><u>\$ 1,134,590</u></u>		<u><u>\$ 881,997</u></u>

Ratio to assessed valuations

Direct debt	0.18%
Total direct and overlapping debt	0.20%

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

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			
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	0.04%	206
2018	-	-	856,629	-	1,204,703	-	2,061,332	0.04%	196
2019	-	-	808,360	-	1,144,675	-	1,953,035	0.03%	187

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)

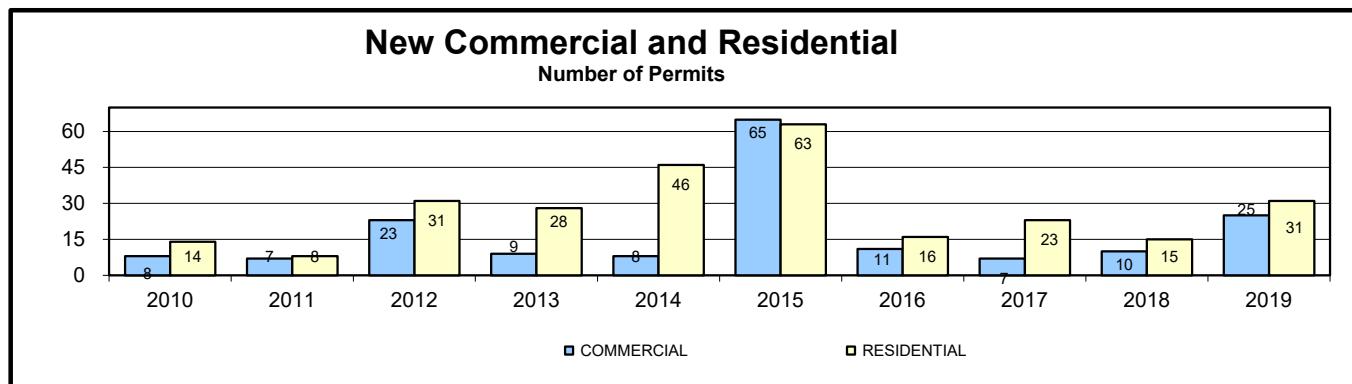
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed market value	\$ 253,080,760	\$ 234,638,855	\$ 214,288,923	\$ 206,348,576	\$ 220,971,568	\$ 242,962,191	\$ 254,621,491	\$ 292,233,508	\$ 292,233,508	\$ 441,609,935
Total debt	\$ 1,346,856	\$ 419,974	\$ 1,476,423	\$ 1,471,930	\$ 1,422,593	\$ 2,371,282	\$ 2,270,367	\$ 2,167,078	\$ 2,061,332	\$ 1,953,035
Deductions:										
Debt -										
Notes payable	411,856	419,974	1,476,423	1,471,930	1,422,593	2,371,282	2,270,367	2,167,078	2,061,332	1,953,035
Revenue bonds	935,000	-	-	-	-	-	-	-	-	-
Debt service funds:										
Cash, securities, and restricted cash	-	-	-	-	-	-	-	-	-	-
Less amount applicable to excluded bonds	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to debt limit	\$ 1,346,856	\$ 419,974	\$ 1,476,423	\$ 1,471,930	\$ 1,422,593	\$ 2,371,282	\$ 2,270,367	\$ 2,167,078	\$ 2,061,332	\$ 1,953,035
Debt limit is 4% of assessed value	\$ 10,123,230	\$ 9,385,554	\$ 8,571,557	\$ 8,253,943	\$ 8,838,863	\$ 9,718,488	\$ 10,184,860	\$ 11,689,340	\$ 11,689,340	\$ 17,664,397
Legal Debt Margin	\$ 8,776,374	\$ 8,965,580	\$ 7,095,134	\$ 6,782,013	\$ 7,416,270	\$ 7,347,206	\$ 7,914,493	\$ 9,522,262	\$ 9,628,008	\$ 15,711,362
Total net debt applicable to limit as a percentage of debt limit	13.3%	4.5%	17.2%	17.8%	16.1%	24.4%	22.3%	18.5%	17.6%	11.1%

Construction and Bank Deposits

Last Ten Years

(Unaudited)

Year	BUILDING PERMITS			Bank Deposits		Percent Change
	New Commercial	New Residential	All Other	Total	Total	
2010	8	14	83	105	1,460,300,000	16.4%
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%
2018	10	15	76	101	2,206,469,000	9.2%
2019	25	31	80	136	2,212,607,000	0.3%

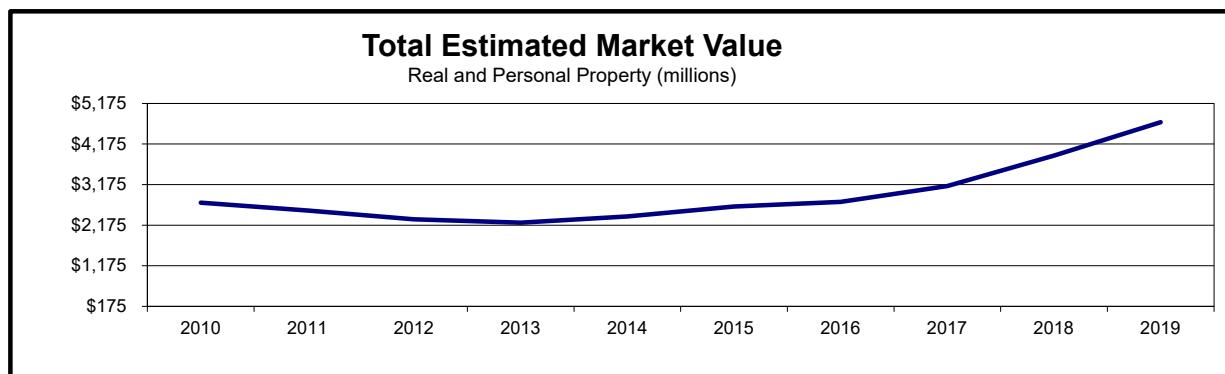


Source: Building Official, FDIC

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
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%
2018	292,233,508	3,824,336,547	5,889,461	61,994,326	298,122,969	3,886,330,873	7.7%
2019	441,609,935	4,648,525,632	6,317,533	66,500,347	447,927,468	4,715,025,979	9.5%



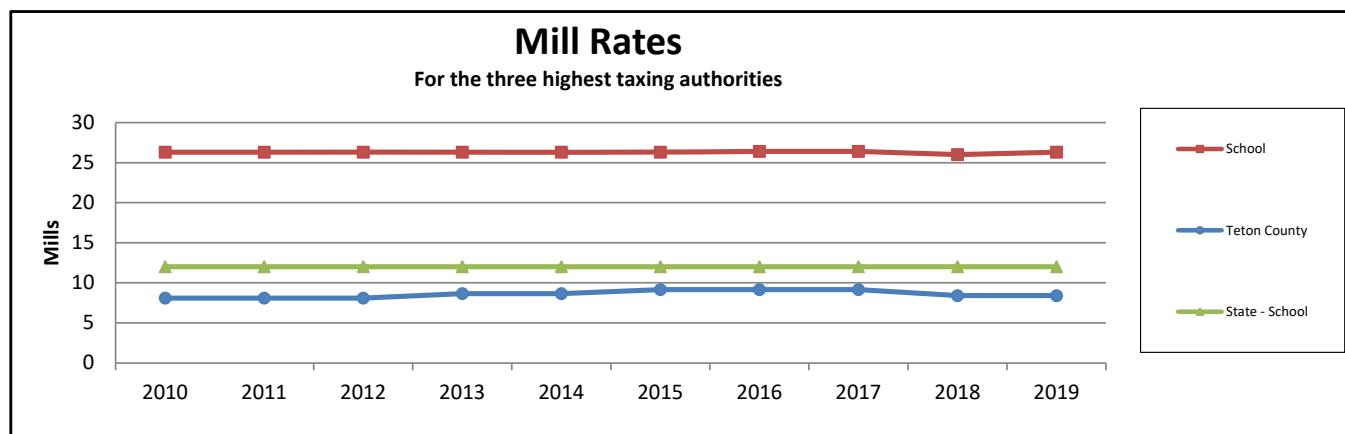
Note: The Town of Jackson does not levy a property tax. State statutes gives the town authority to levy taxes up to 8 mills (.008) on assessed valuation.

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		
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	
2018	0.00	26.00	8.40	12.00	6.00	3.00	1.85	57.25	
2019	0.00	26.30	8.40	12.00	6.00	3.00	1.85	57.55	



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	2006	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Ag., forestry, etc.	\$ 418,625	\$ 265,200	\$ 279,600	\$ 280,900	\$ 287,800	\$ 353,500	\$ 329,200	\$ 409,200	\$ 383,800	\$ 389,800	\$ 366,700
Mining	977,275	1,969,300	928,100	450,500	282,100	825,600	465,900	452,300	392,600	1,705,400	968,500
Utilities	29,704,900	35,222,500	33,610,100	34,963,300	34,042,600	39,012,500	36,962,000	37,227,500	39,389,600	40,618,700	42,633,300
Construction	10,668,725	26,590,400	24,839,100	19,621,700	21,314,700	24,011,300	25,784,200	27,366,900	31,836,500	32,260,200	25,004,500
Manufacturing	14,807,125	9,855,700	11,782,400	10,317,100	9,292,200	9,957,500	10,295,000	11,031,600	11,485,900	10,341,000	8,591,100
Wholesale trade	26,755,600	31,365,700	37,526,400	41,566,900	43,655,000	37,598,900	44,166,000	43,714,500	52,108,700	60,620,600	62,122,800
Retail trade	357,201,600	300,941,800	302,282,200	326,624,600	358,130,900	389,423,800	423,493,200	442,557,000	458,746,000	520,986,500	573,463,300
Transportation/warehouse	3,827,950	5,320,800	4,644,100	4,735,700	4,868,600	5,966,700	5,445,600	5,606,300	6,590,800	9,308,400	9,053,400
Information	24,313,375	26,498,900	28,080,600	20,374,500	20,268,600	23,751,000	24,693,000	24,145,500	21,657,600	19,100,000	19,543,100
Finance and insurance	818,025	432,500	368,000	923,300	429,200	440,900	551,700	519,900	409,400	831,200	755,300
Real estate, rental & lease	50,599,750	53,491,600	53,701,400	51,257,200	54,646,100	58,465,300	64,441,800	71,982,600	77,173,200	83,914,200	94,300,100
Professional & technical	12,023,825	9,534,800	8,626,800	8,079,400	9,319,600	12,658,400	13,153,500	12,068,800	11,412,700	11,676,400	11,880,800
Admin., support & waste	3,002,750	-	2,647,200	2,210,400	2,762,100	2,834,900	3,075,900	3,152,100	3,792,700	4,087,000	4,780,700
Educational services	89,975	2,791,300	51,400	82,800	102,900	76,000	191,900	219,000	147,700	190,000	160,600
Health and social assist	144,075	33,000	80,800	21,600	16,600	22,200	38,600	37,400	51,700	57,600	62,300
Arts, entertainment, & rec	9,084,325	42,700	16,067,000	8,816,100	6,899,800	7,170,600	5,245,200	8,034,900	8,691,500	9,956,700	10,770,200
Accommodations	287,535,875	13,625,100	305,490,500	346,768,100	363,915,100	392,452,000	455,795,000	478,702,300	507,754,400	568,346,900	590,100,200
Other services	23,668,625	299,556,800	22,159,400	22,770,600	24,289,400	25,837,100	28,067,100	29,798,500	30,930,500	33,544,000	35,680,100
Public administration	28,061,150	23,535,000	41,472,200	45,714,800	56,713,900	62,995,300	77,166,900	80,725,700	86,189,600	95,284,300	96,331,000
	\$ 883,703,550	\$ 841,073,100	\$ 894,637,300	\$ 945,579,500	\$ 1,011,237,200	\$ 1,093,853,500	\$ 1,219,361,700	\$ 1,277,752,000	\$ 1,349,144,900	\$ 1,503,218,900	\$ 1,586,568,000

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

Source: Wyoming Department of Revenue

Principal Employers

Current Year and Nine Years Ago

(Unaudited)

Employer	2019		Percentage of Total Employment	2009		Percentage of Total Employment
	Employees	Rank		Employees	Rank	
St. John's Hospital	750	1	5.04%	510	1	3.35%
Teton County School District	606	2	4.07%	358	2	2.35%
Teton County	304	3	2.04%	220	3	1.44%
Smith Food and Drug	186	4	1.25%	222	4	1.46%
Albertson's Food Center	150	5	1.01%	125	6	0.82%
Snow King Resort	141	6	0.95%	127	5	0.83%
Town of Jackson	140	7	0.94%	120	7	0.79%
Town Square Inns	128	8	0.86%	94	8	0.62%
The Wort Hotel	113	9	0.76%	73	9	0.48%
Kmart Corporation	85	10	0.57%	70	10	0.46%
	<u>2,603</u>		<u>17.50%</u>	<u>1,919</u>		<u>12.59%</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 14,876
 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)
2010	9,577	6.0%	2,317	2,667,450	125,633	n/a	32
2011	9,656	5.5%	2,465	3,088,147	145,017	n/a	32
2012	9,710	5.1%	2,449	3,258,716	151,738	n/a	32
2013	9,838	4.0%	2,481	4,217,566	194,277	n/a	n/a
2014	10,135	3.5%	2,597	3,977,684	178,164	n/a	n/a
2015	10,449	2.9%	2,691	4,563,555	200,007	n/a	36
2016	10,523	2.6%	2,782	4,718,935	204,913	n/a	36
2017	10,529	2.2%	2,842	5,200,756	224,366	n/a	38
2018	10,532	2.4%	2,881	5,440,756	233,860	n/a	38
2019	10,429	2.3%	2,869	5,810,143	251,728	n/a	38

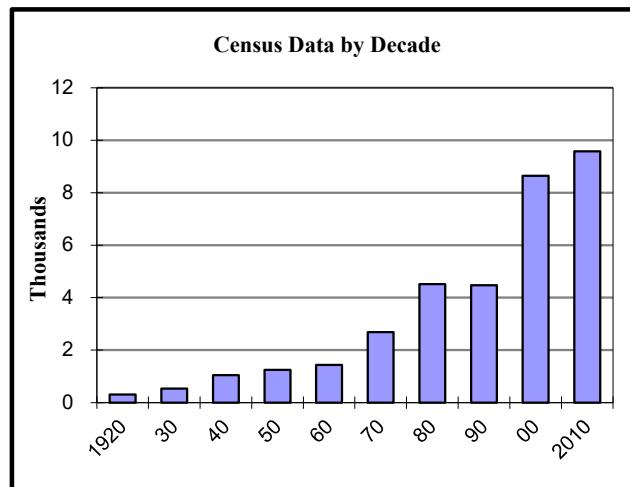
Sources: (1) US Census Bureau
 (2) US Department of Labor - Bureau of Labor Statistics
 (3) Wyoming Department of Education
 (4) & (5) U. S. Department of Commerce - Bureau of Economic Analysis

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:	
Under 5 years	
5-9 years	
10-14 years	
15-19 years	
20-24 years	
25-34 years	
35-44 years	
45-54 years	
55-59 years	
60-64 years	
65-74 years	
75-84 years	
85 years and older	

	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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government:										
Town Attorney	1.30	1.50	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Municipal Judge	1.00	1.00	1.00	1.00	2.00	2.00	2.20	2.23	2.50	2.50
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	3.00
Town Clerk/Personnel	3.00	2.80	2.80	2.20	3.00	3.00	3.50	3.50	3.56	4.06
Finance	4.50	4.00	3.80	3.80	4.30	4.30	4.30	4.33	3.99	3.99
Planning	4.70	4.30	4.00	4.00	5.00	5.00	5.00	5.25	5.25	4.25
Information Technology	2.00	2.00	2.00	2.00	2.00	3.60	3.60	3.60	3.60	3.60
Town Hall Building	1.00	1.00	1.00	-	-	-	-	-	-	-
Public Safety:										
Police	28.00	28.25	30.25	30.58	32.00	32.25	32.75	32.75	33.75	36.75
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	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	3.00
Animal Shelter	2.75	2.55	2.55	2.75	2.75	2.90	2.90	2.90	2.90	2.90
Public Works										
Administration	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	1.50	2.33
Streets	7.58	7.58	8.00	8.00	8.92	8.92	9.42	9.50	9.50	8.00
Town Engineer	4.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	4.00
Water O&M	3.50	3.25	3.25	3.25	3.25	3.50	4.00	4.00	4.00	4.58
Water Billing & Accounting	1.25	1.25	1.25	1.25	1.25	1.25	1.04	1.00	1.00	1.00
Sewer Plant Operation	3.50	3.50	4.50	4.50	4.50	4.75	4.75	5.00	5.00	4.58
Sewer O&M	2.00	2.25	2.25	2.25	2.25	2.25	2.25	2.00	2.00	2.00
Sewer Billing & Accounting	1.25	1.25	1.25	1.25	1.25	1.25	1.04	1.00	1.00	1.00
Fleet Management	5.60	5.60	5.60	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Cemetery			0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Transit										
Start Bus	33.26	32.00	36.50	34.89	35.11	35.51	38.63	37.95	38.48	41.80
Culture & Recreation:										
Pathways Operations	1.00	1.00	1.00	-	-	-	-	-	-	-
Total Full-Time Equivalents	118.69	115.58	123.75	120.47	127.33	130.73	135.63	135.26	136.78	145.60

Source: Administration and Finance

Operating Indicators by Function Last Ten Fiscal Years

(Unaudited)

Function	Year Ending June 30,									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Total arrests	582	533	419	609	413	594	537	535	568	375
Total part 1 offenses	61	42	277	249	393	197	590	229	170	158
DUI arrests	86	79	103	111	208	146	102	52	45	56
UCR Incidents reported	345	276	464	335	460	259	674	733	800	966
Fire/EMS										
Medical calls	946	1,004	1,009	1,217	1,225	1,137	1,142	1,123	1,263	1,250
Fire calls	56	69	46	73	52	65	45	51	54	64
Hazardous materials calls	26	32	40	29	17	48	51	46	34	46
Service calls	19	28	29	48	98	147	161	188	213	204
False alarms	68	73	61	78	126	124	122	151	89	130
Water Utility										
Annual Tap water billed (millions)	784	813	874	840	891	762	799	836	856	859
Number of water meters billed	3,956	3,994	4,057	4,110	4,174	4,242	4,326	4,377	4,429	4,518
Transit										
Revenue miles	557,440	599,180	709,069	748,183	748,183	804,024	859,550	873,010	869,784	913,802
Passengers	782,521	831,602	852,927	900,908	944,357	954,388	979,674	1,002,443	1,051,982	1,054,567
Accidents	3	5	7	7	3	8	7	12	11	19
Accidents/100,000 miles	0.54	0.83	0.99	0.94	0.40	0.99	0.81	1.37	1.26	2.08

Source: Various town departments

Capital Assets Statistics by Function

Last Eight Fiscal Years

(Unaudited)

Function	Year Ending June 30,							
	2012	2013	2014	2015	2016	2017	2018	2019
General government								
Town halls	1	1	1	1	1	1	1	1
Public safety								
Stations	1	1	1	1	1	1	1	1
Streets								
Street (miles)	33.8	34.0	34.0	34.0	34.0	34.0	34.0	34.0
Paved alleyways	0.8	0.9	0.9	0.9	1.0	1.0	1.0	1.2
Gravel alleyways	4.3	4.2	4.2	4.2	4.1	4.1	4.1	3.9
Parking garages	1	1	1	1	1	1	1	1
Recreation and culture								
Parks	12	12	12	12	12	12	12	12
Indoor ice arenas	1	1	1	1	1	1	1	1
Aquatics center	1	1	1	1	1	1	1	1
Water utility								
Well pump stations	7	7	7	7	5	5	5	5
Water mains (miles)	64.0	64.0	64.0	64.0	64.0	64.0	64.2	64.2
Water tanks	3	3	3	3	3	3	3	3
Fire hydrants	433	435	435	435	345	345	345	345
Sewage utility								
Sanitary sewers (miles)	57.1	57.2	57.2	57.2	57.2	57.2	57.4	57.4
Maximum daily treatment capacity (thousands of gallons)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Lift stations	5	5	5	5	5	5	5	6
Manholes	1,203	1,203	1,203	1,203	1,205	1,205	1,205	1,205

Source: Various town departments



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GOVERNMENT AUDIT REPORTS





December 6, 2019

**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, 2019, 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 6, 2019.

Internal Control Over Financial Reporting

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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.

A handwritten signature in black ink that reads "Thompson Palmer & Associates PC". The signature is fluid and cursive, with "Thompson" on the top line, "Palmer & Associates" on the middle line, and "PC" on the bottom line.

Thompson, Palmer & Associates, PC
Certified Public Accountants



December 6, 2019

**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 the 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 the Town of Jackson, Wyoming's major federal programs for the year ended June 30, 2019. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 the 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 the Town of Jackson, Wyoming's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2019.

Report on Internal Control Over Compliance

Management of the 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 the 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 the Town of Jackson, Wyoming's internal control over compliance.

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

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

Town of Jackson Wyoming
Independent Auditor's Report on Compliance
December 6, 2019
Page 3

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.

A handwritten signature in black ink, appearing to read "Thomyne Palmer".

Thompson, Palmer & Associates, PC
Certified Public Accountants

TOWN OF JACKSON WYOMING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report issued an unqualified opinion on the basic financial statements on the Town of Jackson, as of June 30, 2019.
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 Program CDFA #20.526

US Department of Transportation – Federal Highway Administration – Idaho Department of Transportation – Formula Grants for Rural Areas CFDA #20.509

7. The threshold for distinguishing Types A and B programs was \$750,000.
8. The Town of Jackson was considered to be a low risk auditee.

TOWN OF JACKSON WYOMING
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2019

<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 2018	16.575	\$ 93,118	\$ 93,118
VOCA Program 2016	16.575	456	456
US Department of Justice			
Bureau of Justice Assistance			
Office of Justice Programs			
Bullet Proof Vest Partnership	16.607	3,520	2,850
US Department of Justice passed through the Wyoming Association of Sheriffs & Chiefs			
Selective Traffic Enforcement Equipment	20.600	10,397	10,397
Selective Traffic Enforcement DUI	20.616	13,100	7,388
Selective Traffic Enforcement DUI	20.607	14,400	2,732
Selective Traffic Enforcement HVE	20.616	6,200	2,074
Selective Traffic Enforcement HVE	20.607	7,250	2,808
EULD-Prevention for Success Grant	93.243	5,691	1,996
EULD-Prevention for Success Grant	93.243	4,530	2,029
US Department of Homeland Security passed through the Wyoming Office of Homeland Security			
State Homeland Security Program	97.067	20,000	19,826
Total General Fund		\$ 178,662	\$ 145,674

TOWN OF JACKSON WYOMING
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
 FOR THE YEAR ENDED JUNE 30, 2019

<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 18035			
Formula Grants for Rural Areas	20.509	\$ 1,747,327	\$ 176,161
FTA 19035			
Formula Grants for Rural Areas	20.509	2,000,000	1,905,058
US Department of Transportation Federal Transit Administration passed through the Idaho Transportation Department			
Formula grants for Rural Areas	20.509	160,000	64,720
Formula Grants for Rural Areas	20.509	116,598	73,160
Formula Grants for Rural Areas	20.509	171,228	57,144
US Department of Transportation Federal Transit Administration passed through the Wyoming Department of Transportation			
Bus and Bus Facilities Program	20.526	<u>183,000</u>	<u>178,400</u>
Total Special Revenue Fund		<u>\$ 4,378,153</u>	<u>\$ 2,454,643</u>
Total Federal Awards		<u>\$ 4,556,815</u>	<u>\$ 2,600,317</u>

TOWN OF JACKSON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Jackson under programs of the federal government for the year ended June 30, 2018. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Town of Jackson, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Jackson.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 – INDIRECT COST RATE

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



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