

Lincoln County, Wyoming



FINANCIAL STATEMENTS

June 30, 2025

LINCOLN COUNTY
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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Lincoln County
Kemmerer, Wyoming

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lincoln County, Wyoming (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County’s basic financial statements. The supplementary information listed in the table of contents, including the accompanying schedule of expenditures of federal awards as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for additional analysis and is not a required part of the basic financial statements. The accompanying schedules of Drug Court financial position and Drug Court activities and functional expenses are presented for additional analysis as required by the State of Wyoming Department of Health and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2025 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Jones Simkins LLC".

JONES SIMKINS LLC

Logan, Utah

December 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

The Board of County Commissioners of Lincoln County, Wyoming (the County) offers this narrative discussion, overview, and analysis of the financial activities of the County for the fiscal year ended June 30, 2025. Readers are encouraged to consider the information presented here in conjunction with the financial statements which follow this section.

Unless otherwise noted, the information and financial data included in this discussion and analysis relate to the primary government and do not include its discretely presented component units. The primary government can be generally described as providing the core services expected of local government, such as public health and safety and maintenance of infrastructure; component units are separate legal entities that provide ancillary services (examples of which are the county library, weed and pest control district, and fair board.)

Financial Highlights

The total net position of the County for the year increased by \$6,021,286, resulting in total net position of \$79,243,994. Three focal points of the County's finances are: cash and investments (including cash and cash equivalents, pooled cash and cash equivalents, and investments), capital assets (including land, roads, buildings, equipment, right of use assets, construction in process, and accumulated depreciation and amortization) and long-term liabilities (including notes payable, compensated absences, and leases).

The change in net position resulted from changes in all three categories. 1. Cash and investments decreased by \$8,960,565 or 13% over the prior year. Cash and investments now represent 54% of total assets. 2. Net capital assets increased by \$5,575,433 or 13% from the prior year. Net capital assets now represent 46% of total assets. This increase was primarily a result of an increase to new capital assets purchased in the current year, greater than the result of current year depreciation and amortization expense. 3. Long-term liabilities, including the net pension liability, which account for 83% of total liabilities, increased by \$255,549 or 2%. This increase was primarily a result of changes in the County's net pension liability and accruing for certain compensated absences.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Lincoln County's basic financial statements. These 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. A comparative presentation of government-wide information is also included in this discussion and analysis. The purpose of this narrative is to simplify and clarify the following financial statements.

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

Government-Wide Financial Statements

The government-wide financial statements provide a view of the County's finances as a whole, similar to a private-sector business. The statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all of the County's assets, deferred inflows and outflows, and liabilities and the resulting difference between the assets and liabilities as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. However, to evaluate the County's overall financial condition, the reader needs to consider other important factors, such as the economic outlook, stability of and control over revenue sources, and the condition of and plan to maintain capital assets.

The Statement of Activities presents information showing how the net position of the County changed during this fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, the financial statements are presented using the accrual method of accounting and revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected and delinquent property taxes and employees' earned, but unused, paid leave).

The distinct type of activities reflected in the primary government financial statements is governmental activities. The County does not have any business-type activities. Governmental activities are those supported primarily by taxes and intergovernmental revenue and are not designed to charge fees sufficient to recover all costs of operations. As reported by the County, governmental activities include such functions as general government, public safety, public works, and health and welfare.

The government-wide financial statements include not only the County itself (known as the primary government), but discretely presented component units which include: the Lincoln County Weed and Pest Control District, the Lincoln County Fair Board, and the Lincoln County Library. Financial information for these component units are reported separately from the financial information presented for the primary government.

Fund Financial Statements

A fund is a group of accounts that the County uses to keep track of specific resources that are segregated for a specific purpose. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County maintains a general fund, five special revenue funds, and a debt service fund.

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

Governmental funds include essentially the same functions and services as delineated under governmental activities shown in the government-wide statements. However, for accounting and reporting purposes, governmental fund amounts are determined with a different approach. At the fund level, the focus is on changes in near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

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

The General Fund is the primary operating fund of the County and is one of three governmental funds designated as "major" because of the magnitude of the assets, liabilities, revenues, and expenditures recorded in these funds. The Grants Special Revenue Fund and Contracts Fund are the other major fund of the County. There are four other governmental funds that are reported. A summary of these funds is combined into one "non-major fund" column. The non-major funds include the Enhanced 911 Fund, the State Roads Fund, the Landfill Fund, and the Debt Service Fund. The composition of the non-major funds is shown in the combining statements. The County is required to adopt an annual budget showing appropriations for each of the governmental funds. To demonstrate legal compliance, statements comparing budget to actual numbers for the General Fund, Grants Fund and the Contracts Fund are included in the required supplementary information. Budget to actual schedules for all other governmental funds are included in the supplementary information.

The County also maintains four fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's programs.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is necessary to more fully understand the financial statements. Many of the notes contain a more complete definition of accounting terms and description of the County's accounting policies. The notes also provide additional detail on deposits and investments, changes to capital assets, funded liabilities, long-term debt obligations, retirement plans and compliance-related issues.

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position and condition. As of June 30, 2025, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$79,243,994. The largest portion of the County's assets (46%) reflects its investment in capital assets, (land, rights of way, buildings, infrastructure, equipment, construction in progress, and accumulated depreciation). The County uses these capital assets to provide services to its citizens; consequently these assets are not available for future spending. Current and other assets represent 54% of assets and for the most part these funds are available for future spending. The asset and deferred outflows of resources to liability and deferred inflows of resources ratio is approximately 4:1, meaning, for every dollar of liabilities and deferred inflows of resources the County holds four dollars in assets and deferred outflows of resources.

Statement of Net Position: As taken from the Statement of Net Position in the basic financial statements, the following table depicts the net position including all assets and deferred outflows and deferred inflows and liabilities that create net position for fiscal years 2025 and 2024, respectively, as well as the changes between the two years. The percentage to total assets, deferred outflows of resources, liabilities and deferred inflows of resources, and net position illustrates the percent change of each account to their respective totals for each year. This will assist in evaluating the importance of that account to the total and how that translates to its effect on net position.

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

	2025	2024	Net Change	Percentage of Total		% Change Between Years
	Governmental Activities	Governmental Activities		2025	2024	
Assets:						
Current and Other Assets	\$ 57,473,391	58,024,893	(551,502)	54.30%	57.55%	-0.95%
Capital Assets	48,370,712	42,795,279	5,575,433	45.70%	42.45%	13.03%
Total Assets	105,844,103	100,820,172	5,023,931			
Deferred Outflows of Resources:						
Pensions	2,732,659	3,077,874	(345,215)	100.00%	100.00%	-11.22%
Total Deferred Outflows of Resources	2,732,659	3,077,874	(345,215)			
Liabilities:						
Other Liabilities	2,987,511	2,442,763	544,748	17.00%	14.57%	22.30%
Long-term Liabilities	14,583,280	14,327,731	255,549	83.00%	85.43%	1.78%
Total Liabilities	17,570,791	16,770,494	800,297			
Deferred Inflows of Resources:						
Property Taxes	8,990,022	10,826,262	(1,836,240)	76.43%	77.86%	-16.96%
Pensions	2,771,955	3,078,582	(306,627)	23.57%	22.14%	-9.96%
Total Deferred Inflows of Resources	11,761,977	13,904,844	(2,142,867)			
Net Position:						
Net investment in capital assets	42,179,350	35,873,297	6,306,053	53.23%	48.99%	17.58%
Restricted	6,371,944	2,844,895	3,527,049	8.04%	3.89%	123.98%
Unrestricted	30,692,700	34,504,516	(3,811,816)	38.73%	47.12%	-11.05%
Total Net Position \$	79,243,994	73,222,708	6,021,286			
Assets and Deferred Outflows of Resources to Liabilities and Deferred Inflows of Resources	3.7	3.4				

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

Changes in Net Position: As taken from the Statement of Activities in the basic financial statements, the following table depicts the changes in net position for fiscal years 2025 and 2024, the changes between fiscal years 2025 and 2024, and the percentages of revenue to total revenues and expenses to total expenses.

Summary of Changes in Net Position

	<u>2025</u>	<u>% of Total Revenues</u>	<u>2024</u>	<u>% of Total Revenues</u>	<u>\$ Change Between Years</u>	<u>% Change Between Years</u>
Revenues:						
Program revenues						
Charges for services	\$ 2,791,254	7.94%	2,105,794	5.52%	685,460	32.55%
Operating grants	6,137,990	17.45%	6,871,516	18.00%	(733,526)	-10.67%
Capital grants	-	0.00%	2,112,580	5.53%	(2,112,580)	-100.00%
General Revenues:						
Property taxes	11,708,114	33.29%	11,948,541	31.30%	(240,427)	-2.01%
Sales and use tax	8,723,437	24.80%	9,210,943	24.13%	(487,506)	-5.29%
Other taxes	3,131,645	8.90%	3,922,869	10.28%	(791,224)	-20.17%
Interest and investment income	2,454,955	6.98%	1,845,898	4.84%	609,057	33.00%
Loss on disposal of assets	(85,618)	-0.24%	(61,087)	-0.16%	(24,531)	40.16%
Miscellaneous	307,604	0.87%	211,257	0.55%	96,347	45.61%
Total Revenues	<u>35,169,381</u>		<u>38,168,311</u>		<u>(2,998,930)</u>	-7.86%
		<u>% of Total Expenses</u>		<u>% of Total Expenses</u>		
Expenses:						
General Government	12,520,206	42.95%	14,584,879	50.90%	(2,064,673)	-14.16%
Public Safety	10,258,779	35.20%	6,958,698	24.29%	3,300,081	47.42%
Public Works	2,970,485	10.19%	4,477,321	15.63%	(1,506,836)	-33.65%
Health & Welfare	2,673,719	9.17%	2,206,958	7.70%	466,761	21.15%
Interest & fiscal charges	724,906	2.49%	425,943	1.49%	298,963	0.00%
Total expenses	<u>29,148,095</u>		<u>28,653,799</u>		<u>494,296</u>	1.73%
Change in net position	<u>6,021,286</u>		<u>9,514,512</u>			
Net position-beginning	<u>73,222,708</u>		<u>63,708,196</u>			
Net position-ending	<u>\$ 79,243,994</u>		<u>73,222,708</u>			

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

For fiscal year 2025, the County experienced an increase in net position of \$6,021,286 compared to an increase of \$9,514,512 in fiscal year 2024. This change is due to the following factors: 1) revenues from operating grants and contributions and other taxes and shared revenues decreased by \$2,846,106 and \$791,224 respectively; 2) expenses increased by \$494,296 due primarily to increases in public safety; and 3) property taxes decreased by \$240,427.

Taxes comprise the largest source of revenue for the County. Property and motor vehicle taxes represent 33% of total revenues, followed by sales and use taxes which constitute 25% of total revenues. Charges for services, operating grants, and other taxes represent 8%, 17%, and 9% of total revenues, respectively, while capital grants represent 0% of total revenues and miscellaneous and other income represent less than 8% of total revenues.

On the expense side, the cost of General Government programs decreased by 14% or \$2,064,673 from 2024 and was 43% of total expenses. Public Works decreased by \$1,506,836, and was 10% of total expenses. Public Safety and Health and Welfare increased by \$3,300,081 and \$466,761, respectively, and were 24% and 8% of total expenses, respectively.

Financial Analysis of the County's Funds

The County uses fund accounting to demonstrate compliance with standard accounting procedures and Wyoming State Statutes.

Governmental Funds: The focus of the County's governmental funds is to provide information on near term inflows, outflows, and the balance of resources available for appropriation. Such information is a useful measure of the County's net resources available for spending at the end of the year.

As of June 30, 2025, the fund balance of the County's governmental funds was \$44,858,658, which increased \$825,989 compared to the prior year. Of the \$44,858,658 in fund balance, \$30,625,221 is unassigned and is available for appropriation by the County. The remainder of the fund balance is comprised of \$183,000 which is in nonspendable form, \$6,371,944 which is restricted by enabling legislation and/or for specific road projects, state and federal contracts, and state and federal grant programs, \$3,616,765 which is committed for future debt service and \$4,061,728 which is assigned for special projects and other purposes.

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

General Fund Budgetary Highlights

A comparison of final budget amounts to actual revenues and expenditures is another measure of the County's ability to manage the sources and application of funds.

Year Ending June 30, 2025 - Final Budget to Actual

	<u>Final Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>	<u>% of Change Budget to Actual</u>
<u>Revenues:</u>				
Taxes	\$ 23,802,245	23,205,580	(596,665)	-2.51%
Intergovernmental	211,000	2,217,030	2,006,030	950.73%
Charges for services	1,187,500	1,569,652	382,152	32.18%
Licenses and permits	3,500	4,770	1,270	36.29%
Interest and investment income	1,550,000	2,233,548	683,548	100.00%
Miscellaneous	103,601	221,604	118,003	113.90%
<i>Total revenues</i>	<u>26,857,846</u>	<u>29,452,184</u>	<u>2,594,338</u>	<u>9.66%</u>
<u>Expenditures:</u>				
General government	14,309,035	11,869,516	2,439,519	17.05%
Public safety	8,216,119	7,338,966	877,153	10.68%
Public works	5,042,714	4,531,907	510,807	10.13%
Health and welfare	1,651,843	1,605,571	46,272	2.80%
<i>Total expenditures</i>	<u>\$ 29,219,711</u>	<u>25,345,960</u>	<u>3,873,751</u>	<u>13.26%</u>

The original revenues budget was \$26,857,846 with no modifications made during the year. Actual revenues compared to the final budget had a favorable variance of \$2,594,338 or 10%.

Original budgeted expenditures were \$29,219,711 with no modifications made during the year. Actual expenditures amounted to \$25,345,960, resulting in a favorable variance of \$3,873,751 or 13%. At the department level, General Government expenditures were \$11,869,516, or 17% less than budgeted expenditures; Public Safety expenditures were \$7,338,966, or 11% less than budgeted expenditures; Public Works expenditures were \$4,531,907 or 10% less than budgeted expenditures; and, Health and Welfare expenditures were \$46,272 or 3% less than budgeted expenditures.

LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

Capital Asset and Long-Term Debt Administration

Capital Assets: The County's investment in capital assets for its governmental activities, net of accumulated depreciation and amortization, came to a total of \$48,370,712 as of June 30, 2025. This investment in capital assets includes land, rights of way, infrastructure, buildings, vehicles, equipment, right of use assets, and construction in process. Major capital additions this year include vehicles, building construction and improvements, right of use assets, and other tools and equipment.

Long-Term Liabilities: Total long-term liabilities, including net pension liability, as of June 30, 2025 were \$14,583,280 of which \$1,615,000 is due within one year and \$12,968,280 is due in more than one year. There is no general obligation indebtedness as of June 30, 2025.

Economic and Other factors

One of the ways to measure the economic strength of the County is to look at the assessed market valuation of property in the County. Due to the changes in governmental approach towards fossil and other similar fuels, the assessed market valuation used in property tax levies for fiscal year 2025 decreased by 3% or approximately \$36 million from the prior year, which resulted in an decrease of approximately \$435,000 in property tax revenue.

Contacting the County

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the County's financial condition and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Board of County Commissioners at Lincoln County Wyoming, 925 Sage Avenue, Kemmerer, WY 83101.

The preceding discussion and analysis focuses on the County's primary government operations. The County's component units do not issue separate audited financial statements. Additional information regarding component unit finances may be obtained from their respective administrative offices.

Basic Financial Statements

LINCOLN COUNTY
STATEMENT OF NET POSITION
June 30, 2025

	<u>Primary Government</u>		<u>Component Units</u>
	<u>Governmental Activities</u>	<u>Total</u>	
<u>Assets</u>			
Cash and cash equivalents	\$ 35,700,841	35,700,841	2,910,983
Investments	9,503,056	9,503,056	1,276,330
Beneficial interest	-	-	1,700,616
Accounts receivable	127,767	127,767	99,873
Taxes receivable	8,990,022	8,990,022	2,919,152
Due from other governments	2,253,705	2,253,705	-
Prepaid assets	-	-	982
Inventory	183,000	183,000	921,419
Note receivable	715,000	715,000	-
Capital assets	103,541,965	103,541,965	2,942,868
Accumulated depreciation and amortization	(55,171,253)	(55,171,253)	(1,737,921)
Total assets	<u>105,844,103</u>	<u>105,844,103</u>	<u>11,034,302</u>
<u>Deferred outflows of resources</u>			
Pensions	<u>2,732,659</u>	<u>2,732,659</u>	<u>253,840</u>
Total deferred outflows of resources	<u>2,732,659</u>	<u>2,732,659</u>	<u>253,840</u>
<u>Liabilities</u>			
Accounts payable	1,385,159	1,385,159	68,876
Accrued liabilities	89,737	89,737	31,305
Unearned revenue	1,081,868	1,081,868	633,650
Other liabilities	430,747	430,747	-
Long-term liabilities:			
Due within one year	1,615,000	1,615,000	176,000
Due in more than one year	5,859,362	5,859,362	-
Net pension liability	<u>7,108,918</u>	<u>7,108,918</u>	<u>1,305,260</u>
Total liabilities	<u>17,570,791</u>	<u>17,570,791</u>	<u>2,215,091</u>
<u>Deferred inflows of resources</u>			
Property taxes	8,990,022	8,990,022	2,902,593
Pensions	<u>2,771,955</u>	<u>2,771,955</u>	<u>213,437</u>
Total deferred inflows of resources	<u>11,761,977</u>	<u>11,761,977</u>	<u>3,116,030</u>
<u>Net position</u>			
Net investment in capital assets	42,179,350	42,179,350	1,204,947
Restricted – expendable	6,371,944	6,371,944	-
Restricted – nonexpendable	-	-	1,700,615
Unrestricted	<u>30,692,700</u>	<u>30,692,700</u>	<u>3,051,459</u>
Total net position	<u>\$ 79,243,994</u>	<u>79,243,994</u>	<u>5,957,021</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Governmental Activities	Total	
Primary government:							
Governmental:							
General	\$ 12,520,206	640,610	2,233,368	-	(9,646,228)	(9,646,228)	-
Public safety	10,258,779	1,885,341	818,217	-	(7,555,221)	(7,555,221)	-
Public works	2,970,485	-	2,681,196	-	(289,289)	(289,289)	-
Health and welfare	2,673,719	265,303	405,209	-	(2,003,207)	(2,003,207)	-
Interest and fiscal charges	724,906	-	-	-	(724,906)	(724,906)	-
Total governmental activities	<u>29,148,095</u>	<u>2,791,254</u>	<u>6,137,990</u>	<u>-</u>	<u>(20,218,851)</u>	<u>(20,218,851)</u>	<u>-</u>
Total primary government	<u>\$ 29,148,095</u>	<u>2,791,254</u>	<u>6,137,990</u>	<u>-</u>	<u>(20,218,851)</u>	<u>(20,218,851)</u>	<u>-</u>
Component units:							
Weed and pest control district	\$ 2,493,570	329,511	1,168,316	-	-	-	(995,743)
County fair	1,079,391	413,372	-	-	-	-	(666,019)
County library	1,622,287	14,982	138,430	-	-	-	(1,468,875)
Total component units	<u>\$ 5,195,248</u>	<u>757,865</u>	<u>1,306,746</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,130,637)</u>
General revenues:							
Taxes:							
Property taxes				\$ 11,708,114	11,708,114		3,370,093
Sales and use taxes				8,723,437	8,723,437		-
Other taxes and shared revenues				3,131,645	3,131,645		-
Total taxes				<u>23,563,196</u>	<u>23,563,196</u>		<u>3,370,093</u>
Interest and investment loss				2,454,955	2,454,955		158,030
Gain (loss) on disposal of assets				(85,618)	(85,618)		26,360
Miscellaneous				307,604	307,604		328
Total general revenues				<u>26,240,137</u>	<u>26,240,137</u>		<u>3,554,811</u>
Change in net position				6,021,286	6,021,286		424,174
Net position - beginning				<u>73,222,708</u>	<u>73,222,708</u>		<u>5,532,847</u>
Net position - ending				<u>\$ 79,243,994</u>	<u>79,243,994</u>		<u>5,957,021</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	<u>General</u>	<u>Grants Special Revenue</u>	<u>Contracts</u>	<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<u>Assets</u>					
Cash and cash equivalents	\$ 30,626,519	-	-	5,074,322	35,700,841
Investments	9,503,056	-	-	-	9,503,056
Accounts receivable	90,493	-	-	37,274	127,767
Taxes receivable	8,990,022	-	-	-	8,990,022
Due from other governments	1,579,396	76,341	119,551	478,417	2,253,705
Note receivable	715,000	-	-	-	715,000
Inventory	183,000	-	-	-	183,000
Due from other funds	-	2,911,405	2,474,047	4,376,300	9,761,752
Total assets	<u>\$ 51,687,486</u>	<u>2,987,746</u>	<u>2,593,598</u>	<u>9,966,313</u>	<u>67,235,143</u>
<u>Liabilities</u>					
Interfund payable	\$ 9,761,752	-	-	-	9,761,752
Accounts payable	948,807	253,815	78,555	103,982	1,385,159
Accrued liabilities	11,937	-	-	-	11,937
Unearned revenue	-	114,657	967,211	-	1,081,868
Other liabilities	430,747	-	-	-	430,747
Total liabilities	<u>11,153,243</u>	<u>368,472</u>	<u>1,045,766</u>	<u>103,982</u>	<u>12,671,463</u>
<u>Deferred inflows of resources</u>					
Property taxes	8,990,022	-	-	-	8,990,022
Unavailable revenues	715,000	-	-	-	715,000
Total deferred inflows of resources	<u>9,705,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,705,022</u>
<u>Fund balances</u>					
Nonspendable	183,000	-	-	-	183,000
Restricted	21,000	-	105,378	6,245,566	6,371,944
Committed	-	-	-	3,616,765	3,616,765
Assigned	-	2,619,274	1,442,454	-	4,061,728
Unassigned	30,625,221	-	-	-	30,625,221
Total fund balances	<u>30,829,221</u>	<u>2,619,274</u>	<u>1,547,832</u>	<u>9,862,331</u>	<u>44,858,658</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 51,687,486</u>	<u>2,987,746</u>	<u>2,593,598</u>	<u>9,966,313</u>	<u>67,235,143</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2025

Total fund balances for governmental funds \$ 44,858,658

Amounts reported for governmental activities in the Statement of Net Position are different because:

The net pension liability and deferred inflows and outflows of resources related to pensions are not reported in the funds.

Deferred outflows of resources - pensions	\$ 2,732,659	
Deferred inflows of resources - pensions	(2,771,955)	
Net pension liability	<u>(7,108,918)</u>	(7,148,214)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Buildings and improvements	\$ 33,168,091	
Infrastructure	31,492,473	
Equipment and vehicles	22,655,729	
Right to use assets	7,744,011	
Land	2,559,755	
Rights of way	1,056,600	
Construction in process	4,865,306	
Accumulated depreciation and amortization	<u>(55,171,253)</u>	48,370,712

Long-term note receivables are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds.

Notes receivable	\$ <u>715,000</u>	715,000
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Long-term liabilities and certain related accrued interest are not due and payable in the current period and therefore are not reported in the funds.

Lease liabilities	\$ (5,577,186)	
Direct borrowings	(614,176)	
Accrued interest	(77,800)	
Compensated absences	<u>(1,283,000)</u>	(7,552,162)

Net position of governmental activities \$ 79,243,994

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	General	Grants	Contracts	Nonmajor Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 23,205,580	-	341,417	16,199	23,563,196
Intergovernmental	2,217,030	1,169,818	761,951	1,989,191	6,137,990
Charges for services	1,569,652	-	-	1,216,832	2,786,484
Licenses and permits	4,770	-	-	-	4,770
Interest and investment income	2,233,548	-	-	221,407	2,454,955
Miscellaneous	221,604	-	-	-	221,604
Total revenues	29,452,184	1,169,818	1,103,368	3,443,629	35,168,999
Expenditures:					
General government	11,869,516	36,787	428,691	-	12,334,994
Public safety	7,338,966	1,100,031	89,243	86,509	8,614,749
Public works	4,531,907	566,903	2,112,425	2,810,468	10,021,703
Health and welfare	1,605,571	524,238	165,207	125,748	2,420,764
Debt service	-	-	-	1,036,800	1,036,800
Total expenditures	25,345,960	2,227,959	2,795,566	4,059,525	34,429,010
Excess (deficiency) of revenues over expenditures	4,106,224	(1,058,141)	(1,692,198)	(615,896)	739,989
Other financing sources (uses):					
Proceeds from payments on notes receivable	86,000	-	-	-	86,000
Issuance of notes receivable	-	-	-	-	-
Transfers in	13,975	2,055,417	150	5,092,898	7,162,440
Transfers out	(6,406,756)	(50,381)	(589,920)	(115,383)	(7,162,440)
Total other financing sources (uses)	(6,306,781)	2,005,036	(589,770)	4,977,515	86,000
Net change in fund balance	(2,200,557)	946,895	(2,281,968)	4,361,619	825,989
Fund balance – beginning	33,029,778	1,672,380	3,829,798	5,500,712	44,032,668
Fund balance – ending	\$ 30,829,221	2,619,275	1,547,830	9,862,331	44,858,657

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2025

Net change in fund balance – total governmental funds	\$	825,989
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays (\$8,819,754) exceeded depreciation and amortization (\$3,158,702).		5,661,052
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales of capital assets) is to decrease net position.		(85,618)
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The net effect of transactions involving the net pension liability and deferred inflows and outflows of resources related to pensions results in a decrease in benefit expense and increases net position.		(250,757)
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Long-term debt proceeds and lease liabilities provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the Statement of Net Position. Repayments of long-term debt and lease principal are expenditures in governmental funds, but reduce liabilities in the Statement of Net Position. In the Statement of Activities, interest expense is recognized as it accrues, regardless of when it is due. Also, in the Statement of Activities, compensated absences are recognized when incurred.

Change in compensated absences liability		(860,000)	
Payment of principal on long-term liabilities	\$	62,937	
Payment of principal on lease liabilities		667,683	
		(129,380)	(129,380)

Change in net position of governmental activities	\$	6,021,286
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The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

	<u>Custodial Funds</u>
<u>Assets</u>	
Cash and cash equivalents	\$ <u>4,900,647</u>
Total assets	<u>4,900,647</u>
<u>Liabilities</u>	
Claims payable	2,394
Due to other taxing units	<u>4,789,277</u>
Total liabilities	<u>4,791,671</u>
<u>Net Position</u>	
Restricted for participants	<u>108,976</u>
Total net position	\$ <u><u>108,976</u></u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2025

	<u>Custodial Funds</u>
Additions:	
Contributions - County	\$ 46,135
Contributions - component units	90,405
Contributions - participants	145,376
Tax collections for other governments	147,902,886
Interest and other income	<u>225,997</u>
Total additions	<u>148,410,799</u>
Deductions:	
Claim benefit expense	274,965
Trust operating expense	29,728
Tax distributions to other governments	<u>148,128,830</u>
Total deductions	<u>148,433,523</u>
Change in net position	(22,724)
Net position – beginning	<u>131,700</u>
Net position – ending	<u><u>\$ 108,976</u></u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2025

	<u>Weed and Pest Control</u>	<u>County Fair</u>	<u>County Library</u>	<u>Total</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 1,621,944	961,351	327,688	2,910,983
Investments	-	-	1,276,330	1,276,330
Beneficial interest	-	-	1,700,616	1,700,616
Accounts receivable	99,805	-	68	99,873
Taxes receivable	921,559	581,000	1,416,593	2,919,152
Prepaid expenses	982	-	-	982
Inventory	921,419	-	-	921,419
Capital assets	1,582,462	1,119,590	240,816	2,942,868
Accumulated depreciation	<u>(834,149)</u>	<u>(681,806)</u>	<u>(221,966)</u>	<u>(1,737,921)</u>
 Total assets	 <u>4,314,022</u>	 <u>1,980,135</u>	 <u>4,740,145</u>	 <u>11,034,302</u>
<u>Deferred outflows of resources</u>				
Pensions	<u>55,925</u>	<u>18,253</u>	<u>179,662</u>	<u>253,840</u>
 Total deferred outflows of resources	 <u>55,925</u>	 <u>18,253</u>	 <u>179,662</u>	 <u>253,840</u>
<u>Liabilities</u>				
Accounts payable	5,934	12,202	50,740	68,876
Accrued liabilities	31,305	-	-	31,305
Unearned revenue	633,650	-	-	633,650
Compensated absences	87,000	59,000	30,000	176,000
Net pension liability	<u>397,093</u>	<u>105,092</u>	<u>803,075</u>	<u>1,305,260</u>
 Total liabilities	 <u>1,154,982</u>	 <u>176,294</u>	 <u>883,815</u>	 <u>2,215,091</u>
<u>Deferred inflows of resources</u>				
Property taxes	905,000	581,000	1,416,593	2,902,593
Pensions	<u>55,652</u>	<u>23,144</u>	<u>134,641</u>	<u>213,437</u>
 Total deferred inflows of resources	 <u>960,652</u>	 <u>604,144</u>	 <u>1,551,234</u>	 <u>3,116,030</u>
<u>Net position</u>				
Net investment in capital assets	748,313	437,784	18,850	1,204,947
Restricted – nonexpendable	-	-	1,700,615	1,700,615
Unrestricted	<u>1,506,000</u>	<u>780,166</u>	<u>765,293</u>	<u>3,051,459</u>
 Total net position	 <u>\$ 2,254,313</u>	 <u>1,217,950</u>	 <u>2,484,758</u>	 <u>5,957,021</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
Year Ended June 30, 2025

	<u>Weed and Pest Control</u>	<u>County Fair</u>	<u>County Library</u>	<u>Total</u>
Expenses	\$ 2,493,570	1,079,391	1,622,287	5,195,248
Program revenues:				
Charges for services	329,511	413,372	14,982	757,865
Operating grants and contributions	<u>1,168,316</u>	<u>-</u>	<u>138,430</u>	<u>1,306,746</u>
Total program revenues	<u>1,497,827</u>	<u>413,372</u>	<u>153,412</u>	<u>2,064,611</u>
Net expenses	<u>(995,743)</u>	<u>(666,019)</u>	<u>(1,468,875)</u>	<u>(3,130,637)</u>
General revenues:				
Taxes	1,139,959	524,332	1,705,802	3,370,093
Interest and investment income	47,482	19,523	91,025	158,030
Gain on disposal of assets	26,360	-	-	26,360
Miscellaneous	<u>-</u>	<u>-</u>	<u>328</u>	<u>328</u>
Total general revenues	<u>1,213,801</u>	<u>543,855</u>	<u>1,797,155</u>	<u>3,554,811</u>
Change in net position	218,058	(122,164)	328,280	424,174
Net position – beginning	<u>2,036,255</u>	<u>1,340,114</u>	<u>2,156,478</u>	<u>5,532,847</u>
Net position – ending	<u>\$ 2,254,313</u>	<u>1,217,950</u>	<u>2,484,758</u>	<u>5,957,021</u>

The accompanying notes are an integral part of these financial statements.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies

The financial statements of Lincoln County, Wyoming (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the County are discussed below.

Financial Reporting Entity

The County operates as an incorporated governmental entity within the State of Wyoming. The County is a municipal corporation governed by three elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge operation and maintenance, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. As required by GAAP, these financial statements present the County and its component units.

As required by GAAP, the County evaluates whether separate legal entities are controlled by or dependent on the County. The evaluation of control or dependence is based on several factors including the appointment of the respective governing board, ability of the County to impose its will on the separate legal entity, and whether a financial benefit or burden relationship exists.

Blended component units, although legally separate entities, are in substance part of the County's operations and data from those units is combined with data of the primary government. The County has no blended component units. Discretely presented component units, conversely, are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the County. All discretely presented component units have a June 30 fiscal year-end.

Discretely Presented Component Units

The Weed and Pest Control District was established for the purpose of implementing and pursuing an effective program for the control of weeds and pests within the County. The District is fiscally dependent upon the County because the Board of Commissioners approves the District's budget and tax levy. The District is presented as a governmental fund type. The District does not issue separate financial statements.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Discretely Presented Component Units (continued)

The County Fair Board maintains and manages the operations of the County Fair and the County fairgrounds and conducts agricultural, industrial, and other fairs and exhibitions within the County. The Fair Board is fiscally dependent upon the County because the Board of Commissioners approves the Fair Board's budget, levies taxes on behalf of the Fair Board, and must approve any debt issuance. The Fair Board's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Fair Board is presented as a governmental fund type. The Fair Board does not issue separate financial statements.

The County Library Board maintains and manages the operations of the County Library system. The Library Board is fiscally dependent upon the County because the Board of Commissioners approves the Library Board's budget, levies taxes on behalf of the Library Board and must approve any debt issuance. The Library Board's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Library is presented as a governmental fund type. Included in the Library Board is the County Library Foundation (the Foundation), which is a separate legal nonprofit entity. The Foundation's purpose is to raise money for the Library Board. The Foundation was determined to be a component unit of the Library Board in accordance with GASB statement 39. The Library Board does not issue separate financial statements.

Joint Ventures

The Lincoln County Airport Joint Powers Board is a joint venture between the municipalities of Kemmerer, Cokeville, and Afton, Wyoming and the Board of County Commissioners of Lincoln County, Wyoming. Board members are appointed by the County Commissioners of Lincoln County and the Mayor and City Council of each municipality involved. Although neither the municipalities nor the County has any obligation to fund the Joint Powers Board, they may fund any sum of money as determined in their individual budget processes. Audited financial statements can be obtained from the City of Kemmerer, the City of Cokeville, the Town of Afton, and from the Airport Joint Powers Board.

The Upper Green River Basin Water Joint Powers Board has representatives from Sublette County, Lincoln County, and Sweetwater County. The counties formed an agreement to establish and operate water storage facilities along the Green River and within the Upper Green River Basin. Each county appoints two members to this board. The counties have an equity interest in all assets purchased to provide services. None of the participants have any obligation to fund this board, however they may fund any sum of money as determined in their individual budget processes.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Joint Ventures (continued)

The IDAWY Solid Waste District (IDAWY) is a political subdivision of the State of Idaho and has representatives from Bear Lake County, Caribou County, and Oneida County, Idaho, as well as Lincoln County, Wyoming. These counties formed an agreement to establish and operate landfills, solid waste transfer stations, and to create a long-term regional waste solution for all counties involved. Each county appoints members to this board. Annual contributions are required of each participating county. Lincoln County's participation in this agreement began upon the execution of a joint powers agreement with IDAWY in December 2019 enabling the County to become a participating county of IDAWY. As a result, in February 2021, all assets, liabilities, current and future closure costs, and the operations of all open and closed landfills formerly operated by Lincoln County were transferred to IDAWY. IDAWY issues separate financial statements which can be obtained by writing to 241 S. Main, Suite #3, Soda Springs, Idaho, 83276.

Basic Financial Statements

The County's basic financial statements include both government-wide financial statements (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. Governmental activities are usually financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The County currently has no services that are classified as business-type activities. Therefore, all of the County's services, including public works, public safety, health and welfare, and general administrative services, are classified as governmental activities.

Government-Wide Financial Statements

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis, and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term liabilities and obligations. The County's net position is reported in three parts: net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions (general, public safety, etc.). The functions are also supported by general revenues (property taxes, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, and operating and capital grants and contributions.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function) are normally covered by general revenue (property or sales taxes, intergovernmental revenues, interest income, etc.). The County does not allocate indirect costs.

These government-wide statements focus more on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's activities.

Fund Financial Statements

The County's accounting system is organized on a fund basis. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the government establishes for accountability purposes in accordance with statutes, laws, regulations, restrictions, or specific purposes.

Separate financial statements are provided for governmental funds. For governmental funds, the emphasis is on major individual funds, as defined by GASB Statement No. 34, with each displayed as a separate column. All remaining governmental funds are aggregated and reported as non-major funds in their respective fund financial statements.

Governmental Funds

The focus of the governmental funds' measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than on net income.

The following is a description of the governmental funds of the County:

- The **General Fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- The **Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes.
- The **Debt Service Fund** is used to account for the accumulation of financial resources for the payment of interest and principal on the general long-term debt of the County.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

The County's major governmental funds consist of the General Fund (see description above), the Grants Fund, which is a special revenue fund established to receive grants or other restricted revenues and record the related expenditures in an effort to document compliance with grant requirements and the Contracts Fund, which details revenues related to intergovernmental contracts. The County's nonmajor governmental funds consist of special revenue funds that collect fees and taxes for public safety (Enhanced 911 Fund), public road construction maintenance and repair (State Roads Fund), landfill operations and closure (Landfill Fund), and the County's Debt Service Fund.

Fiduciary Funds

The County's fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for other individuals or organizations. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The County has four fiduciary funds, all considered custodial funds.

Custodial funds are used to account for assets held by the County as an agent for other governmental units, other organizations, or individuals. These assets are primarily made up of tax collections. The County accounts for these funds in accordance with GASB Statement No. 84 "Fiduciary Activities" (GASB 84).

Custodial funds consist of the following:

- **Employee Benefit Trust Fund** – This fund is used to account for the operations of the County's self-funded health insurance program. All funds are held in trust to pay benefits according to the health insurance benefit plan.
- **Treasurer's Tax Fund** – This fund is used to hold and distribute taxes and fees collected on behalf of other governmental units.
- **School Bond and Interest Fund** – This fund collects specific purpose property taxes for school districts within Lincoln County and distributes the taxes to the bond trustee.
- **Hospital Bond and Interest Fund** – This fund collects specific-purpose property taxes for the hospitals within Lincoln County and distributes the taxes to the bond trustee.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

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 transaction or events for recognition in the financial statements. The following provides a summary of the measurement focus and basis of accounting used by the County.

Economic Resources Measurement Focus and Accrual Basis of Accounting

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

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

The governmental funds' financial statements are reporting 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 County considers revenues to be available if they are collected within 60 days (the availability period) of the end of the current fiscal period. An exception to this policy is expenditure-drive grant revenues, which generally are considered to be available if the eligible expenditures have been made. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service and compensated absences expenditures are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governments funds. Issuance of direct borrowings and other long-term liabilities are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, motor vehicle taxes, other taxes, and interest income associated with the current fiscal period that are susceptible to accrual, and received in the availability period (within 60 days of year-end), are recognized as revenues of the fiscal period they are intended to finance. All taxes and internally dedicated resources are reported as general revenues. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Program revenues, which include charges to customers and contributions for operational or capital requirements, are recorded as revenue when earned and the amount is received within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered measurable and available only when cash is received by the government.

Financial Statement Amounts

Cash and Cash Equivalents

For the purposes of the Statement of Net Position, the term “cash and cash equivalents” includes all demand deposits, savings accounts, certificates of deposit, or other short-term, highly liquid investments.

Pooled Cash and Cash Equivalents

Wherever possible, the County’s cash accounts are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein. An individual fund’s equity in the pooled cash accounts is available on demand and is considered to be cash equivalents for purposes of these financial statements. Negative balances incurred in pooled cash at year-end are treated as interfund payables of the deficit account and interfund receivables in other funds with positive balances. Investments of the pool are reported at fair value.

Investments

Investments are reported at fair value. Wyoming statute allows the County to invest in U.S. and state and local government securities and accounts of any bank and savings associations, which are federally insured. Stocks and bonds of private corporations as well as reverse repurchase agreements are prohibited investments for the County. All investments made during the year were made within these statutory limits.

Receivables, and Due from Other Governments

Receivables consist of revenues earned as of year-end but received after year-end. All receivable balances are reported net of any allowance for uncollectible accounts. Allowances for uncollectible accounts are based upon historical trends and current data regarding the condition of specific debtors as of the date of issuance of the financial statements. Due from other governments consists of amounts due to the County at year-end but remitted after year-end. The balance consists primarily of sales tax and other taxes due from the State of Wyoming, payments in lieu of taxes due from the federal government, and reimbursements for grant expenditures due from the State of Wyoming, the federal government, or other agencies.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Notes Receivable

Notes receivable include proceeds from the sale of County property expected to be paid through installment payments over an extended period of time. Notes receivable are carried at the gross amount outstanding reduced by an allowance for uncollectibility, if any. These receivables are considered past due when the debtor fails to comply with the repayment terms of the loan document. These receivables are placed on non-accrual status when management believes, after considering economic and business conditions and collection efforts, that the borrower's financial condition is such that collection of additional interest is doubtful. Credit quality is determined by the Company during the loan application process. At that time, factors such as employment history and bank account activity are considered. No further determinations of credit quality are made during the life of the loan.

Inventories

Inventories are valued at the lower of cost (first-in, first-out method) or market and consists of crushed rock and road base materials and pesticides, insecticides, and other supplies. In the governmental fund financial statements, expenditures are recorded as inventory is used (consumption method).

Capital Assets

Capital assets are reported in the government-wide financial statements. The County defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life of more than 2 years. All capital assets are valued at cost or estimated cost if actual cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life is not capitalized.

Depreciation on all depreciable capital assets of the County has been provided over the estimated useful lives using the straight-line method. The ranges of estimated useful lives are as follows:

Buildings, improvements, and infrastructure	15 to 80 years
Equipment and vehicles	3 to 20 years

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Leases

The County leases property and equipment under a noncancellable lease. The County recognizes a lease liability and a right-to-use lease asset (lease asset) in the government-wide financial statements with an initial, individual value of \$25,000 or more. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or lease term. Key estimates and judgments related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of financial position will sometimes report 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 and so will not be recognized as an outflow of resources (expense) until then. Items qualifying for reporting in this category are related to pensions.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources (continued)

In addition to liabilities, the statement of financial position will sometimes report 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 and so will not be recognized as an inflow of resources (revenue) until that time. The following items qualify for reporting in this category.

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

- Pension related items.

Pension Related Assets, Liabilities and 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.

Unearned Revenues

In the government-wide statements and the governmental fund financial statements, unearned revenue is recognized when cash or other assets are received or recognized prior to being earned. The unearned revenues are related to grant proceeds.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Long-Term Liabilities

In the government-wide financial statements long-term debt and obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, and similar items, when material, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Debt issuance costs, except any portion related to prepaid insurance costs, are recognized as an expense in the period incurred. Prepaid insurance costs are recorded as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized during the period incurred. The face amount of debt issued is reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures. Debt principal and interest payments are reported as expenditures in the period the payments are due.

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick leave accumulate for all full-time permanent employees dependent upon years of service. Accumulated vacation leave is payable to the employee upon termination of employment. Twenty-five percent of accumulated sick leave is payable to the employee upon voluntary termination of employment and fifty percent of accumulated sick leave is payable to the employee upon retirement. An estimated liability for vacation and sick leave is reported in the government-wide financial statements and the expense is allocated by function based on where the employee is assigned. In the fund financial statements, governmental funds do not report a liability for compensated absences. The expenditure is reported when vacation or sick time is taken.

Interfund Balances and Transactions

During the course of operations, transactions sometimes occur between individual funds that may result in amounts owed between funds. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Transfers are used to report flows of cash (or other assets) between funds without equivalent flows of assets in return or a requirement for repayment. In the government-wide Statement of Activities, transfers between governmental funds have been eliminated. In the fund financial statements, transfers are reported as other financing sources or uses.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Net Position

For the government-wide financial statements, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is classified as net position and is comprised of three components:

- Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction or improvement of these assets.
- Restricted net position – Consists of net position with constraints placed on their use, whether by 1) external groups such as creditors, grantors, or laws and regulations of other governments; or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – All other net position that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balance

Governmental fund equity is classified as fund balance in the fund financial statements. Fund balance is further classified based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows.

- *Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The County has classified inventory and note receivable assets as nonspendable.
- *Restricted* – This classification includes amounts for which constraints have been placed on the use of resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

Fund Balance Classifications (continued)

- *Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioners. These amounts cannot be used for any purpose unless the County Commissioners removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- *Assigned* – This classification includes amounts that are constrained by the County’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the County Commissioners. No other governing body or officials have this authority delegated to them. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- *Unassigned* – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

Net position flow assumption

Sometimes the County 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 financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund balance flow assumptions

Sometimes the County 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 County’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.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 1 – Summary of Significant Accounting Policies (continued)

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 reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

Property Tax Calendar and Rates

The County assesses all taxable property other than centrally assessed property, which is assessed by the State of Wyoming, by January 1 of each year. Properties taxes are levied on or about August 1 and are payable in two installments on September 1 and March 1. The County bills and collects its own property taxes as well as property taxes for all municipalities and political subdivisions within the County. Collections and remittances of these taxes for other taxing entities are accounted for in the Treasurer’s Tax Agency Fund. County property tax revenues are recognized when levied to the extent that they result in current receivables which means collected within the current period or expected to be collected within 60 days after the period end to be used to pay liabilities of the current period. State law allows anyone to pay the delinquent taxes on a property and obtain an enforceable lien on that property. Therefore, the County’s delinquent property taxes are insignificant.

The County is permitted by Wyoming Statute to levy taxes up to 12 mills of assessed valuation for all purposes excluding general school tax, exclusive of state revenue, except for the payment of public debt and interest thereon. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt for the year ended June 30, 2025, was 12 mills.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments

Primary Government

Deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
<i>Governmental activities</i>				
Cash and cash equivalents:				
Demand deposits	\$ 794,544	-	-	794,544
Certificates of deposit	-	4,398,868	-	4,398,868
WYO-STAR	-	144,079	-	144,079
WGIF	-	5,074,322	-	5,074,322
Wyoming CLASS	-	25,288,078	-	25,288,078
Cash-on-hand	-	-	950	950
Total cash and cash equivalents	<u>794,544</u>	<u>34,905,347</u>	<u>950</u>	<u>35,700,841</u>
Investments:				
Government bonds	-	8,904,249	-	8,904,249
Certificates of deposit	-	598,807	-	598,807
Total investments	-	<u>9,503,056</u>	-	<u>9,503,056</u>
<i>Total governmental activities</i>	<u>\$ 794,544</u>	<u>44,408,403</u>	<u>950</u>	<u>45,203,897</u>
<i>Fiduciary funds</i>				
Cash and cash equivalents:				
Demand deposits	\$ 4,900,647	-	-	4,900,647
<i>Total fiduciary funds</i>	<u>\$ 4,900,647</u>	<u>-</u>	<u>-</u>	<u>4,900,647</u>

The State of Wyoming has established laws regarding the investment of public funds (Wyoming Statutes, 9-4). Each year, the County adopts a “Statement of Investment Policy” which specifies the County’s policies regarding the investment of County financial assets. The County’s adopted policy refers to State laws and indicates the County will comply with State law.

Deposits

State law specifies the types of financial institutions in which the County can deposit monies. In addition, State law requires that all deposits in financial institutions be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of collateral or the furnishing of a surety bond. At June 30, 2025, all deposits of the County were fully collateralized or insured.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments (continued)

Investments

The County has investments with WYO-STAR, an investment pool authorized by the State of Wyoming and regulated by the Wyoming State Treasurer with oversight by the Wyoming State Loan and Investment Board. WYO-STAR issues separate external financial statements which can be obtained from the Wyoming State Treasurer's Office. WYO-STAR is not registered with the SEC as an investment company. Deposits in WYO-STAR are not insured or otherwise guaranteed by the State of Wyoming, and participants share proportionately in any realized gains or losses on investments.

WYO-STAR operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of WYO-STAR are allocated monthly based on the participant's average balance in relation to the total balance of the pool. As such, amounts held with WYO-STAR of \$144,079 are carried at amortized cost and are considered cash and cash equivalents.

The County has investments with the Wyoming Government Investment Fund (WGIF), an investment pool authorized by the State of Wyoming and managed by a private investment management firm. WGIF is available for investments of funds administered by any local government entity within the State of Wyoming. WGIF offers cash management investments providing daily liquidity as well as fixed-rate, fixed-term investments and operates as described above for the primary government. WGIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of WGIF are allocated monthly based on the participant's average balance in relation to the total balance of the pool. As such, amounts held with WGIF of \$5,074,322 are carried at amortized cost and are considered cash and cash equivalents.

The County has investments with Wyoming CLASS, an investment pool authorized by the State of Wyoming and managed by a private investment management firm. Wyoming CLASS is available for investments of funds administered by any local government entity within the State of Wyoming. The general objective of Wyoming CLASS is to generate a high level of current income for participants while maintaining liquidity and preserving capital by investing only in instruments authorized by Wyoming State Statutes. Wyoming CLASS is not registered with the SEC as an investment company. Deposits in Wyoming CLASS are not insured or otherwise guaranteed by the State of Wyoming, and participants share proportionally in any realized gains or losses on investments.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments (continued)

Wyoming CLASS operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of Wyoming CLASS are allocated monthly based on the participant’s average balance in relation to the total balance of the pool. As such, amounts held with Wyoming CLASS of \$25,288,078 are carried at amortized cost and are considered cash and cash equivalents.

At year end, the County also had investments in Federal Home Loan Bank (FHLB) bonds and asset backed securities, Federal National Mortgage Association (FNMA) bonds and asset backed securities, Federal Home Loan Mortgage Corporation (FHLMC) bonds and asset backed securities, Government National Mortgage Association (GNMA) bonds and asset backed securities, Small Business Administration (SBA) bonds, and U.S. treasuries. The County uses the specific identification method to assess interest rate risk.

Investment Type	Fair Value	Credit Rating	Investment Maturities (in years)			
			Less than 1	1 to 5	6 to 10	More than 10
FNMA bonds/securities	\$ 3,701,856	AA+	-	1,897,195	1,473,276	331,385
WGIF	5,074,322	Not Rated	5,074,322	-	-	-
FHLMC bonds/securities	3,372,600	AA+	2,564,376	5,545	-	802,679
FHLB bonds/securities	499,920	AA+	499,920	-	-	-
Certificate of deposit	4,997,675	Not Rated	4,997,675	-	-	-
GNMA bonds/securities	286,767	AAA	-	-	-	286,767
WYO-STAR	144,079	Not Rated	144,079	-	-	-
Wyoming CLASS	25,288,078	Not Rated	25,288,078	-	-	-
Small Business Admin	42,586	AA+	-	-	15,895	26,691
US Treasury	<u>1,000,520</u>	AA+	<u>1,000,520</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 44,408,403</u>		<u>39,568,970</u>	<u>1,902,740</u>	<u>1,489,171</u>	<u>1,447,522</u>

Fair Value

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County’s governmental activities have the following recurring fair value measurements as of June 30, 2025:

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments (continued)

Fair Value (continued)

- The fair value of U.S. treasuries, government bonds and mortgage-backed securities of \$8,904,249 is determined by an independent pricing service using recently executed transactions, market price quotations, and pricing models that factor in, where applicable, interest rates, bond spreads, and volatility (Level 2 inputs).
- The fair value of the County's position in WYO-STAR of \$144,079 is the same as the value of the pool shares held by the County's (net asset value). WYO-STAR operates and reports monthly statements to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of WYO-STAR are allocated to participants monthly on the ratio of the participant's share to the total funds in WYO-STAR based on the participant's average daily balance. At June 30, the investments are valued at fair value, and participants are informed of the fair value valuation factor that enables them to adjust their statement balances to fair value (Level 2 inputs).
- The fair value of the County's position in Wyoming CLASS of \$25,288,078 is the same as the value of the pooled shares held by the County (net asset value). Wyoming CLASS operates and reports monthly statements to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of Wyoming CLASS are allocated to participants monthly on the ratio of the participant's share to the total funds in Wyoming CLASS based on the participant's average daily balance. At June 30, 2025, the investments are valued at fair value, and participants are informed of the fair value valuation factor that enables them to adjust their statement balances to fair value (Level 2 inputs).
- Investments in WGIF and certificates of deposit of \$5,074,322 and \$4,997,675, respectively, are unrated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's policy for managing its exposure to fair value loss arising from increasing interest rates is to invest no more than 75% of the portfolio of securities with maturities exceeding 1 year and no more than 25% of the portfolio of securities with maturities exceeding 5 years.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments (continued)

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's policy for reducing exposure to credit risk is to invest no more than 50% of the County's total investment portfolio in a single security type, with the exception of U.S. Treasury securities. In addition, collateralization is required for all repurchase agreements. The collateralization level must be 102% of the market value of principal and accrued interest. Investments in WGIF, WYO-STAR, and Wyoming CLASS are unrated. Other investments are guaranteed by the federal government.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy for reducing exposure to credit risk is to comply with State laws.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's policy for custodial risk is that all securities purchased by the County shall be properly designated as assets of the County and held in safekeeping by a third-party custodial bank or third-party custodial institution chartered by the United States Government or the State of Wyoming and no withdrawal of such securities shall be made from the safekeeping except by the Treasurer or Deputy Treasurer. All security transactions, including collateral for repurchase agreements, entered into by the County shall be conducted on a delivery-versus-payment basis. Securities will be held by a third-party custodian designated by the Treasurer and evidenced by safekeeping receipts. Government bonds are held in the name of the County by the investment broker.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments (continued)

Component Units

The component units’ deposits and investments consist of the following:

<u>Financial Statement Description</u>	<u>Deposits</u>	<u>Investments</u>	<u>Cash</u>	<u>Total</u>
Cash and cash equivalents:				
Demand deposits	\$ 2,195,400	-	-	2,195,400
Certificates of deposit	715,183	-	-	715,183
WGIF	-	1,276,330	-	1,276,330
Cash-on-hand	-	-	400	400
Total cash and cash equivalents	<u>\$ 2,910,583</u>	<u>1,276,330</u>	<u>400</u>	<u>4,187,313</u>

Deposits

State law specifies the types of financial institutions in which the component units can deposit monies. In addition, State law requires that all deposits in financial institutions be fully insured by the Federal Deposit Insurance Corporation or secured by a pledge of collateral or the furnishing of a surety bond. At June 30, 2025, all deposits of component units were fully collateralized or insured.

Investments

The component units have investments with WGIF, an investment pool authorized by the State of Wyoming and managed by a private investment management firm. WGIF is available for investments of funds administered by any local government entity within the State of Wyoming. WGIF offers cash management investments providing daily liquidity as well as fixed-rate, fixed-term investments and operates as described above for the primary government.

WGIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of WGIF are allocated monthly based on the participant’s average balance in relation to the total balance of the pool. As such, amounts held with WGIF of \$1,276,330 are carried at amortized cost and are considered cash and cash equivalents.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 2 – Deposits and Investments (continued)

Component units manage their investment risk as follows:

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The component units have no formal policies other than to follow the Wyoming State Statutes, as previously discussed.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The component units' policies for reducing exposure to credit risk are to comply with the Wyoming State Statutes. At June 30, 2025, all investments held by the component units are in WGIF, which is unrated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The component units' policies for reducing exposure to credit risk are to comply with State laws.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the component units will not be able to recover the value of their investments or collateral securities that are in the possession of an outside party. The component units have no formal policies with respect to custodial credit risk. As of June 30, 2025, all of the component units' investments are in WGIF.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 3 – Beneficial Interest

The Lincoln County Library Foundation (Foundation) has transferred assets to the Wyoming Community Foundation (Community Foundation) which is holding the assets as an endowed component fund (Fund) for the benefit of the Foundation. The assets held by the Community Foundation are non-refundable to the Foundation. The Foundation has granted the Community Foundation variance power which gives the Community Foundation’s Board of Trustees the power to use the Fund for other purposes in certain circumstances. The Fund is subject to the Community Foundation’s investment and spending policies which currently result in an annual distribution to the Foundation of 4 percent of the average quarterly value over the previous 12 quarters. The Foundation reports the fair value of the Fund as a Beneficial Interest in the statement of net position and reports distributions received as investment income in the statement of activities. Changes in the value of the Fund are also reported as investment income in the statement of activities. Changes in the Fund are as follows:

Balance at June 30, 2024	\$ 1,595,493
Share of appreciation of Fund	<u>105,123</u>
Balance at June 30, 2025	\$ <u>1,700,616</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 4 – Receivables and Due from Other Governments

Primary Government

The County's receivables and due from other governments balances consist of the following:

Accounts receivable:	
Emergency management – 911 fees	\$ 37,274
Other fees and permits	<u>90,493</u>
Total accounts receivable	\$ <u>127,767</u>
Taxes receivable:	
Property taxes – deferred to future periods	\$ <u>8,990,022</u>
Total taxes receivable	\$ <u>8,990,022</u>
Due from other governments:	
Sales, use, and other taxes	\$ 1,894,908
Grants reimbursements	76,341
Contracts reimbursements	<u>282,456</u>
Total due from other governments	\$ <u>2,253,705</u>
Notes receivable	\$ <u>715,000</u>

The notes receivable bear interest at various rates ranging between 1% to 5% and mature at various dates through June 2029.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 4 – Receivables and Due from Other Governments (continued)

Component Units

The component units' receivables and due from other governments balances consist of the following:

Weed and Pest:

Trade receivables	\$ <u>99,805</u>
Taxes receivable	
Property taxes – deferred to future periods	\$ 905,000
Property taxes – current	<u>16,559</u>
Total taxes receivable	\$ <u>921,559</u>

County Fair:

Taxes receivable	
Property taxes – deferred to future periods	\$ <u>581,000</u>
Total taxes receivable	\$ <u>581,000</u>

County Library:

Other receivables	\$ <u>68</u>
Taxes receivable	
Property taxes – deferred to future periods	\$ <u>1,416,593</u>
Total taxes receivable	\$ <u>1,416,593</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 5 – Capital Assets

Primary Government

Capital asset activity is as follows:

	Balance 7/1/24	Additions	Retirements	Transfers	Balance 6/30/25
<u>Governmental activities:</u>					
Capital assets not being depreciated or amortized:					
Land	\$ 2,559,755	-	-	-	2,559,755
Rights of way	1,056,600	-	-	-	1,056,600
Construction in progress	277,437	7,128,829	-	(2,540,960)	4,865,306
	<u>3,893,792</u>	<u>7,128,829</u>	<u>-</u>	<u>(2,540,960)</u>	<u>8,481,661</u>
Capital assets being depreciated or amortized:					
Buildings and improvements	33,168,091	-	-	-	33,168,091
Right to use asset - building	6,840,059	-	-	-	6,840,059
Right to use assets - equipment	903,952	-	-	-	903,952
Infrastructure	28,864,678	86,835	-	2,540,960	31,492,473
Equipment and vehicles	21,357,621	1,604,090	(305,982)	-	22,655,729
	<u>91,134,401</u>	<u>1,690,925</u>	<u>(305,982)</u>	<u>2,540,960</u>	<u>95,060,304</u>
Accumulated depreciation and amortization for:					
Buildings and improvements	(16,950,470)	(717,584)	-	-	(17,668,054)
Right to use asset - building	(784,057)	(467,962)	-	-	(1,252,019)
Right to use asset - equipment	(674,548)	(51,323)	-	-	(725,871)
Infrastructure	(19,587,990)	(605,248)	-	-	(20,193,238)
Equipment and vehicles	(14,235,849)	(1,316,585)	220,363	-	(15,332,071)
	<u>(52,232,914)</u>	<u>(3,158,702)</u>	<u>220,363</u>	<u>-</u>	<u>(55,171,253)</u>
Total capital assets being depreciated and amortized, net	<u>38,901,487</u>	<u>(1,467,777)</u>	<u>(85,618)</u>	<u>2,540,960</u>	<u>39,889,051</u>
Total governmental activities capital assets, net	<u>\$ 42,795,279</u>	<u>5,661,052</u>	<u>(85,618)</u>	<u>-</u>	<u>48,370,712</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 5 – Capital Assets (continued)

Depreciation expense was charged to functions of the County as follows:

Public works	\$	1,611,934
Public safety		595,333
Right of use asset		539,165
Health and welfare		225,294
General government		<u>186,976</u>
	\$	<u><u>3,158,702</u></u>

Component Units

Capital asset activity of component units is as follows:

	Balance 7/1/24	Additions	Retirements	Balance 6/30/25
Weed and Pest:				
Land	\$ 10,103	-	-	10,103
Buildings and improvements	725,732	-	-	725,732
Equipment	762,855	146,874	(63,102)	846,627
Accumulated depreciation	<u>(788,103)</u>	<u>(93,593)</u>	<u>47,547</u>	<u>(834,149)</u>
	<u>\$ 710,587</u>	<u>53,281</u>	<u>(15,555)</u>	<u>748,313</u>
County Fair:				
Buildings and improvements	\$ 559,833	9,777	-	569,610
Equipment	508,488	41,492	-	549,980
Accumulated depreciation	<u>(640,687)</u>	<u>(41,119)</u>	<u>-</u>	<u>(681,806)</u>
	<u>\$ 427,634</u>	<u>10,150</u>	<u>-</u>	<u>437,784</u>
County Library:				
Buildings and improvements	\$ 75,335	-	-	75,335
Equipment	165,481	-	-	165,481
Accumulated depreciation	<u>(215,439)</u>	<u>(6,527)</u>	<u>-</u>	<u>(221,966)</u>
	<u>\$ 25,377</u>	<u>(6,527)</u>	<u>-</u>	<u>18,850</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 5 – Capital Assets (continued)

Depreciation expense was charged to the component units as follows:

Weed and Pest	\$	93,593
County Fair		41,119
County Library		<u>6,527</u>
	\$	<u>141,239</u>

Note 6 – Accounts Payable and Accrued Liabilities

Primary Government

The County's accounts payable and accrued liabilities consist of the following:

Payables to vendors	\$	1,225,352
Payables to other governmental units		64,128
Payables to contractors including retainage		18,700
Accrued interest		77,800
Other		<u>88,916</u>
	\$	<u>1,474,896</u>

Component Units

The component units' accounts payable and accrued liabilities consist of the following:

Payables to vendors	\$	<u>100,181</u>
	\$	<u>100,181</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 7 – Long-Term Liabilities

Primary Government

Long-term liability activity is as follows:

	Balance 7/1/24	Additions	Reductions	Balance 6/30/25	Due Within One Year
<i>Governmental Activities:</i>					
Lease liability	\$ 6,244,869	-	(667,683)	5,577,186	265,000
Direct borrowings	677,113	-	(62,937)	614,176	67,000
Compensated absences	423,000	860,000 *	-	1,283,000	1,283,000
	<u>\$ 7,344,982</u>	<u>860,000</u>	<u>(730,620)</u>	<u>7,474,362</u>	<u>1,615,000</u>

*The change in the compensated absences liability is presented as a net change

The County has three leases in effect during fiscal year 2025 for certain property and equipment which expire between 2027 and 2037, with monthly payments on certain leases of \$5,305 and annual payments on certain leases of \$290,000. The incremental borrowing rates are between 2.87% and 6.5%, with lease interest of approximately \$199,000 paid in fiscal year 2025.

Future lease payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 265,000	184,175	449,175
2027	489,575	171,971	661,546
2028	474,807	153,694	628,501
2029	459,166	140,685	599,851
2030	471,754	127,986	599,740
Thereafter	<u>3,416,884</u>	<u>592,608</u>	<u>4,009,492</u>
Totals	<u>\$ 5,577,186</u>	<u>1,371,119</u>	<u>6,948,305</u>

As of June 30, 2025, the County has no unused lines of credit.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 7 – Long-Term Liabilities (continued)

Direct borrowings related to governmental activities are comprised of the following:

\$450,179 financing agreement, payable to Caterpillar Financial Services Corporation, due in annual installments of \$59,117, beginning June 2023, including interest of 6.45%, maturing June 2033. Secured by equipment. In an event of default, provisions include, but are not limited to, the following remedies: remove the equipment at the County's expense and require immediate payment of all amounts due, plus interest and any applicable taxes. \$ 322,592

\$392,445 financing agreement, payable to Caterpillar Financial Services Corporation, due in annual installments of \$47,259, beginning April 2023, including interest of 5.99%, maturing April 2033. Secured by equipment. In an event of default, provisions include, but are not limited to, the following remedies: remove the equipment at the County's expense and require immediate payment of all amounts due, plus interest and any applicable taxes. 291,584

\$ 614,176

The requirements to service all direct borrowings are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 67,000	39,390	106,390
2027	71,293	35,083	106,376
2028	74,878	30,498	105,376
2029	80,759	25,617	106,376
2030	85,954	20,422	106,376
Thereafter	<u>234,292</u>	<u>73,945</u>	<u>308,237</u>
Totals	\$ <u>614,176</u>	<u>224,955</u>	<u>839,131</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 7 – Long-Term Liabilities (continued)

Conduit Debt:

The County has issued the following bond that has been authorized under the Wyoming Industrial Development Projects Act, W.S. 15-1-701. The bond is not a general obligation of the County nor is the bond, including interest thereon, debt or indebtedness of the County. As such, no liability has been reported in the statement of net position.

- \$22,000,000 Environmental Improvement Revenue Bonds Series 1995, interest only payments at 8.63%, until final payment on November 1, 2025. The bonds were issued for PacifiCorp.

In connection with the issuance of conduit debt, the County has entered into fee arrangements requiring the payment of financing fees. During the year ended June 30, 2025, the County collected \$45,738 in financing fees.

Component Units

Long-term liability activity is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 166,000	10,000	-	176,000	176,000

The change in compensated absences is reported as a net change.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 8 – Net Position and Fund Equities

The following schedule details governmental fund balances:

Governmental Activities:

Nonspendable:		
Inventory	\$	<u>183,000</u>
		<u>183,000</u>
Restricted:		
Roads		5,988,313
Contracts		105,377
Emergency services		257,254
Abandoned vehicles		<u>21,000</u>
		<u>6,371,944</u>
Committed:		
Landfill		370,178
Debt service		<u>3,246,587</u>
		<u>3,616,765</u>
Assigned:		
Other purposes		<u>3,230,845</u>
		<u>4,061,728</u>
Unassigned		<u>30,625,221</u>
	\$	<u><u>44,858,658</u></u>

Restricted fund balance/net position represent monies required to be maintained to satisfy third party agreements, legal requirements, or enabling legislation. Committed and assigned fund balances represent the commitment or assignment of monies by the County Commissioners. Net position restricted by enabling legislation includes net position restricted for road projects, emergency services, tourism, and abandoned vehicles.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans

Defined Benefit Plan

The County 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. Reports can be obtained on the Wyoming Retirement System website (retirement.wyo.gov).

Substantially all County employees are eligible to participate in the following retirement plans offered by the System based upon eligibility and hiring status: 1) Public Employees Pension Plan (PEPP); 2) Law Enforcement Pension Plan (LEPP); and 3) Wyoming Deferred Compensation Plan.

Public Employees Pension Plan

PEPP is a cost sharing multiple-employer defined benefit, contributory retirement plan covering substantially all non-law enforcement and paid firemen full-time employees of the County.

PEPP statutorily required 18.62% of the participant's salary to be contributed to PEPP, consisting of 9.25% of the participant's salary as employee contributions and 9.37% as employer contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion.

Through legislation passed during the 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, or upon meeting the requirements of the Rule of 85 (participant's age plus years of service equal or exceed 85). 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 normal retirement.
- Tier 2, PEPP allows for normal retirement after four years of service and attainment of age 65, or upon meeting the requirements of the Rule of 85. Early retirement is allowed provided the employee has completed four years of service and attained age 55 or 25 years of service, but will result in a reduction of benefits based on the length of time remaining to normal retirement.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

Public Employees Pension Plan (continued)

PEPP provides retirement, disability, and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost-of-living adjustment provided to retirees must be granted by the State Legislature. In addition, a cost-of-living adjustment will not be approved by the legislature unless PEPP 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 60 (Tier 1 employees) or 65 (Tier 2 employees).

Contributions by the County to PEPP for the year ended June 30, 2025 were \$1,000,987, and contributions by the County's Weed and Pest Control District, Fair Board, and Library Board component units were \$70,612, \$22,986, and \$181,220, respectively.

Law Enforcement Pension Plan

LEPP is a cost-sharing multiple-employer defined benefit, contributory retirement plan covering all law enforcement employees of the County.

Effective July 1, 2024, LEPP statutorily required total contribution rate increased to 19.00% of each participant's salary with both employee contributions and employer contributions at 9.50% each. This compares to the previous total contribution rate of 17.20% with both employee and employer contributions at 8.60% each, which was in effect from July 1, 2002 to June 30, 2024.

LEPP statutorily provides retirement, disability, and death benefits according to predetermined amounts determined by salary, age and years of service of the participant. The State Legislature must grant any cost-of-living adjustment provided to retirees. 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. Participants may withdraw from the Plan at any time and receive refunds of participant contributions and accumulated interest.

Contributions by the County to LEPP for the year ended June 30, 2025 were \$659,128.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

Wyoming Deferred Compensation Plan

WDCP administered by the System is an IRS Section 457 Deferred Compensation Plan. WDCP is available as a supplemental plan to the defined benefit retirement plans. Contributions may be made into WDCP (subject to plan and Internal Revenue Code limitations) by employees and employer contributions may be made into WDCP at rates determined by the County. Upon qualifying for distributions, benefits are paid out in lump sums, or as periodic benefit payments, at the option of the participant based on individual account balances and WDCP provisions. WDCP's account balances are fully vested to the participants at the time of deposit. Investments in WDCP are individually directed by WDCP participants among WRS approved investment options of varying degrees of risk and earnings potential. Participants may transfer their funds between these options daily. Investments of WDCP are valued daily. In addition to employee contributions, WDCP also accepts employer contributions on behalf of the employees, provided such contribution when added to the employees' deferred contribution does not exceed the maximum deferral permitted by the IRS.

During 2025, the County's involvement is limited to withholding the amounts elected by employees and remitting those amounts to the Wyoming Deferred Compensation Plan.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

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

Governmental Activities:

At June 30, 2025, the County reported an entity-wide net pension liability of \$7,108,918 related to governmental activities which was calculated as follows:

	Measured at:		December 31,	Change
	December 31, 2024		2023	
	Net Pension Liability	Proportionate Share	Proportionate Share	
PEPP	\$ 4,849,294	0.2325161%	0.2088964%	0.0236%
LEPP	<u>2,259,624</u>	1.6823300%	1.6585396%	0.0238%
Total net pension liability	<u>\$ 7,108,918</u>			

Component Units

Each of the County's component units only participated in PEPP. At June 30, 2025, the aggregate net pension liability for component units is \$1,305,260 and was calculated as follows:

	Measured at:		December 31,	Change
	December 31, 2024		2023	
	Net Pension Liability	Proportionate Share	Proportionate Share	
<u>PEPP</u>				
Weed and Pest	\$ 397,093	0.0190400%	0.0191322%	-0.0001%
County Fair	105,092	0.0050390%	0.0055384%	-0.0005%
County Library	<u>803,075</u>	0.0385062%	0.0360118%	0.0025%
Total net pension liability	<u>\$ 1,305,260</u>			

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024 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 2024.

Governmental Activities

For the year ended June 30, 2025, the County recognized entity-wide pension expense related to governmental activities of \$255,495. At June 30, 2025, the County reported entity-wide deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 741,769	62,401
Net difference between projected and actual earnings on pension plan investments	-	1,056,877
Changes of assumptions	176,520	1,652,677
Contributions subsequent to the measurement date	857,349	-
Changes in proportion and differences between contributions and proportionate share of contributions	957,021	-
	\$ 2,732,659	2,771,955

Deferred outflows of resources related to pensions resulting from County contributions of \$857,349 made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	Net Deferred Outflows (Inflows) of <u>Resources</u>
2026	\$ (335,129)
2027	438,224
2028	(734,871)
2029	<u>(264,869)</u>
	<u>\$ (896,645)</u>

Component Units

For the year ended June 30, 2025, component units of the County recognized combined pension expense of \$78,198. At June 30, 2025, component units of the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Weed & Pest Deferred Outflows (Inflows) of Resources	County Fair Deferred Outflows (Inflows) of Resources	County Library Deferred Outflows (Inflows) of Resources
Difference between expected and actual experience	\$ 25,270	6,687	51,105
Net difference between projected and actual earnings on pension plan investments	(50,276)	(13,306)	(101,677)
Change in assumptions	-	-	-
Contributions subsequent to the measurement date	23,221	11,124	86,384
Changes in proportionate and differences between contributions and proportionate share of contributions	<u>2,058</u>	<u>(9,396)</u>	<u>9,209</u>
	<u>\$ 273</u>	<u>(4,891)</u>	<u>45,021</u>

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

Deferred outflows of resources related to pensions resulting from Weed & Pest, County Fair, and County Library contributions of \$23,221, \$11,124, and \$86,384, respectively, 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 and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	Weed & Pest Net Deferred Outflows of Resources	County Fair Net Deferred Outflows of Resources	County Library Net Deferred Outflows of Resources
2026	\$ (3,277)	(5,792)	(19,621)
2027	22,634	2,728	53,927
2028	(29,601)	(9,587)	(49,974)
2029	(12,704)	(3,364)	(25,695)
	<u>\$ (22,948)</u>	<u>(16,015)</u>	<u>(41,363)</u>

Actuarial Assumptions

The total pension liability in the 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>PEPP</u>	<u>LEPP</u>
Projected salary increases, includes inflation	2.50% to 6.50%	5.25% to 9.25%
Assumed inflation rate	2.25%	2.25%
Investment Rate of Return	6.80%	6.80%

Pre-retirement mortality rates were based on the Pub-2010 General Employee Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale for males and females with no set back with a multiplier of 100%. Post-retirement mortality rates were based on the Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with MP-2020 Ultimate Scale for males and females with no set back with a multiplier of 100%. Disabled mortality rates were based on the Pub-2010 General Disabled Retiree Mortality Table, amount weighted, fully generational, projected with MP-2020 Ultimate Scale for males and females with no set back with a multiplier of 100%.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

Discount Rate

The discount rate used to measure the total pension liability for all plans was 6.80%. The long-term expected rate of return used to measure the total pension liability for all plans was 6.80%. 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 Wyoming State Retirement Board’s funding policy, which establishes the contractually required rates under Wyoming State statutes. Based on those assumptions, the System’s 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.

The assumed asset allocation of each plan’s portfolio, the long-term expected rate of return for each asset class, and the expected rate of return is presented arithmetically and geometrically below over a 20-year period.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate arithmetic expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in each plan’s target asset allocation as amended and effective on July 1, 2024 and return estimates as of January 1, 2024, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Arithmetic Real Return	Arithmetic Nominal Return	Geometric Real Return	Geometric Nominal Return
Tactical Cash	0.5%	0.4%	3.1%	0.4%	3.1%
Gold	1.5%	0.9%	3.6%	2.3%	5.0%
Fixed Income	20.0%	4.2%	6.9%	3.8%	6.5%
Equity	51.5%	8.2%	10.9%	6.5%	9.2%
Marketable Alternatives	16.0%	5.4%	8.1%	4.5%	7.2%
Private Real Assets	10.5%	7.7%	10.4%	6.2%	8.9%
Total	100%	6.75%	9.45%	5.53%	8.23%

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

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

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.80% for all plans, 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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

Governmental Activities:

	1% Decrease 5.80%	Discount Rate 6.80%	1% Increase 7.80%
<i>PEPP</i>			
Proportionate share of net pension liability	\$ 8,077,900	\$ 4,849,294	\$ 2,175,604
	1% Decrease 5.80%	Discount Rate 6.80%	1% Increase 7.80%
<i>LEPP</i>			
Proportionate share of net pension liability	\$ 4,740,021	\$ 2,259,624	\$ 231,663

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 9 – Retirement Plans (continued)

Component Units:

	1% Decrease 5.80%	Discount Rate 6.80%	1% Increase 7.80%
<i>Weed & Pest Control - PEPP</i>			
Proportionate share of net pension liability	\$ 661,473	\$ 397,093	\$ 178,153
<i>County Fair - PEPP</i>			
Proportionate share of net pension liability	\$ 175,061	\$ 105,092	\$ 47,149
<i>County Library - PEPP</i>			
Proportionate share of net pension liability	\$ 1,337,754	\$ 803,075	\$ 360,294

Pension plan fiduciary net position

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

Note 10 – Interfund Transfers

Interfund transfers consist of the following:

Purpose	Amount	Transfer from	Transfer to
Operations/Match	\$ 2,005,036	General Fund	Grants Fund
Operations/Match	\$ 4,107,515	General Fund	Roads Fund
Operations/Match	\$ 179,889	Contracts Fund	Grants Fund
Debt Service	\$ 870,000	General Fund	Debt Service Fund

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 11 – Risk Management

Health Plan

The County operated a self-insured employee health and dental benefit plan which ended during the year ended June 30, 2024. The plan provided benefits to eligible employees and their dependents. The County pays the entire premium for the employee and pays all claims below the threshold of the reinsurance contracts the County has entered into. At June 30, 2025, the plan had incurred claims payable and estimated claims incurred but not reported (IBNR) of \$2,394.

Changes to aggregate claims liabilities for the years ended June 30, 2025 and 2024, respectively, are as follows:

<u>Claims Liabilities 7/1/24</u>	<u>Claims Incurred and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Claims Liabilities 6/30/25</u>
\$ <u>15,881</u>	<u>261,478</u>	<u>(274,965)</u>	<u>2,394</u>

<u>Claims Liabilities 7/1/23</u>	<u>Claims Incurred and Changes in Estimates</u>	<u>Claims Paid</u>	<u>Claims Liabilities 6/30/24</u>
\$ <u>260,914</u>	<u>2,100,917</u>	<u>(2,345,950)</u>	<u>15,881</u>

General Liability

The nature of the County’s operations makes it susceptible to lawsuits, legal actions, and other judgments. The County mitigates its risk of material loss from these events through the purchase of commercial liability insurance. The County had no claim settlements over the past three years that exceeded its insurance coverage.

Note 12 – Land Leases

The County leases approximately 370 acres of land from the Bureau of Land Management upon which the County maintains and operates a ski area. The County has a significant investment in improvements upon this property. The lease agreement was entered into June 16, 2000, and the term is for 25 years with no annual fee. The ski area is operated by an independent contractor who pays a percentage of gross revenue to the County.

LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

Note 13 – Commitments and Contingencies

Governmental activities:

IDAWY

Beginning in fiscal year 2022 and pursuant to Idaho Code 31-4908, any costs of IDAWY shall be allocated to each participating county. It is the duty of each participating county to remit its apportioned amount not later than September 30 of each year to IDAWY as specified in the annual budget approved by the IDAWY board. The allocation of costs to each participating county will be determined by allocating the costs incurred for the previous fiscal year within each individual participating county to that participating county, along with a proportional share of the cost of the regional landfill for the previous fiscal year as determined by the weight of the solid waste generated within each participating county, together with a proportional share of the debt service and all other IDAWY costs. Accordingly, the payment from each participating county at the beginning of each fiscal year will reimburse IDAWY for the costs incurred by that participating county for the previous fiscal year. In the event that a participating county does not pay its allocated share, that participating county's unpaid share shall be reallocated amongst the remaining participating counties and remitted to IDAWY. IDAWY covenants to pursue all remedies permitted by law to collect the unpaid share from the defaulting participating county. As set forth in Idaho Code 31-4918, each participating county is liable for the payment of its allocated costs from all legally available and unrestricted revenue.

In July 2020, IDAWY issued \$15,095,000 revenue bonds, series 2020A, and \$7,265,000 revenue bonds, series 2020B, maturing in January 2050 and January 2035, respectively, and bearing interest at rates ranging from 1.697% to 4%. The Bonds were issued to finance certain capital improvements to IDAWY's regional solid waste disposal system, consisting generally of, but not limited to the construction of four solid waste transfer stations, the construction of a regional landfill, the purchase of equipment, and the closure of existing waste facilities. These bonds require principal and interest payments be made on January 1 and July 1 of each year. These payments are included in each participating county's apportioned amount of the aforementioned annual participation payment.

Required Supplementary Information

LINCOLN COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Taxes				
Property taxes	\$ 10,895,262	10,895,262	8,301,387	(2,593,875)
Payments in lieu of property taxes	1,754,994	1,754,994	2,270,276	515,282
Sales and use taxes	8,879,489	8,879,489	8,723,437	(156,052)
Vehicle fees	1,163,000	1,163,000	1,136,450	(26,550)
Severance tax	825,000	825,000	746,447	(78,553)
Other taxes	284,500	284,500	2,027,583	1,743,083
Total taxes	<u>23,802,245</u>	<u>23,802,245</u>	<u>23,205,580</u>	<u>(596,665)</u>
Other revenues				
Intergovernmental	211,000	211,000	2,217,030	2,006,030
Charges for services	1,187,500	1,187,500	1,569,652	382,152
Licenses and permits	3,500	3,500	4,770	1,270
Interest and investment income	1,550,000	1,550,000	2,233,548	683,548
Miscellaneous	103,601	103,601	221,604	118,003
Total other revenues	<u>3,055,601</u>	<u>3,055,601</u>	<u>6,246,604</u>	<u>3,191,003</u>
Total revenues	<u>26,857,846</u>	<u>26,857,846</u>	<u>29,452,184</u>	<u>2,594,338</u>
Expenditures:				
General government				
County commissioners	555,629	555,629	570,260	(14,631)
County clerk	611,576	611,576	578,998	32,578
County treasurer	785,978	785,978	818,567	(32,589)
County assessor	685,202	685,202	712,080	(26,878)
County attorney	963,579	963,579	906,879	56,700
Clerk of district court	451,018	451,018	408,921	42,097
County court	600	600	45	555
Courthouse	1,116,884	1,116,884	1,392,188	(275,304)
Elections	92,785	92,785	94,203	(1,418)
Health insurance and benefits	6,200,000	6,200,000	3,271,169	2,928,831
General accounts	662,300	662,300	1,001,327	(339,027)
Computer support	1,061,484	1,061,484	1,054,821	6,663
Contributions to other governments	1,120,000	1,120,000	1,060,058	59,942
Capital outlay and other	2,000	2,000	-	2,000
Total general government	<u>14,309,035</u>	<u>14,309,035</u>	<u>11,869,516</u>	<u>2,439,519</u>

(continued)

LINCOLN COUNTY
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Public safety				
County sheriff	3,942,858	3,942,858	3,922,749	20,109
County jail	2,060,233	2,060,233	2,056,894	3,339
County coroner	118,536	118,536	119,340	(804)
Emergency management	209,660	209,660	211,829	(2,169)
Juvenile services	500	500	-	500
Contributions to other entities	98,200	98,200	97,802	398
Capital outlay and other	1,786,132	1,786,132	930,352	855,780
Total public safety	<u>8,216,119</u>	<u>8,216,119</u>	<u>7,338,966</u>	<u>877,153</u>
Public works				
Road and bridge	3,977,842	3,977,842	3,654,653	323,189
County planner	631,446	631,446	482,692	148,754
County engineer	276,048	276,048	237,184	38,864
Contributions to other entities	157,378	157,378	157,378	-
Total public works	<u>5,042,714</u>	<u>5,042,714</u>	<u>4,531,907</u>	<u>510,807</u>
Health and welfare				
Public health	508,193	508,193	400,406	107,787
Human services	746,297	746,297	822,444	(76,147)
Extension services	219,353	219,353	192,721	26,632
Contributions to other entities	178,000	178,000	190,000	(12,000)
Total health and welfare	<u>1,651,843</u>	<u>1,651,843</u>	<u>1,605,571</u>	<u>46,272</u>
Total expenditures	<u>29,219,711</u>	<u>29,219,711</u>	<u>25,345,960</u>	<u>3,873,751</u>
Excess (deficiency) of revenues over expenditures	<u>(2,361,865)</u>	<u>(2,361,865)</u>	<u>4,106,224</u>	<u>6,468,089</u>
Other financing sources (uses):				
Proceeds from payments on notes receivable	-	-	86,000	86,000
Transfers in	-	-	13,975	13,975
Transfers out	(138,135)	(138,135)	(6,406,756)	(6,268,621)
Total other financing sources (uses)	<u>(138,135)</u>	<u>(138,135)</u>	<u>(6,306,781)</u>	<u>(6,168,646)</u>
Net change in fund balance	<u>\$ (2,500,000)</u>	<u>(2,500,000)</u>	<u>(2,200,557)</u>	<u>299,443</u>
Fund balance – beginning			<u>33,029,778</u>	
Fund balance – ending	\$		<u>30,829,221</u>	

LINCOLN COUNTY
BUDGETARY COMPARISON SCHEDULE
GRANTS FUND
Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 384,486	388,222	1,169,818	781,596
Total revenues	<u>384,486</u>	<u>388,222</u>	<u>1,169,818</u>	<u>781,596</u>
Expenditures:				
General government	151,434	151,434	36,787	114,647
Public safety	373,171	376,907	1,100,031	(723,124)
Public works	-	-	566,903	(566,903)
Health and welfare	276,189	276,189	524,238	(248,049)
Total expenditures	<u>800,794</u>	<u>804,530</u>	<u>2,227,959</u>	<u>(1,423,429)</u>
Excess (deficiency) of revenues over expenditures	<u>(416,308)</u>	<u>(416,308)</u>	<u>(1,058,141)</u>	<u>(641,833)</u>
Other financing sources (uses):				
Transfers in	264,874	264,874	2,055,417	1,790,543
Transfers out	-	-	(50,381)	(50,381)
Total other financing sources	<u>264,874</u>	<u>264,874</u>	<u>2,005,036</u>	<u>1,740,162</u>
Net change in fund balance	<u>\$ (151,434)</u>	<u>(151,434)</u>	946,895	<u>1,098,329</u>
Fund balance – beginning			<u>1,672,380</u>	
Fund balance – ending	\$		<u>2,619,275</u>	

LINCOLN COUNTY
BUDGETARY COMPARISON SCHEDULE
CONTRACTS FUND
Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Intergovernmental	\$ 42,496	42,496	761,951	719,455
Lodging tax	-	-	341,417	341,417
 Total revenues	 <u>42,496</u>	 <u>42,496</u>	 <u>1,103,368</u>	 <u>1,060,872</u>
Expenditures:				
General government	388,255	388,255	428,691	(40,436)
Public safety	41,496	41,496	89,243	(47,747)
Public works	450,389	450,389	2,112,425	(1,662,036)
Health and welfare	206,625	206,625	165,207	41,418
 Total expenditures	 <u>1,086,765</u>	 <u>1,086,765</u>	 <u>2,795,566</u>	 <u>(1,668,365)</u>
Deficiency of revenues over expenditures	 <u>(1,044,269)</u>	 <u>(1,044,269)</u>	 <u>(1,692,198)</u>	 <u>(607,493)</u>
Other financing sources (uses):				
Transfers in	-	-	150	(150)
Transfers out	-	-	(589,920)	(589,920)
 Total other financing uses	 <u>-</u>	 <u>-</u>	 <u>(589,770)</u>	 <u>(590,070)</u>
Net change in fund balance	 <u>\$ -</u>	 <u>-</u>	 <u>(2,281,968)</u>	 <u>(1,197,563)</u>
Fund balance – beginning			 <u>3,829,798</u>	
Fund balance – ending			 <u>\$ 1,547,830</u>	

LINCOLN COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Public Employee Pension Plan:										
Proportion of the net pension liability	0.2325161%	0.2088964%	0.1891041%	0.1805869%	0.2170134%	0.2227485%	0.2243047%	0.2193146%	0.2190515%	0.2144930%
Proportionate share of the net pension liability	\$ 4,849,294	4,742,327	5,167,864	2,753,447	4,716,482	5,234,426	6,830,731	4,998,927	5,295,570	4,996,288
Covered employee payroll	\$ 4,711,427	3,923,738	3,414,336	3,286,551	3,863,853	3,871,843	3,905,940	3,895,855	3,905,481	3,828,062
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	102.93%	120.86%	151.36%	83.78%	122.07%	135.19%	174.88%	128.31%	130.52%	105.65%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%	86.03%	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%
Law Enforcement Pension Plan:										
Proportion of the net pension liability	1.6823300%	1.6585396%	1.5808981%	1.5039111%	1.4979978%	1.5444485%	1.5136413%	1.4669819%	1.4978957%	1.5028282%
Proportionate share of the net pension liability	\$ 2,259,624	2,240,422	5,385,403	4,279,207	1,020,469	3,664,106	1,262,256	1,130,790	1,128,924	433,808
Covered employee payroll	\$ 3,015,628	2,774,111	2,551,654	2,498,466	2,407,873	2,407,046	2,299,201	2,252,508	2,318,431	2,362,320
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	74.93%	80.76%	211.06%	171.27%	42.38%	152.22%	54.90%	50.20%	47.79%	19.04%
Plan fiduciary net position as a percentage of the total pension liability	87.88%	86.90%	70.30%	75.62%	91.82%	89.05%	71.22%	87.99%	88.11%	87.49%

LINCOLN COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
COMPONENT UNITS

	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
<u>Public Employee Pension Plan - Weed & Pest Control:</u>										
Proportion of the net pension liability	0.01904000%	0.01913220%	0.01944370%	0.01657530%	0.01508860%	0.01572350%	0.01539810%	0.01598310%	0.01615200%	0.01765182%
Proportionate share of the net pension liability	\$ 397,093	434,336	531,360	252,727	327,930	369,491	468,917	364,309	390,475	411,172
Covered employee payroll	\$ 385,804	359,363	351,062	301,659	268,648	273,308	268,136	283,920	287,975	314,094
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	102.93%	120.86%	151.36%	83.78%	122.07%	135.19%	174.88%	128.31%	135.59%	130.91%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%	86.03%	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%
<u>Public Employee Pension Plan - County Fair:</u>										
Proportion of the net pension liability	0.00503900%	0.00553840%	0.00567330%	0.00554370%	0.00653010%	0.00607910%	0.00606670%	0.00568370%	0.00546040%	0.00525264%
Proportionate share of the net pension liability	\$ 105,092	125,732	155,041	84,526	141,923	142,854	184,749	129,551	132,005	122,352
Covered employee payroll	\$ 102,104	104,029	102,433	100,891	116,266	105,668	105,643	100,964	97,354	93,723
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	102.93%	120.86%	151.36%	83.78%	122.07%	135.19%	174.88%	128.31%	135.59%	130.55%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%	86.03%	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%
<u>Public Employee Pension Plan - County Library:</u>										
Proportion of the net pension liability	0.03850620%	0.03601180%	0.03884200%	0.03939240%	0.03837190%	0.03765800%	0.04035330%	0.03947470%	0.03864610%	0.03868520%
Proportionate share of the net pension liability	\$ 803,075	817,533	1,061,480	600,624	833,959	884,935	1,228,875	899,763	934,270	901,113
Covered employee payroll	\$ 780,243	676,416	701,305	716,913	683,199	654,576	702,694	701,220	689,023	691,627
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	102.93%	120.86%	151.36%	83.78%	122.07%	135.19%	174.88%	128.31%	135.59%	130.29%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%	86.03%	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%

LINCOLN COUNTY
SCHEDULE OF CONTRIBUTIONS

	Year Ended June 30, 2025	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016
<u>Public Employee Pension Plan:</u>										
Contractually required contribution	\$ 1,000,987	897,331	745,371	582,195	680,462	713,112	686,057	\$ 649,342	\$ 702,829	\$ 647,626
Contributions in relation to the contractually required contribution	<u>1,000,987</u>	<u>897,331</u>	<u>745,371</u>	<u>582,195</u>	<u>680,462</u>	<u>713,112</u>	<u>686,057</u>	<u>649,342</u>	<u>702,829</u>	<u>647,626</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered employee payroll	\$ 5,375,870	4,819,178	4,003,067	3,126,719	3,755,309	4,047,174	\$ 4,026,156	\$ 3,906,992	\$ 4,228,813	\$ 3,896,667
Contributions as a percentage of covered employee payroll	18.62%	18.62%	18.62%	18.62%	18.12%	17.62%	17.04%	16.62%	16.62%	16.62%
<u>Law Enforcement Pension Plan:</u>										
Contractually required contribution	\$ 659,128	520,580	506,079	492,111	416,624	436,082	424,924	\$ 395,441	\$ 408,405	\$ 409,068
Contributions in relation to the contractually required contribution	<u>659,128</u>	<u>520,580</u>	<u>506,079</u>	<u>492,111</u>	<u>416,624</u>	<u>436,082</u>	<u>424,924</u>	<u>408,405</u>	<u>409,068</u>	<u>427,934</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered employee payroll	\$ 3,469,095	3,026,628	2,942,320	2,861,110	2,422,233	2,535,360	\$ 2,470,488	\$ 2,374,447	\$ 2,378,302	\$ 2,487,988
Contributions as a percentage of covered employee payroll	19.00%	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%	17.20%

LINCOLN COUNTY
SCHEDULE OF CONTRIBUTIONS
COMPONENT UNITS

	Year Ended June 30, 2025	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2022	Year Ended June 30, 2021	Year Ended June 30, 2020	Year Ended June 30, 2019	Year Ended June 30, 2018	Year Ended June 30, 2017	Year Ended June 30, 2016
<u>Public Employee Pension Plan - Weed & Pest Control:</u>										
Contractually required contribution	\$ 70,612	62,753	63,478	54,396	50,241	49,906	45,625	44,865	47,491	51,972
Contributions in relation to the contractually required contribution	<u>70,612</u>	<u>62,753</u>	<u>63,478</u>	<u>54,396</u>	<u>50,241</u>	<u>49,906</u>	<u>45,625</u>	<u>47,491</u>	<u>51,972</u>	<u>51,943</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,626)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 379,227	337,019	340,913	292,137	277,268	283,235	267,752	285,744	312,708	327,303
Contributions as a percentage of covered employee payroll	18.62%	18.62%	18.62%	18.62%	18.12%	17.62%	17.04%	16.62%	16.62%	16.62%
<u>Public Employee Pension Plan - County Fair:</u>										
Contractually required contribution	\$ 22,986	19,155	20,653	17,345	18,959	18,999	18,270	16,712	16,691	15,577
Contributions in relation to the contractually required contribution	<u>22,986</u>	<u>19,155</u>	<u>20,653</u>	<u>17,345</u>	<u>18,959</u>	<u>18,999</u>	<u>18,270</u>	<u>16,691</u>	<u>15,577</u>	<u>17,167</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered employee payroll	\$ 123,448	102,873	93,153	104,630	107,826	107,218	100,427	100,427	93,724	108,173
Contributions as a percentage of covered employee payroll	18.62%	18.62%	18.62%	18.62%	18.12%	17.62%	17.04%	16.62%	16.62%	16.62%
<u>Public Employee Pension Plan - County Library:</u>										
Contractually required contribution	\$ 181,220	133,616	126,434	135,099	127,448	121,885	116,449	115,807	116,046	114,936
Contributions in relation to the contractually required contribution	<u>181,220</u>	<u>133,616</u>	<u>126,434</u>	<u>135,099</u>	<u>127,448</u>	<u>121,885</u>	<u>116,449</u>	<u>116,046</u>	<u>114,936</u>	<u>107,375</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(239)</u>	<u>1,110</u>	<u>7,561</u>
Covered employee payroll	\$ 973,255	717,594	679,023	725,559	703,355	691,742	683,386	698,228	691,552	676,591
Contributions as a percentage of covered employee payroll	18.62%	18.62%	18.62%	18.62%	18.12%	17.62%	17.04%	16.62%	16.62%	16.62%

LINCOLN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

Note 1 – Budget Presentation

A Budgetary Comparison Schedule is presented for the General Fund and each major special revenue fund as required by generally accepted accounting principles (GAAP). Budgets for governmental funds are adopted on a GAAP basis except for instances in which capital assets are purchased through issuance of debt. Annual appropriated budgets are adopted for all governmental funds as required by state law. All annual appropriations lapse at fiscal year-end. The Board of County Commissioners may authorize increases to or uses of committed, assigned, or unassigned fund balances. In the budget presentation, authorized increases to fund balance are shown as positive changes in fund balance and authorized decreases are shown as negative changes in fund balance.

Note 2 – Budget Adoption and Monitoring and Compliance Related Matters

The budget is required to be prepared in a format acceptable to the Wyoming Department of Audit, and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year. Prior to May 15, the County Clerk submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted prior to the third Monday in July to obtain public comments. The budget is adopted within 24 hours of the public hearing, or by the third Tuesday of July. The County expends funds only as authorized by the approved budget unless a departure from the budget is authorized by the Board of County Commissioners. State statute requires that County boards or officials shall not incur expenditures or encumbrances in excess of total appropriations of the County's general fund budget as adopted or subsequently amended. Only the Board of County Commissioners at a properly advertised public hearing can make increases in total fund appropriations. The final budget information presented is after all approved amendments.

Supplementary Information

LINCOLN COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2025

	<u>Enhanced</u>	<u>State</u>		<u>Debt</u>	<u>Total</u>
	<u>911</u>	<u>Roads</u>	<u>Landfill</u>	<u>Service</u>	<u>Nonmajor</u>
					<u>Governmental</u>
<u>Assets</u>					<u>Funds</u>
Cash and cash equivalents	\$ -	5,074,322	-	-	5,074,322
Accounts receivable	37,274	-	-	-	37,274
Due from other governments	-	315,513	-	162,904	478,417
Due from other funds	221,051	701,388	370,178	3,083,683	4,376,300
	<u>221,051</u>	<u>701,388</u>	<u>370,178</u>	<u>3,083,683</u>	<u>4,376,300</u>
Total assets	\$ <u>258,325</u>	<u>6,091,223</u>	<u>370,178</u>	<u>3,246,587</u>	<u>9,966,313</u>
<u>Liabilities</u>					
Accounts payable	\$ <u>1,071</u>	<u>102,911</u>	<u>-</u>	<u>-</u>	<u>103,982</u>
Total liabilities	<u>1,071</u>	<u>102,911</u>	<u>-</u>	<u>-</u>	<u>103,982</u>
<u>Fund Balance</u>					
Restricted	257,254	5,988,312	-	-	6,245,566
Committed	<u>-</u>	<u>-</u>	<u>370,178</u>	<u>3,246,587</u>	<u>3,616,765</u>
Total fund balance	<u>257,254</u>	<u>5,988,312</u>	<u>370,178</u>	<u>3,246,587</u>	<u>9,862,331</u>
Total liabilities and fund balances	\$ <u>258,325</u>	<u>6,091,223</u>	<u>370,178</u>	<u>3,246,587</u>	<u>9,966,313</u>

LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2025

	Enhanced 911	State Roads	Landfill	Debt Service	Total Nonmajor Governmental Funds
Revenues:					
Intergovernmental	\$ -	1,936,712	52,479	-	1,989,191
Charges for services	189,607	-	-	1,027,225	1,216,832
Taxes	16,199	-	-	-	16,199
Investment and interest income	-	221,407	-	-	221,407
Total revenues	205,806	2,158,119	52,479	1,027,225	3,443,629
Expenditures:					
Public safety	86,509	-	-	-	86,509
Public works	-	2,810,468	-	-	2,810,468
Health and welfare	-	-	125,748	-	125,748
Debt service	-	-	-	1,036,800	1,036,800
Total expenditures	86,509	2,810,468	125,748	1,036,800	4,059,525
Excess (deficiency) of revenues over expenditures	119,297	(652,349)	(73,269)	(9,575)	(615,896)
Other financing sources (uses):					
Transfers in	-	4,222,898	-	870,000	5,092,898
Transfers out	-	(115,383)	-	-	(115,383)
Total other financing sources	-	4,107,515	-	870,000	4,977,515
Net change in fund balance	119,297	3,455,166	(73,269)	860,425	4,361,619
Fund balance – beginning	137,957	2,533,146	443,447	2,386,162	5,500,712
Fund balance – ending	<u>\$ 257,254</u>	<u>5,988,312</u>	<u>370,178</u>	<u>3,246,587</u>	<u>9,862,331</u>

LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ENHANCED 911 FUND
Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

	<u>2025</u>			2024
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues:				
Charges for services	\$ -	189,607	189,607	157,273
Taxes	-	16,199	16,199	17,006
Total revenues	<u>-</u>	<u>205,806</u>	<u>205,806</u>	<u>174,279</u>
Expenditures:				
Public safety	151,500	86,509	64,991	157,770
Total expenditures	<u>151,500</u>	<u>86,509</u>	<u>64,991</u>	<u>157,770</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (151,500)</u>	119,297	<u>270,797</u>	16,509
Fund balance – beginning		<u>137,957</u>		<u>121,448</u>
Fund balance – ending		<u>\$ 257,254</u>		<u>137,957</u>

LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
STATE ROADS FUND
Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

	<u>2025</u>			2024
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues:				
Intergovernmental	\$ 1,226,929	1,936,712	709,783	1,954,055
Interest and investment income	-	221,407	221,407	83,252
Total revenues	<u>1,226,929</u>	<u>2,158,119</u>	<u>931,190</u>	<u>2,037,307</u>
Expenditures:				
Public works	<u>6,578,683</u>	<u>2,810,468</u>	<u>3,768,215</u>	<u>302,143</u>
Total expenditures	<u>6,578,683</u>	<u>2,810,468</u>	<u>3,768,215</u>	<u>302,143</u>
Excess (deficiency) of revenues over expenditures	<u>(5,351,754)</u>	<u>(652,349)</u>	<u>4,699,405</u>	<u>1,735,164</u>
Other financing sources (uses):				
Transfers in	-	4,222,898	4,222,898	-
Transfers out	<u>(425,000)</u>	<u>(115,383)</u>	<u>309,617</u>	<u>(219,640)</u>
Total other financing sources (uses)	<u>(425,000)</u>	<u>4,107,515</u>	<u>4,532,515</u>	<u>(219,640)</u>
Net change in fund balance	<u>\$ (5,776,754)</u>	3,455,166	<u>9,231,920</u>	1,515,524
Fund balance – beginning		<u>2,533,146</u>		<u>1,017,622</u>
Fund balance – ending		<u>\$ 5,988,312</u>		<u>2,533,146</u>

LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
LANDFILL FUND
Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

	<u>2025</u>			<u>2024</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues:				
Intergovernmental	\$ -	52,479	52,479	-
Charges for services	-	-	-	129
Total revenues	-	52,479	52,479	129
Expenditures:				
Health and welfare	-	125,748	(125,748)	-
Total expenditures	-	125,748	(125,748)	-
Excess (deficiency) of revenues over expenditures	\$ -	(73,269)	(73,269)	129
Net change in fund balance	\$ -	(73,269)	(73,269)	129
Fund balance – beginning		443,447		443,318
Fund balance – ending		\$ 370,178		443,447

LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

	<u>2025</u>			<u>2024</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues:	\$ -	1,027,225	1,027,225	719,226
Expenditures:				
Debt service	-	1,036,800	(1,036,800)	580,000
Total expenditures	-	1,036,800	(1,036,800)	580,000
Excess (deficiency) of revenues over expenditures	-	(9,575)	(9,575)	139,226
Other financing sources:				
Transfers in	-	870,000	870,000	580,000
Total other financing sources	-	870,000	870,000	580,000
Net change in fund balance	\$ -	860,425	860,425	719,226
Fund balance – beginning		2,386,162		1,666,936
Fund balance – ending		\$ 3,246,587		2,386,162

LINCOLN COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
June 30, 2025

	<u>Treasurer's Tax Fund</u>	<u>School Bond and Interest Fund</u>	<u>Hospital Bond and Interest Fund</u>	<u>Employee Benefit Trust Fund</u>	<u>Totals</u>
<u>Assets</u>					
Cash and cash equivalents	\$ 4,785,367	2,602	1,308	111,370	4,900,647
Total assets	<u>4,785,367</u>	<u>2,602</u>	<u>1,308</u>	<u>111,370</u>	<u>4,900,647</u>
<u>Liabilities</u>					
Claims payable	-	-	-	2,394	2,394
Due to other taxing units	<u>4,785,367</u>	<u>2,602</u>	<u>1,308</u>	<u>-</u>	<u>4,789,277</u>
Total liabilities	<u>4,785,367</u>	<u>2,602</u>	<u>1,308</u>	<u>2,394</u>	<u>4,791,671</u>
<u>Net Position</u>					
Restricted for participants	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,976</u>	<u>108,976</u>
Total net position	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>108,976</u>	<u>108,976</u>

LINCOLN COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
Year Ended June 30, 2025

	Treasurer's Tax Fund	School Bond and Interest Fund	Hospital Bond and Interest Fund	Employee Benefit Trust Fund	Totals
Additions:					
Contributions - County	\$ -	-	-	46,135	46,135
Contributions - component units	-	-	-	90,405	90,405
Contributions - participants	-	-	-	145,376	145,376
Tax collections for other governments	147,529,307	373,579	-	-	147,902,886
Interest and other income	224,737	1,207	-	53	225,997
Total additions	147,754,044	374,786	-	281,969	148,410,799
Deductions:					
Claim benefit expense	-	-	-	274,965	274,965
Trust operating expense	-	-	-	29,728	29,728
Tax distributions to other governments	147,754,044	374,786	-	-	148,128,830
Total deductions	147,754,044	374,786	-	304,693	148,433,523
Change in net position	-	-	-	(22,724)	(22,724)
Net position - beginning	-	-	-	131,700	131,700
Net position - ending	\$ -	-	-	108,976	108,976

LINCOLN COUNTY
COMBINING STATEMENT OF NET POSITION
COUNTY LIBRARY AND COUNTY LIBRARY FOUNDATION
June 30, 2025

	<u>County Library</u>	<u>County Library Foundation</u>	<u>Total County Library</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 154,229	173,459	327,688
Investments	1,276,330	-	1,276,330
Beneficial interest	-	1,700,616	1,700,616
Accounts receivable	-	68	68
Taxes receivable	1,416,593	-	1,416,593
Capital assets	240,816	-	240,816
Accumulated depreciation	(221,966)	-	(221,966)
Total assets	<u>2,866,002</u>	<u>1,874,143</u>	<u>4,740,145</u>
 <u>Deferred Outflows of Resources</u>			
Pensions	<u>179,662</u>	<u>-</u>	<u>179,662</u>
Total deferred outflows of resources	<u>179,662</u>	<u>-</u>	<u>179,662</u>
 <u>Liabilities</u>			
Accounts payable	49,105	1,635	50,740
Compensated absences	30,000	-	30,000
Net pension liability	<u>803,075</u>	<u>-</u>	<u>803,075</u>
Total liabilities	<u>882,180</u>	<u>1,635</u>	<u>883,815</u>
 <u>Deferred Inflows of Resources</u>			
Property taxes	1,416,593	-	1,416,593
Pensions	<u>134,641</u>	<u>-</u>	<u>134,641</u>
Total deferred inflows of resources	<u>1,551,234</u>	<u>-</u>	<u>1,551,234</u>
 <u>Net position</u>			
Net investment in capital assets	18,850	-	18,850
Restricted – nonexpendable	-	1,700,615	1,700,615
Unrestricted	<u>593,400</u>	<u>171,893</u>	<u>765,293</u>
Total net position	<u>\$ 612,250</u>	<u>1,872,508</u>	<u>2,484,758</u>

LINCOLN COUNTY
COMBINING STATEMENT OF ACTIVITIES
COUNTY LIBRARY AND COUNTY LIBRARY FOUNDATION
Year Ended June 30, 2025

	<u>County Library</u>	<u>County Library Foundation</u>	<u>Total County Library</u>
Expenses	\$ 1,559,998	62,289	1,622,287
Program revenues:			
Charges for services	14,982	-	14,982
Operating grants and contributions	-	138,430	138,430
Total program revenues	<u>14,982</u>	<u>138,430</u>	<u>153,412</u>
Net (expenses) revenues	<u>(1,545,016)</u>	<u>76,141</u>	<u>(1,468,875)</u>
General revenues:			
Taxes	1,705,802	-	1,705,802
Interest and investment income	44,287	46,738	91,025
Miscellaneous	328	-	328
Total general revenues	<u>1,750,417</u>	<u>46,738</u>	<u>1,797,155</u>
Change in net position	205,401	122,879	328,280
Net position – beginning	<u>406,849</u>	<u>1,749,629</u>	<u>2,156,478</u>
Net position – ending	<u>\$ 612,250</u>	<u>1,872,508</u>	<u>2,484,758</u>

LINCOLN COUNTY DRUG COURT
SCHEDULE OF FINANCIAL POSITION
June 30, 2025

<u>Assets</u>		
Cash and cash equivalents		\$ <u>2,181</u>
Total assets		\$ <u><u>2,181</u></u>
<u>Liabilities and Fund Balance</u>		
Accounts payable		\$ <u>2,181</u>
Total liabilities		2,181
Fund balance		<u>-</u>
Total liabilities and fund balance		\$ <u><u>2,181</u></u>

LINCOLN COUNTY DRUG COURT
SCHEDULE OF ACTIVITIES AND FUNCTIONAL EXPENSES
Year Ended June 30, 2025

Revenues:		
State grants	\$	19,048
Contributions from Lincoln County		109,840
Participant fees		<u>1,355</u>
Total revenues		<u>130,243</u>
Expenses:		
Salaries, wages, and benefits		103,738
Consultants and contractors		18,804
Supplies		2,743
Equipment purchases		204
Travel		2,697
Training		<u>2,057</u>
Total expenses		<u>130,243</u>
Net change in fund balance	\$	<u><u>-</u></u>

Governmental Audit Reports

LINCOLN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing No.	Contract Number	Expenditures
<u>U.S. Department of Agriculture (DOA)</u>			
<i>Passed through State Department of Health:</i>			
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	None	\$ 3,747
<i>Passed through State Forestry Division:</i>			
Cooperative Forestry Assistance	10.664	None	2,514
Schools and Roads Cluster	10.666	None	<u>87,733</u>
Total DOA			<u>93,994</u>
<u>Department of Energy (DOE)</u>			
<i>Direct Program:</i>			
Energy Efficiency and Conservation Block Grant Program	81.128	None	<u>38,060</u>
Total DOE			<u>38,060</u>
<u>Department of the Interior (DOI)</u>			
<i>Passed through Wyoming Bureau of Land Management:</i>			
Good Neighbor Authority	15.015	None	688,590
Invasive and Noxious Plant Management	15.230	None	63,021
Infrastructure Investment and Jobs Act Restoration/Revegetation	10.717	None	108,478
Wildlife Resource Management	15.247	None	<u>81,644</u>
Total DOE			<u>941,733</u>
<u>Department of Transportation (DOT)</u>			
<i>Passed through Wyoming Department of Transportation:</i>			
Highway Planning and Construction Cluster	20.205	21302	446,509
National Infrastructure Investments	20.933	None	<u>54,995</u>
Total DOT			<u>501,504</u>
<u>Department of the Treasury (DOTT)</u>			
<i>Passed through the Wyoming State Loan and Investment Board:</i>			
Coronavirus State and Local Fiscal Recovery Funds	21.027	None	36,777
<i>Direct Program:</i>			
Local Assistance and Tribal Consistency Fund	21.032	LATC	<u>77,058</u>
Total DOTT			<u>113,835</u>

LINCOLN COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing No.	Contract Number	<u>Expenditures</u>
<u>Health and Human Services (HHS)</u>			
<i>Passed through Wyoming Department of Health:</i>			
County Health Nurse	93.069	None	85,585
Public Health Prevention	93.243	None	40,248
Immunization Cooperative Agreements	93.268	None	95,432
Drug Free Communities Support Program	93.276	None	134,082
Public Health Emergency Response - COVID	93.354	None	23,765
Public Health Prevention	93.959	None	48,854
Maternal and Child Health Services Block Grant	93.994	None	11,500
Collaboration with Academia to Strengthen Public Health	93.967	None	5,482
<u>Health and Human Services (HHS) (continued)</u>			
<i>Passed through Wyoming Department of Family Services:</i>			
Temporary Assistance for Needy Families Cluster	93.558	None	<u>56,233</u>
Total HHS			<u>501,181</u>
<u>Department of Homeland Security (DHS)</u>			
<i>Passed through Wyoming Office of Homeland Security:</i>			
Emergency Management Performance	97.042	None	<u>104,059</u>
Total DHS			<u>104,059</u>
Total Expenditures of Federal Awards			<u>\$ 2,294,366</u>

LINCOLN COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2025

Note 1 – Purpose of the Schedule

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements. The Schedule is provided in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Note 2 – Significant Accounting Policies

Basis of Accounting

The information in the Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200. The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

Assistance Listing Numbers

Title 2 U.S. *Code of Federal Regulations* Part 200 requires the Schedule to show the total expenditures for each of the County's federal financial assistance programs as identified by Assistance Listing number. The Assistance Listing is a government-wide compendium of individual federal programs which assigns a five-digit program identification Assistance Listing number to each federal program.

Major Programs

Title 2 U.S. *Code of Federal Regulations* Part 200 establishes the levels of expenditures or expenses and other criteria to be used in defining major programs. Major programs have been noted in the Schedule of Findings and Questioned Costs in accordance with those definitions.

Indirect Costs

The County has not elected to use the 10% de minimis indirect cost rate.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of County Commissioners
Lincoln County
Kemmerer, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lincoln County, Wyoming (the County), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 30, 2025.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness and the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-002 to be a significant deficiency.

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

Report on Compliance and Other Matters

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

The County's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



JONES SIMKINS LLC

Logan, Utah

December 30, 2025

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

To the Board of County Commissioners
Lincoln County
Kemmerer, Wyoming

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lincoln County, Wyoming's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2025. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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



JONES SIMKINS LLC

Logan, Utah

December 30, 2025

LINCOLN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

A. Summary of Auditor's Results:

Financial Statements

- | | |
|---|------------|
| 1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP | Unmodified |
| 2. Internal control over financial reporting: | |
| <ul style="list-style-type: none"> • Material weaknesses identified: | Yes – One |
| <ul style="list-style-type: none"> • Significant deficiencies identified that were not considered to be material weaknesses: | Yes – One |
| 3. Non-compliance material to financial statements noted: | No |

Federal Awards

- | | |
|---|---|
| 4. Internal control over major programs: | |
| <ul style="list-style-type: none"> • Material weaknesses identified: | No |
| <ul style="list-style-type: none"> • Significant deficiencies identified that were not considered to be material weaknesses: | None reported |
| 5. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a): | None |
| 7. Federal programs tested as major programs: | Good Neighbor Authority #15.015 and Highway Planning and Construction Cluster #20.205 |
| 8. Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 9. Auditee qualification as high or low risk: | High |

LINCOLN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

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

Finding 2025-001

Criteria: Internal control standards adopted by the GAO expect that management or employees, in the normal course of performing their assigned functions, will prevent or detect misstatements in account balances prior to being reported in the financial statements.

Condition: Material auditor-proposed adjustments were required to make the financial statements and associated supplementary information conform to generally accepted accounting principles.

Cause: Reconciliations of certain account balances and a secondary review of these reconciliations are not being performed on a regular basis. As a result, preliminary trial balance amounts did not report and disclose all balances and transactions in accordance with generally accepted accounting principles.

Effect: The County has a material weakness in internal controls with respect to reconciliation of account balances and the accurate recording, reporting, and disclosure of transactions and balances in accordance with Generally Accepted Accounting Principles.

Recommendation: County management should implement procedures to ensure all material accounts are being regularly reconciled.

Finding 2025-002

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

Condition: Budgets were not prepared for all funds of the County.

Cause: Controls associated with the preparation of annual budgets in accordance with Wyoming State statutes have not been established.

Effect: The County has a significant deficiency in internal controls with respect to the preparation of annual budgets.

LINCOLN COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

Recommendation: County management should implement procedures to ensure budgets are prepared for all expenditures of all funds of the County in accordance with Wyoming State statutes.

- C. Findings and questioned costs related to federal awards required to be reported in accordance with the Uniform Guidance

None

LINCOLN COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
(Client Submitted Document)
Year Ended June 30, 2024

Finding 2024-001

Status: Duties related to regular account reconciliations are being separated as much as possible, and County management and those charged with governance continue to consider ways to improve the County's internal control over accurate recording, reporting and disclosure of transactions.

Finding 2024-002

Status: The County management and those charged with governance continue to consider the need to adhere to Wyoming State statues when implementing budgetary procedures and controls.

LINCOLN COUNTY
CORRECTIVE ACTION PLAN
(Client Submitted Document)
Year Ended June 30, 2025

Lincoln County respectfully submits the following corrective action plan for the year ended June 30, 2025. Inquiries regarding the following corrective action plan should be addressed to April Brunski, County Clerk, and Jerry Greenfield, County Treasurer.

The findings from the schedule of findings and questioned costs are addressed below. The findings are numbered consistently with the numbers assigned in the schedule of findings and questioned costs.

Findings – Financial Statement Audit

Response to finding 2025-001

The County has no direct control over component unit reconciliation operations and controls, nor do we perform accounting duties for them. Therefore, it will be a reoccurring finding.

The County recognizes that the inability to record transactions will be a continuous finding. A possible solution may be a separate accounting department to alleviate audit adjustment entries and help improve segregation of duties.

Response to finding 2025-002

The County will review Wyoming State statutes and implement budgetary procedures and controls to ensure that budgets are prepared and approved for all expenditures of all County funds.