

CARBON COUNTY, WYOMING
FINANCIAL AND COMPLIANCE REPORT
June 30, 2004

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Mader Tschacher Peterson & Co.

Certified Public Accountants & Consultants

INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
Carbon County, Wyoming
Rawlins, Wyoming

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Carbon County, Wyoming, as of and for the year ended June 30, 2004, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Carbon County, Wyoming's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Carbon County, Wyoming, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 3 through 16 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with "Government Auditing Standards," we have also issued a report dated October 21, 2004, on our consideration of Carbon County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with "Government Auditing Standards" and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Carbon County, Wyoming basic financial statements. The supplementary information statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mader Ischaack Peterson & Co.

Laramie, Wyoming
October 21, 2004

Carbon County, Wyoming
MANAGEMENT DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2004

The government-wide financial statements include a statement of net assets and statement of activities. They are broken down by governmental activities. These statements are presented on the accrual basis of accounting.

The external auditors examine county fiscal documents to obtain reasonable assurance that our financial statements are free of material misstatement. The external auditors also perform tests to ascertain Carbon County's internal control over financial reporting.

The County's governmental financial statements include the general fund, special revenue funds: Library Fund, Weed and Pest Control Fund, Fair Board Fund, Museum Fund, and Charles W. Jeffrey, M.D. Memorial Center Fund, and Fiduciary Funds the County maintains for other entities. All financial statement definitions are defined in the auditors' notes to the financial statements. The modified accrual basis of accounting is used for the governmental fund financial statements.

This fiscal year is the second undertaken under Rule 34 of Government Accounting Standards Board (GASB). The County made and completed by July 1, 2004 an extensive effort to quantify and to provide an estimated value for all of its infrastructure, other assets and buildings.

HIGHLIGHTS FISCAL YEAR 2003 – 2004

Major impacts on the Carbon County Government fiscal budget for the fiscal year 2003-2004 are highlighted as follows:

- The North Hanna Access Overpass and road was completed this year. The total project including planning, engineering, rights of way acquisition and construction is approximately \$3,109,596.
- Planning, architectural studies and engineering for the new Carbon County Detention Center was accomplished in 2003 for a 78-bed jail facility, construction began in 2003.
- In 2003 Grants of \$4.8 million were obtained, and a \$7.5 million capital facilities proposition passed for funding the detention center project and a joint powers board for the detention center was formed. Bonding of \$8.6 million was obtained through local banks for the jail construction with low financing.
- A new building was purchased and remodeling began for the Senior Center at Medicine Bow, Wyoming.
- Reconstruction of the Seminole Dam Road Phase IV and design work continued, negotiations for acquisition continued on Cherokee and Seminole Boat Club roads. High Savery dam road was maintained, as well as other roads throughout the county.

MANAGEMENT DISCUSSION AND ANALYSIS

- Financing for the Courthouse heating remodel and air conditioning system was obtained and the project planned to begin renovations in 2004-2005.
- The amount of grant funding continues to increase, with the addition of programs, and now rise to the level where federal compliance audits are required. Notably, two new programs, Juvenile Justice and Homeland Security have been added. State Land and Investment Board, Abandoned Mine Land Funds, and IRP funds along with SCRF funds and a corporate donation were expended through the Road and Bridge 530-1958 line item for contractual obligations associated with the North Hanna Access Road.
- The County Health Insurance for employees rose 7.42% this fiscal year, increasing a net of \$307,970 over the prior year. The increase is partially attributed to catastrophic illness, and a general rise in use of prescription drugs. The co-pay for prescription drugs was increased by the County Commissioners and the plan participated in a Preferred Provider Program, First Choice of the Midwest, to reduce the county's economic participation in this self-insured program.
- Revenue increased approximately \$2,130,621 for the year ended June 30, 2004. Expenses increased approximately \$1,933,391 over 2003. This increase is entirely attributable to the new jail construction, associated grants, and intergovernmental grants. The grants were up \$3.7 million. The 2004 general fund revenues increased from \$11,936,326 to \$14,066,947.
- The County's assessed property valuation increased \$177,612,320 per each mill, for 2003-2004. However property taxes decreased by \$1,500,000.
- The general overall long-term debt is minimal, however the County has incurred a debt in the form of lease purchase agreement of \$1.4 million for the heating system and will incur in 2005 debt for the telecommunications system of \$649,275.00.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

This is the second year Carbon County has presented the financial statements required by Governmental Accounting Standards Board (GASB) Statement No. 34. Data is now available for the comparative analysis of governmental-wide statements.

The County's combined net assets totaled \$52.8 million as of June 30, 2004. The two tables present net assets (Table 1) and changes in net assets (Table 2) which include significant expenses by function of the County's governmental activities. A large portion of the County's net assets are capital assets (e.g., land, buildings and equipment) less any debt used to acquire the assets. These assets are used to sustain current services and are not available for future spending.

MANAGEMENT DISCUSSION AND ANALYSIS

Table 1
Statement of Net Assets

	<u>Total Primary Government</u>	
	<u>FY04</u>	<u>FY03</u>
Current and other assets	\$ 10,549,607	\$ 10,644,571
Capital assets	<u>43,048,019</u>	<u>44,267,912</u>
Total assets	<u>\$ 53,597,626</u>	<u>\$ 54,912,483</u>
Long-term liabilities	\$ -	\$ 40,047
Other liabilities	<u>728,878</u>	<u>784,268</u>
Total liabilities	<u>728,878</u>	<u>824,315</u>
Net assets:		
Investment in capital assets (net of debt)	43,048,019	44,188,730
Unrestricted	<u>9,820,729</u>	<u>9,899,438</u>
Total net assets	<u>\$ 52,868,748</u>	<u>\$ 54,088,168</u>

Table 2
Statement of Activities
Changes in Net Assets

	<u>Total Primary Government</u>	
	<u>FY04</u>	<u>FY03</u>
REVENUES		
Program revenues:		
Charges for Services	\$ 1,151,864	\$ 679,024
Operating grants and contributions	5,557,361	2,017,339
General revenues:		
Property tax	5,257,962	6,944,746
Sales taxes	1,977,423	1,005,260
Other taxes	873,967	1,382,444
Interest revenue	75,726	178,526
Other	482,317	353,035
Payment in lieu of taxes	<u>654,838</u>	<u>634,389</u>
Total revenues	<u>16,031,458</u>	<u>13,194,763</u>
EXPENSES		
Functions/Programs		
Governmental activities:		
General government	5,200,668	4,648,006
Public safety	6,068,961	1,887,251
Highways and streets	2,381,632	1,738,504
Health and welfare	878,772	1,117,275
Culture and recreation	786,017	737,050
Capital outlay	307,428	233,555
Interest	6,002	15,307
Loss on disposal of PP & E	947	-
Depreciation - unallocated	<u>1,620,451</u>	<u>1,579,129</u>
Total expenses	<u>17,250,878</u>	<u>11,956,077</u>
Change in net assets	(1,219,420)	1,238,686
Net assets, beginning	<u>54,088,168</u>	<u>52,849,482</u>
Net assets, ending	<u>\$ 52,868,748</u>	<u>\$ 54,088,168</u>

FUTURE IMPACTS ON THE FISCAL YEAR ENDING JUNE 30, 2005

The following are anticipated to impact the fiscal year ending June 30, 2005 budget:

- The completion of construction to the Carbon County Detention Center and the transition to the Center: The estimated completion date is February 25, 2005.
- The jail project is funded through the State Land and Investment Board grants of \$4.8 million, Capital Facility tax funding, and general fund monies, and bonds.
- Potential acquisition and upgrade of the Seminole Boat Club road.
- Purchase of a \$140,000 Fire tender, partially funded by a \$70,000 State Land Investment Board Grant.
- The remodel of the Medicine Bow Bank Building for a Senior Services building in Medicine Bow.

MANAGEMENT DISCUSSION AND ANALYSIS

- A new Hanna Medical Clinic is proposed.
- Homeland Security funding is estimated to exceed \$500,000.
- Projects funded through grants are estimated to increase.
- The County Employees Health Insurance Self Insured program is estimated to increase by 10%.
- Staffing needs for the Carbon County Jail are expected to increase.
- Help American Vote Act requires that all voting areas be accessible and that there will be necessity to reevaluate the voting places, voting systems, and to have Direct Recording Electronic Voting Machine's in every polling place.
- General building maintenance and improvements are anticipated to increase; there will be an undetermined amount to renovate the top floor of the Courthouse for offices after the jail facilities are moved in 2005 to the new detention center.
- Long-term debt associated with the heating and air conditioning project for the Carbon County Courthouse continues. However, no bonded indebtedness is anticipated to occur.

BUDGETARY HIGHLIGHTS

No amendments were made to the approved County budget for the fiscal year ended June 30, 2004. In addition, no instances of expenditures exceeding the budgeted amounts occurred. More detailed information about the County's budget to actual results can be found in the Note 3. of the financial statements and the required supplementary information on pages 39 through 41 of the financial statements.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

At the end of the fiscal year, the County had \$76.8 million invested in a variety of capital assets. This represents a net increase (additions, deductions, and depreciation) of \$294,000 from the end of the prior fiscal year. More detailed information about the County's capital assets is presented in Note 6. of the financial statements.

Debt Outstanding:

At the end of the fiscal year, the County had no long-term debt other than its liability for accrued compensated absences. During the fiscal year, the County made the final payments on several capital leases. More detailed information about the County's long-term debt is presented in Note 7. of the financial statements.

DEPARTMENT REPORTS

Summaries of each County Elected Officer and Department reports for the fiscal year 2003-2004 are incorporated with this management analysis. Such is provided for a more comprehensive report as to the "State of the County."

MANAGEMENT DISCUSSION AND ANALYSIS

CARBON COUNTY ATTORNEY – DAVID C. CLARK

The Carbon County Attorney's office reports that they are at full staff with four secretaries and four full-time attorneys in the criminal division.

The Attorney's office installed the Justware Software and the entire staff was trained to use the Software.

The Attorney's office worked closely with the Court on the Court Improvement Plan and with implementation of new forms. Communication was ongoing with other prosecutors and legislators regarding new legislation as well as communication with other agencies. An open door policy is maintained for other agencies and the public.

Awards and Training received by employees are as follows: One employee completed a course on Cross Examination at the National District Attorneys Association school, another employee attended a Trial Advocacy I class, two employees attended a class on Trial Preparation and one employee was reclassified to that of a legal secretary because of additional training. The classes were of little or no cost to Carbon County.

CLERK OF DISTRICT COURT – LINDY SCHMIDT

The Clerk of the District Court's case load is growing. The case load for fiscal year 2003-2004 was as follows: Civil – 308, Criminal – 113, Probate – 56; Adoptions – 11, Involuntary Commitments – 7, out of State child support orders – 23, and Juvenile – 40.

The District Court's office helped the Supreme Court of Wyoming with a review of juvenile case files to ascertain if time lines were being met for children placed in foster homes and outside agencies. Lindy Schmidt is also involved with the Wyoming Clerks of District Court Association and worked on developing a new fax rule for the association.

Lindy Schmidt was re-appointed by the Wyoming Supreme Court to the Court Improvement Project for Juveniles committee and continues to be on the Unauthorized Practice of Law committee and the Technical Committee. Lindy is also a member of the National Association of Court Managers and hopes to take more classes from the Association as time permits.

A new accounting program was installed with the goal of entering all data into the database by summer of 2005. This accounting program will save time and will facilitate the printing of more detailed reports.

CARBON COUNTY CLERK – LINDA ANN SMITH

General County Clerk Overview

The County Clerk's Office has enjoyed a busy but productive year. The general office focused its efforts on provision of customer services in payables, vehicle titles, UCC's, and land recordings. While the filings have maintained the increased level of 2002, the management and tracking of grants, projects, assistance in jail financing and payments, have greatly increased the activity of the office. In addition, the Help America Vote Act has impacted the office with an implementation of a statewide voter registration. The full implementation of the voter registration mandated under HAVA 2000, is expected to

MANAGEMENT DISCUSSION AND ANALYSIS

begin in February 2005. This office has participated in training, legislation and information gathering with an eye of working toward, hopefully, a seamless implementation of the mandated system prior to the 2006 election deadline. County polling places were surveyed and changes have taken place to accommodate voters with accessibility.

Fees generated by this office have increased from \$120,826.21 in 2002 to \$195,171.24 in 2003 and with 11 months of activity, the fees stand at \$180,754.55 on 5/31/2004. The number of documents filed is generally in line with 2002 and 2003 levels. The staffing pattern has remained basically the same as under previous administrations: deputy clerks – 11 full time, one ¾ time, one chief deputy and one County Clerk. During the summer, a temporary clerk was hired to assist with land records projects.

While the systems in the office are working well, CSA's impending upgrade of its software will necessitate a change in hardware and software for the shared system in the Courthouse. CSA's current version of software is anticipated to be phased out and will be replaced with an updated version.

The focus in land records is to maintain certification of recordings to date, and to continue to clean up records and preserve older tract books and records with the intent to ready records for access by Internet.

Land Office Projects: This department continues to be up to current date on recordings. The staff is continuing to make progress on checking the images and reinserting lost or poorly filmed documents in over 216,766 documents from 1992 to 2004 in the computer system. In addition, work continues on an intermittent basis to input the data from 24 tract books. The books are losing data due to wear and tear over the years. Office staff are assisting in reconstructing the data and doing the necessary research to input any lost data. This is slow, tedious work. Given the resources of personnel and funding, while it is progressing, it is not progressing as quickly as desired. It is projected that only 20% of the data of the tract books has been entered into the computer.

The new map maker/copier has been used a great deal and makes it easier for staff to reproduce plats and surveys. Eventually, plats will be able to be viewed from recordings via the computer because of the map copier.

Records Management:

The records department is receiving records from the Clerk, County Attorney, Treasurer's Office, and Circuit Court. Circuit Court is storage only. Once the Sheriff's Office is moved, this office would like to work with the Sheriff on the older records that have been stored in the Sheriff's Office garage.

With the involvement in remodeling projects, jail, and other projects, the increase in records involvement is increasing. Homeland Security and grants have affected an increase in paper flow.

This department continues to provide administrative assistance to Council of Governments, Chief Deputy, and liquor license permitting.

MANAGEMENT DISCUSSION AND ANALYSIS

Grants, Payable, Accounting:

This division continues to see an increase in payables due to grant administration and projects. The Community Service Block Grant program is administered through the Clerk's Office. Mini grants are given for child care assistance, development of resource information, prevention of drug and violence to low income youth, accessible transportation to seniors, emergency medical health assistance through Public Health, parenting skills, and medical support to women.

This department has seen an increase in grant-related payables and tracking. There are several Homeland Security grants, three Juvenile Justice grants, fire strike funds, fire truck grants, jail financing and other continuing public health grants. It is anticipated that this department will continue to increase its activities due to TANF, TEAL, and additional Homeland Security applications that have been submitted. Homeland Security has an excellent grant coordinator, but the department is tracking expenditures and reimbursements. With the increase in federal grant funding, a federal audit is required. All federal assurances must be in compliance on federally funded projects.

Projects such as the Medicine Bow Senior Center, jail, and Ft. Steele will also affect this department.

This office also serves as a collection point for donations to the Carbon Cemetery project successfully organized by Nancy Anderson. An association is applying for its 501(C) (3) status from the IRS and when complete, the funds can then be turned entirely over to the organization for administration. This office is assisting in the application for transfer of recreation land from BLM to the county for the Carbon Cemetery.

Human Resources, Insurance, Utilities, Assets:

Major issues addressed in this department this year was the institution of HIPPA for privacy of health insurance records, dealing with development of a telephone system since the telephone system now provided by Qwest will be completely dissolved by April 29, 2005, dealing with gas prices for county buildings, and handling daily health, liability, and building insurance concerns. The health insurance remains fairly healthy with the changes implemented during the past two years. The department is currently working on updates of the employee health benefit manual.

This department brought to fruition the development of the resolution and increase in E911 surcharges to benefit the new 911 emergency services to be implemented at the new jail. The department also coordinated the implementation of the mandated Internal Revenue Service policies.

A new asset program was installed and Carbon County was among the first counties completing a successful GASB 34 audit in Wyoming. The County Clerk in the audit provided the first management analysis this year.

MANAGEMENT DISCUSSION AND ANALYSIS

Elections:

This department is preparing for a presidential election year. The Clerk continues to work with the Secretary of State's Office and County Clerk's Association to implement a new statewide voter registration system. Carbon County is expected to begin its data downloading and implementation in February 2005. The Help America Vote Act (HAVA) of 2000 mandates the statewide voter registration system. Also impacting the county is a mandate to make sure every polling precinct is accessible to voters with disabilities. A survey was conducted and a grant from Health and Human Services was obtained for \$5,303.00 to assist in making polling places more accessible. The Clerk's office will also be impacted during the upcoming year as the Secretary of State works with the Wyoming County Clerk's Association to address the issue of accessible voting equipment mandated by HAVA.

The Clerk and staff will undertake additional training, outreach, and participation with HAVA issues.

Custodial, Courthouse, Administration:

The Clerk supervises three custodians for the Courthouse. Ongoing maintenance and the upkeep of the building and grounds have improved.

The heating and air conditioning system in the building continues to be the major problem. The Clerk is working with Long Technologies and the County Commissioners to find financing and begin a time table to renovate the heating system.

Plumbing issues also continue to be a challenge. Maintenance on the exterior stairways and handrails are needed. Once the painting on the terracotta surfaces and masonry work is done, and the heating system finished, the Courthouse will be in good shape except for fourth floor where the old jail is currently lodged. The County Attorney and District Court clerk have requested that the jail be remodeled into offices.

The Clerk continues to perform contract management coordination where needed on the jail construction and serves on the Joint Powers Board for the payment of the jail contract.

CARBON COUNTY SHERIFF'S OFFICE – J. R. COLSON

The construction of a new jail has been an ongoing project. Installation of a new communications system both in the jail and the office in the Courthouse are ongoing. The goal for the completion of the communications system is February 15, 2005 although it may extend to March 1, 2005.

The Sheriff's office received 2,347 offense reports in 2003 with 2,328 actual offenses. There were 1,305 inmates in the jail, and 69 inmates on the electronic monitoring program.

The Sheriff and his staff participated in outreach programs such as D.A.R.E., Car Seat Rental, Home Alone, Mounted Patrol, K-9 Unit, and six separate Search and Rescue Units. The Adopt-A-Highway program continues to oversee the collection of trash along Highway I-80. The Sheriff's Department coordinated with schools, civil organizations, and healthcare professionals for public service, education and public relations.

MANAGEMENT DISCUSSION AND ANALYSIS

Thank you cards and letters continue from citizens receiving direct law enforcement assistance. Other individuals and organizations involved in the outreach programs also sent thank you cards and letters. Cash donations were received from individuals rescued from an airplane crash in Elk Mountain.

A grant paid salary for a Deputy that was assigned to the drug task force. Participation in the inmate extradition shuttle program saves extradition costs. D.A.R.E. and Home Alone are funded through fundraisers and donations. Other programs were funded with volunteer time and public donations. Some programs and services received funding from the State of Wyoming. Inmates and various municipalities are contributing to the electronic monitoring program. Four Thousand Two hundred and fifty five dollars has been generated for the fiscal period prior to April 1, 2004.

CARBON COUNTY TREASURER'S OFFICE – CINDY BALDWIN

The Carbon County Treasurer's Office worked with the Senior Citizen Center and Department of Family Services to help individuals apply and obtain property tax relief. The program affected many people throughout the County.

Cindy Baldwin was President of the Wyoming Association of County Officials representing all Wyoming County Treasurers and all elected officials. She also planned and presided over the WACO convention.

The Treasurer's office worked closely with the Clerk, Commissioners, Counsel, and local banks to finance the construction costs and cash flow for the County. Through the bidding process and much cooperation with Counsel and local banks a respective interest rate for bonding and holding of funds was attained.

CARBON COUNTY CORONER – NORMAN NEWSOME

The Coroner's office assists in medical examinations (autopsies) referred to them by the Memorial Hospital of Carbon County. They also assist the Sheriff's Office and the City of Rawlins Police Department in investigations where human fatalities have occurred. The number of accidents and autopsies vary from year to year.

CARBON COUNTY ASSESSOR – DARRELL STUBBS

The department faces changes in its statewide computer system.

Governor Dave Fruedenthal presented certificates of service to four staff members of the Carbon County Assessor's office.

CARBON COUNTY PLANNING – JAY GRABOW

Over two hundred zoning cases were approved. There were extensive revisions to the Carbon County Zoning Resolution and amendments adopted on January 6, 2004. Two subdivisions were rezoned. A new electronic database was designed and implemented which would allow for electronic storage and management of building permits, conditional use permits, variances, county zoning map, data source for G.I.S., cross referencing, and off-site archiving.

MANAGEMENT DISCUSSION AND ANALYSIS

County Planning worked with the Wyoming Planning Association and fellow planners in designing regulations and procedures for clarification and land use planning.

The Planning Office continues to partnership with the Economic Development Corporation (EDC).

CARBON COUNTY FIRE DEPARTMENT – DWIGHT FRANCE, FIRE WARDEN

The Fire Department is in the process of obtaining a fire truck with a matching grant. This Water Tender scheduled for delivery in April 2005. The Department is pursuing another grant for an additional water tender next year. A goal is to replace all water tenders. They will average \$140,000.00 each. A rebuild of an extrication truck was completed in 2003-2004.

A grant from State Forestry will give help on Urban Interface Fire Mitigation Events, reducing fuel hazards on private property. The Fire Department works with the U.S. Forest Service to mitigate fires.

An \$11,000 grant (100%) was obtained for a fire mitigation plan. Another grant of \$15,500.00 (90%) from BLM was used for a Quick Attack Fire Truck for wild land fire protection. Grants were obtained in 2003-2004 and will be obtained in the future to replace all water tender vehicles.

The Fire Department receives many calls of appreciation for services performed.

GIS – KAREN LARSEN

A variety of building locations throughout Carbon County have locations within the GIS system. The system has been upgraded and addresses assigned as exact locations are determined.

Work has proceeded in cooperation with the Assessor's Office, Planning, Road and Bridge, and County Extension. Assistance as been given to the Sheriff's office in the form of photographs for training and court presentations. The GIS Department remains in contact with State and Federal GIS professionals. Training is ongoing.

CARBON COUNTY ROAD AND BRIDGE – BILL NATION

The Road and Bridge Department has successfully maintained Carbon County's 935 plus miles of county roads and provided assistance to several development companies. Ongoing road and bridge repairs continue to enable companies to access roads for energy development. Community input from County residents continues to be positive.

The Road and Bridge has new radios, paid for by Homeland Security funds. Bill Nation presented his proposals to remove or replace Savery Creek Bridge (CN 6752). The Board directed Superintendent Nation to replace the bridge with the option of using new concrete culverts.

Road and Bridge has worked with WYDOT, Anadarko, PMPC, and other community based companies on various projects. The department also took local bids on the purchase of new vehicles and equipment.

MANAGEMENT DISCUSSION AND ANALYSIS

CARBON BUILDING – KANDIS FRITZ

The Carbon Building provided office space for eighteen public service agencies in the year 2003 and 2004. Since May of 2002 there has been no vacant space. There were miscellaneous improvements to the Carbon Building consisting of new cabinets for Public Health, a new sump pump in Best Beginnings, replacement of the water fountain in the library, and replacement of two new door locks in Life Net and the Public Defenders office.

A contract was initiated with Long and Associates for HVAC System Maintenance and Repairs.

A contract with Kone for maintenance and repairs to two elevators with general monthly maintenance was initiated.

There were three paying tenants of the Carbon Building generating income. Provision of office space for public service agencies necessitated contact with each agency. These agencies were provided with needed office space that might not otherwise be available to them.

CARBON COUNTY EXTENSION – WARREN CRAWFORD

The Extension office presented twenty-seven educational programs to youths, 4-H leaders, 4-H members, Extension Specialists, campers, candidates, and school children.

The Extension office collaborated or participated in interagency cooperation with many agencies and groups. Assistance was given in planning of educational events and in developing programs, such as an after-school program providing opportunities for “latch-key” children and a tobacco prevention event for the prevention of tobacco use by local school aged children. Other agencies collaborated with include the County Commissioners, the County Fair Board, County 4-H Leaders’ Council, and Carbon County 4-H Foundation.

Assistance was given to various fairs in judging, livestock shows, clerking, and chaperoning.

An award was received from the University of Wyoming and Staff Senate of University of Wyoming off Campus Staff Employee of the Year. Training opportunities were made available in several areas including livestock management and coal bed methane, an Ecosystems workshop, Defensive Driving, and a professional improvement conference.

Assistance was given to the 4-H Council Treasurer in managing their budget and 4-H programs. Approximately \$7,000 in grant resources were administered. A chairman led the State 4-H Initiative Team to direct current and future 4-H programs on a statewide basis and prepared and administered a budget of \$5,495.

MANAGEMENT DISCUSSION AND ANALYSIS

PUBLIC HEALTH – BRIDGETT HETTGAR, R.N., MANAGER

In response to the possibility of Bio-terrorism an All Hazards Emergency Response Coordinator position was established.

Services have been provided in a variety of areas to city, state, and county employees, private providers, daycare providers, school district employees, and federal employees.

One Public Health employee was recognized by the state Maternal Health Department as having the largest and most active caseload.

Bio-terrorism and Emergency Health grants provided assistance for low-income families, high-risk pregnant women, and bio-terrorism preparation.

CARBON COUNTY SENIOR SERVICES – BILL MICHIE, DIRECTOR

The Carbon County Senior Services Incorporated enjoyed steady annual growth in the numbers of senior citizen consumers participating in the programs offered. Chief among the successful efforts included:

- Nutrition Program: Exceeded projections for the year, such that the State of Wyoming has determined to reimburse this project an additional \$9,730.00. This money comes from funding intended for other projects that did not meet their projected goals. Seniors have been able to serve pleasing menus due to fiscal stability which allowed the program to accommodate marked increases in food costs.
- Senior Services initiated the National Family Caregiver Program countywide which provides assistance to family or friends providing substantive care to a senior citizen. The program is limited in scope but focuses on serious needs of the caregiver.

Other notable successes of the concluding Fiscal Year include:

- County procurement of the bank building in Medicine Bow for use as a senior center.
- Successful advocacy effort to make permanent the funding from the State through the Wyoming Senior Services Board.
- Obtained special purpose money from the Aging Division to install broadband internet service and networking in administrative offices allowing them to access Aging Division server directly for reporting and information.
- Obtained special purpose money from the Aging Division enabling purchase of additional computer and office equipment and furniture.
- Partnership with Senior Citizens' Home, Incorporated, a charitable foundation. This group agreed to roll over their funds to Senior Services charitable foundation thus better ensuring long term survival and success of Senior Services.
- Procurement of a cargo van to deliver raw food and other products to our senior centers. This ensures the quality of the food delivered.
- Contracted with WYDOT to procure another coach. There is intent to provide limited inter-city, intra-county transport for all citizens of the county.

MANAGEMENT DISCUSSION AND ANALYSIS

- Procured preliminary approval to obtain up to a \$240,000.00 grant from the Federal Transit Administration through WYDOT to build a bus garage to protect investment in vehicles in Rawlins.
- Obtained competitive grant from Wyoming Senior Services Board to improve nutritional content of menus served and to provide nutritional information to our consumers.
- With Community Services Block Grant funding enabled eighty-five senior citizens to obtain volunteer drivers to assist them to get to doctor's appointments and to take care of other needs despite their inability to drive themselves.

CARBON COUNTY JEFFREY MEMORIAL CENTER – ANN TAYLOR, CUSTODIAN

Jeffrey Center bathrooms are being remodeled for handicap access. Improved paving of the lot is proposed.

CARBON COUNTY MUSEUM – DENISE PATTON, DIRECTOR

The Museum is becoming very active. In an effort to become more self supporting a bookstore was established. An outreach project the Museum sponsored include a book signing and the Museum continues to publish in-house stories about its collection and relationship to Carbon County history, sponsor lectures, provide research for newspaper articles, and hold events.

As one of the strengths of the Museum's collection is its photography, a traveling exhibition of Mike McClure's photos is being held. The exhibition originates from the Wyoming State Museum. Special viewing hours outside of regular hours had outstanding attendance as well as bookstore purchases and donations. Extensive newspaper publicity has accompanied the exhibition.

The Board is discussing outreach possibilities with the City. One possibility takes the form of educational trunks that would circulate to different store windows or other locations throughout the City/County. Another one of innumerable outreach activities will be a quilt evaluation day scheduled for August. Participants will bring quilts for documentation, valuation, and review.

A new director, Denise Patton, was recently appointed. She is actively engaged in outreach activities with many different entities and individuals. Palma Jack became office manager/exhibit coordinator.

The board and staff established updated by-laws and obtained a Dun & Bradstreet number. The staff and board remain in support of artifact preservation efforts, professional guidance and development, and outreach/educational programming.

The Museum continues to assist other county, state, national, and international government agencies and individuals by providing historical documentation. It assists entities in efforts to secure historic register status.

MANAGEMENT DISCUSSION AND ANALYSIS

Challenges for the coming budget year are: 1) to continue to program and finance outreach/education efforts based on the Museums collections and how they relate to other activities in our region. These outreach efforts include, but are not limited to, advertising, education, visitor tours, board activities; 2) to safeguard collections by maintaining/upgrading housing, i.e. building maintenance, ER exit, disaster preparedness training and implementation, collections management; 3) new building planning.

CARBON COUNTY LIBRARY SYSTEM – VICKI HITCHCOCK, DIRECTOR

Throughout the year the library provides programs for schools, home-schools and preschools that are fun for the kids and also encourages them to read. They work with “Raising Readers in Wyoming” program and local health care providers to distribute books to babies and pre-schoolers in Carbon County. They have also taken over the “Reading is Fundamental” program in Rawlins, providing books to school-aged children. Hundreds of children benefit from these programs and they hope that they see the library as a comfortable, fun place to come in the future.

CONCLUSION

The economic outlook of Carbon County Government is considered healthy, but fiscally conservative and well within general accepted governmental accounting standards.

This financial report is designed to provide the County’s citizens, taxpayers, customers, and creditors with a general overview of the County’s finances and to demonstrate the County’s accountability for the money it receives. If you have questions about this report or need additional financial information contact Carbon County Clerk Linda Ann Smith, 415 West Pine Street, P.O. Box 6, Rawlins, Wyoming 82301.

CARBON COUNTY, WYOMING

STATEMENT OF NET ASSETS

June 30, 2004

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,484,573
Investments	7,238,051
Receivables:	
Taxes	1,183,811
Accounts	8,685
Other	8,879
Due from other governments	459,677
Prepaid expenses	39,688
Inventories	<u>126,243</u>
Total current assets	<u>10,549,607</u>

NONCURRENT ASSETS

Land	2,099,347
Infrastructure	48,413,438
Buildings and improvements	19,672,717
Equipment	6,627,667
Less: accumulated depreciation	<u>(33,765,150)</u>
Net capital assets	<u>43,048,019</u>
Total assets	<u>53,597,626</u>

LIABILITIES

CURRENT LIABILITIES

Accounts payable	316,326
Accrued compensated absences	287,068
Deferred revenues	<u>125,484</u>
Total current liabilities	<u>728,878</u>

LONG-TERM OBLIGATIONS

-

NET ASSETS

Invested in capital assets, net of related debt	43,048,019
Unrestricted	<u>9,820,729</u>
Total net assets	<u>\$ 52,868,748</u>

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2004

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Functions/Programs				
Governmental activities				
General government	\$ 5,200,668	\$ 973,196	\$ 77,427	\$ (4,150,045)
Public safety	6,068,961	94,235	4,265,190	(1,709,536)
Highways and streets	2,381,632	850	766,938	(1,613,844)
Health and welfare	878,772	83,583	189,628	(605,561)
Culture and recreation	786,017	-	258,178	(527,839)
Capital outlay	307,428	-	-	(307,428)
Interest	6,002	-	-	(6,002)
Loss on disposal of PP & E	947	-	-	(947)
Depreciation - unallocated	1,620,451	-	-	(1,620,451)
Total governmental activities	<u>17,250,878</u>	<u>1,151,864</u>	<u>5,557,361</u>	<u>(10,541,653)</u>
General Revenues				
Property taxes				5,257,962
Sales taxes				1,977,423
Other taxes				873,967
Interest and investment revenue				75,726
Other				482,317
Payment in lieu of taxes				654,838
Total general revenues				<u>9,322,233</u>
Change in net assets				(1,219,420)
Net assets - beginning of year (restated)				<u>54,088,168</u>
Net assets - end of year				<u>\$ 52,868,748</u>

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2004

	<u>General Fund</u>	<u>Nonmajor - Special Revenue Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and temporary investments	\$ 639,787	\$ 844,786	\$ 1,484,573
Investments	7,153,298	84,753	7,238,051
Receivables:			
Accounts receivable	-	8,685	8,685
Taxes	81,337	17,443	98,780
Interest	8,879	-	8,879
Due from other governments	459,677	-	459,677
Prepaid expenses	38,288	1,400	39,688
Inventory	29,338	96,905	126,243
Total Assets	<u>\$ 8,410,604</u>	<u>\$ 1,053,972</u>	<u>\$ 9,464,576</u>
LIABILITIES			
Accounts payable	\$ 284,551	\$ 31,774	\$ 316,325
Accrued compensated absences	86,738	1,976	88,714
Deferred revenue	121,078	4,406	125,484
Total Liabilities	<u>492,367</u>	<u>38,156</u>	<u>530,523</u>
FUND BALANCES			
Fund balances			
Reserved for road projects	2,486,677	-	2,486,677
Reserved for prepaid expenses	38,288	-	38,288
Reserved for inventory	29,338	96,905	126,243
Designated for cash reserve	2,145,000	499,221	2,644,221
Unreserved - undesignated	3,218,934	419,690	3,638,624
Total Fund Balances	<u>7,918,237</u>	<u>1,015,816</u>	<u>8,934,053</u>
Total Liabilities and Fund Balances	<u>\$ 8,410,604</u>	<u>\$ 1,053,972</u>	<u>\$ 9,464,576</u>

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

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

June 30, 2004

Total fund balances - governmental funds \$ 8,934,053

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$76,813,169 and the accumulated depreciation is \$33,765,150. 43,048,019

Property taxes receivable will be collected this year but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 1,085,030

Accrued vacation and sick leave is reported in the funds as the current liability for the sixty days following the year end. The total amount of accrued vacation and sick pay is reported in the statement of net assets. 88,714

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Accrued vacation and sick leave (287,068)

Total net assets - statement of net assets (governmental activities) \$ 52,868,748

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

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

For the Year Ended June 30, 2004

	Governmental Funds		Total Governmental Funds
	General Fund	Nonmajor - Special Revenue Funds	
Revenue			
Taxes	\$ 7,450,726	\$ 1,084,371	\$ 8,535,097
Licenses and permits	377,318	-	377,318
Intergovernmental	6,483,001	17,676	6,500,677
Program revenue	-	146,414	146,414
Interest	70,992	4,734	75,726
Miscellaneous	323,476	17,348	340,824
Total revenue	<u>14,705,513</u>	<u>1,270,543</u>	<u>15,976,056</u>
Expenditures			
Current:			
General government	5,199,554	-	5,199,554
Public safety	6,064,933	-	6,064,933
Highways and streets	1,716,939	655,705	2,372,644
Health and welfare	983,350	-	983,350
Culture and recreation	147,220	637,735	784,955
Capital outlay	473,757	124,074	597,831
Debt service:			
Principal retirement	79,182	-	79,182
Interest	6,002	-	6,002
Total expenditures	<u>14,670,937</u>	<u>1,417,514</u>	<u>16,088,451</u>
Excess (deficiency) of revenues over (under) expenditures	34,576	(146,971)	(112,395)
Fund balance, beginning	7,883,661	1,162,787	9,046,448
Fund balance, ending	<u>\$ 7,918,237</u>	<u>\$ 1,015,816</u>	<u>\$ 8,934,053</u>

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO
THE STATEMENT OF ACTIVITIES**

June 30, 2004

Total net change in fund balances - governmental funds \$ (112,395)

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

Capital outlays are reported in the governmental funds as expenditures. However,
in the statement of activities the cost of those assets is allocated over their
estimated useful lives as depreciation expense. This is the amount by which
capital outlays (\$401,507) was exceeded by depreciation expense (\$1,620,451). (1,218,944)

Loss on disposal of property & equipment which is an expense on the statement
of activities. This type of activity does not occur in the governmental funds. (947)

Payments made on capital leases are expenditures in the governmental funds,
but the payments reduce the long-term liability in the statement of net assets 79,182

Property taxes will not all be collected for several months after the fiscal year
ends. They are not considered "available" revenues in the governmental funds.
Deferred tax revenue increased by this amount on the statement of net assets. 55,402

Compensated absences are measured by the amounts earned during the year
on the statement of activities. However, on the governmental funds, the
expenditures for these items are measured by the financial resources used.
The difference in these methods resulted in a larger accrual for compensated
absences of \$21,718. (21,718)

Change in net assets on statement of activities (governmental activities) \$ (1,219,420)

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

**STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS**

June 30, 2004

	<u>Deferred Compensation</u>	<u>Agency Funds</u>	<u>Total</u>
ASSETS			
Cash	\$ -	\$ 4,850,737	\$ 4,850,737
Investments	505,247	-	505,247
Taxes receivable	<u>-</u>	<u>381,069</u>	<u>381,069</u>
 Total assets	 <u>\$ 505,247</u>	 <u>\$ 5,231,806</u>	 <u>\$ 5,737,053</u>
LIABILITIES			
Due to other tax units	<u>\$ -</u>	<u>\$ 5,231,806</u>	<u>\$ 5,231,806</u>
 NET ASSETS HELD IN TRUST	 <u>505,247</u>	 <u>-</u>	 <u>505,247</u>
 Total liabilities and net assets held in trust	 <u>\$ 505,247</u>	 <u>\$ 5,231,806</u>	 <u>\$ 5,737,053</u>

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS**

For the Year Ended June 30, 2004

	<u>Deferred Compensation</u>
ADDITIONS	
Employee Contributions	\$ 58,989
Investment Income	
Interest and Dividends	11,355
Net Appreciation (Depreciation) in Fair Value of Investments	<u>36,520</u>
Total Investment Income	<u>47,875</u>
Total Additions	<u>106,864</u>
DEDUCTIONS	
Administrative Expenses and Fees	1,520
Participant Withdrawals	<u>8,163</u>
Total Deductions	<u>9,683</u>
Net Increase in Plan Assets	97,181
Net Assets Held in Trust, Beginning of Year	<u>408,066</u>
Net Assets Held in Trust, End of Year	<u>\$ 505,247</u>

See Notes to Financial Statements.

CARBON COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

- Note 1. Nature of Operations, Reporting Entity, Description of Funds and Significant Accounting Policies

Nature of Operations

Carbon County provides a broad range of services to citizens, including general government, public safety, highways and streets, health, cultural, recreational, conservation, and social services.

The financial statements of Carbon County, Wyoming have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

Reporting Entity

The general purpose financial statements of Carbon County include the accounts of all County operations and those of separately administered organizations that are controlled by or are dependent on the County. Control or dependency is determined by financial interdependency, selection of governing board, and ability to significantly influence operations.

Based on the foregoing criteria, the financial statements of the following entities have been combined with those of the County for the fiscal year ended June 30, 2004:

Carbon County Public Library
Carbon County Fair Board
Carbon County Weed and Pest Control District
Carbon County Museum
Charles W. Jeffrey, M.D. – Carbon County Memorial Center

NOTES TO FINANCIAL STATEMENTS

Description of Funds

The accounts of the County are organized on the basis of funds. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, equity, revenue and expenditures. The various funds are as follows in the financial statements.

Governmental Funds

General Fund – The General Fund is used to account for all financial transactions not properly includable in other funds. Property taxes, sales tax, license and permit fees, charges for services, fines and forfeitures, and reimbursements provide revenue to the General Fund.

Special Revenue Funds – The Special Revenue Funds account for the proceeds of specific revenue sources used to finance specified activities as required by law or administrative regulation.

Public Library Fund – Accounts for services related to the operation of the County Library.

Weed and Pest Control District Fund – Accounts for services related to weed and pest control in the County.

Fair Board Fund – Accounts for the operation and maintenance of the Carbon County Fairgrounds and the Carbon County Fair and Rodeo.

Museum Fund – Accounts for the County's museum programs.

Charles W. Jeffrey, M.D. – Carbon County Memorial Center Fund – Accounts for the County's general purpose convention center.

Major and Nonmajor Funds

The funds are further classified as major and nonmajor as follows:

<u>Fund</u>	<u>Major or Nonmajor</u>
General	Major
Public Library	Nonmajor
Fair Board	Nonmajor
Museum	Nonmajor
Weed and Pest Control District	Nonmajor
Jeffrey Center	Nonmajor

NOTES TO FINANCIAL STATEMENTS

Significant accounting policies followed by the County are as follows:

a) Basis of presentation

Government-wide financial statements – The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. As a general rule the effect of interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or activity are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function or activity. Program revenues include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or activity. In addition, program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund financial statements are also provided in the report for all of the governmental funds, special revenue funds, and the fiduciary funds of the County. The County's major individual governmental fund is reported as a separate column in the fund financial statements. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized 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. Net assets (total assets less total liabilities) are used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net assets. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the statement of net assets.

NOTES TO FINANCIAL STATEMENTS

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers tax revenue to be available if collected within 60 days of the end of the fiscal period. Revenue from federal, state, and other grants designated for payment of specific County expenditures is recognized when the related expenditures are incurred; accordingly, when such funds are received, they are reported as deferred revenues until earned. Expenditures generally are recognized when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recognized only when payment is due.

b) Investments

Investments are reported at fair value. Fair value is based on quoted market prices.

c) Inventories

Inventories are accounted for at the lower of cost (first-in, first-out method) or market. Inventories are equally offset by the fund balance reserve which indicates they do not constitute "available spendable resources" even though they are a component of net current assets.

d) Property taxes and interest receivable, deferred tax revenue, and allowance for uncollectible taxes and interest

Property taxes are levied in the first week of August each year and are collectible in two installments. Installments are due on September 1 and March 1 and are collectible on November 10 and May 10. If the first installment payment is made after November 10, the entire amount is due by December 31. Property taxes attach as an enforceable lien on the property if payment is not made by November 10 and May 10.

The County bills and collects its own property taxes and also collects taxes for the County School District, City of Rawlins and other County districts. Collection of the City of Rawlins and District's taxes and remittance of these are accounted for in the Fiduciary Funds. Property tax revenue represents the 2003 tax levy, which was collectible during the year ended June 30, 2004.

NOTES TO FINANCIAL STATEMENTS

e) Compensated Absences

All regular, full-time employees of the General Fund, Fair Board Fund, Weed and Pest Control District Fund are entitled to vacation leave. Employees accumulate vacation leave hours monthly based on number of years of service with the County. Employees paid by General Fund, Fair Board Fund and Weed and the Pest Control District Fund, will be paid for the unused vacation leave at their salary rate in effect upon termination of employment at a maximum of 480 accumulated hours. The entire vested compensated absences liability is reported in the government-wide financial statements. The liability on the governmental funds financial statements represents the amounts used within 60 days of the County's fiscal year end.

Regular employees of the General Fund accrue sick leave of one day per month. The Fair Board Fund and the Weed and Pest Control District Fund accrue sick leave on the basis of the number of hours worked in a month. Sick leave may be accumulated to a total of sixty (60) working days. The Fair Board Fund and Weed and Pest Control District employees will be paid for one-half (1/2) of their unused sick leave at their salary rate in effect upon termination of employment. General Fund employees will receive payment for one-half (1/2) the current balance of unused sick leave, up to a maximum of 30 days, at the rate of \$50 per day. The liability for the vested sick leave has been included in the government – wide financial statements. The contingent liability for the unvested portions of sick leave as of June 30, 2004, totaled \$276,566.

f) Use of Estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with statutory accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

g) Encumbrance Accounting

Encumbrances are not liabilities and, therefore are not recorded as expenditures until receipt of materials or services. A reservation of fund balance equal to outstanding encumbrances at year-end is provided for at June 30, 2004.

NOTES TO FINANCIAL STATEMENTS

h) Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements but are not, reported in the governmental funds financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Management has elected to include certain homogeneous asset categories with individual assets less than \$5,000 as composite groups for financial reporting purposes. In addition, capital assets purchased with long-term debt may be capitalized regardless of the thresholds established. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

All reported capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	80
Buildings	60
Building Improvements	10
Equipment	10-20

i) Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

NOTES TO FINANCIAL STATEMENTS

j) Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

k) Governmental Fund Balance Reserves

The County reserves those portions of governmental fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for road projects, prepaid expenses, inventory and cash reserve.

Note 2. Correction of Errors and Restatement of Fund Balance

The transition from governmental fund types fund balance to net assets of the governmental activities for capital assets was erroneously understated in the prior year by \$488,665. In addition, the cash balance for the weed and pest special revenue fund was overstated by \$51,099 in the prior year due to erroneous amounts being shown on the bank confirmation.

	Total
Governmental Activities Net Assets, July 1, 2003	\$ 53,650,602
Prior Period Adjustments:	
Capital Assets	488,665
Certificates of deposit – Weed & Pest	(51,099)
Governmental Activities Net Assets, July 1, 2003	\$ 54,088,168

Note 3. Budgets, Budgetary Basis of Accounting

The County annually adopts a budget and approves the related appropriations for all governmental fund types. The budgets and related appropriations are prepared on the modified accrual basis of accounting.

NOTES TO FINANCIAL STATEMENTS

The adjustments necessary to convert from the modified accrual basis to the budgetary basis of accounting for the general fund and special revenue funds are presented in the following schedule:

<u>General Fund</u>	<u>Actual</u>	<u>Adjustment to Budget Basis</u>	<u>Budget Basis</u>
Revenues:			
Taxes	\$ 7,450,726	\$ (871,715)	\$ 6,579,011
Licenses and permits	377,318	(2,128)	375,190
Intergovernmental	6,483,001	371,219	6,854,220
Interest	70,992	(297)	70,695
Miscellaneous	<u>323,476</u>	<u>(135,645)</u>	<u>187,831</u>
Total revenues	<u>\$ 14,705,513</u>	<u>\$ (638,566)</u>	<u>\$ 14,066,947</u>
Expenditures:			
General government	\$ 5,199,554	\$ 278,412	\$ 5,477,966
Public safety	6,064,933	74,904	6,139,837
Highways and streets	1,716,939	140,357	1,857,296
Health and welfare	983,350	(206,849)	776,501
Cultural and recreation	147,220	33	147,253
Capital outlay	473,757	(72,675)	401,082
Principal retirement	79,182	(79,182)	-
Interest	<u>6,002</u>	<u>(6,002)</u>	<u>-</u>
Total expenditures	<u>\$ 14,670,937</u>	<u>\$ 128,998</u>	<u>\$ 14,799,935</u>
<u>Special Revenue Fund</u>			
Revenues:			
Taxes	\$ 1,084,371	\$ 10,276	\$ 1,094,647
Intergovernmental	17,676	(7,023)	10,653
Program revenue	146,414	2,816	149,230
Interest	4,734	-	4,734
Miscellaneous	<u>17,348</u>	<u>-</u>	<u>17,348</u>
Total revenues	<u>\$ 1,270,543</u>	<u>\$ 6,069</u>	<u>\$ 1,276,612</u>
Expenditures:			
Highways and streets	\$ 655,705	\$ (75,150)	\$ 580,555
Cultural and recreation	637,735	55,568	693,303
Capital outlay	<u>124,074</u>	<u>-</u>	<u>124,074</u>
Total expenditures	<u>\$ 1,417,514</u>	<u>\$ (19,582)</u>	<u>\$ 1,397,932</u>

NOTES TO FINANCIAL STATEMENTS

Legal spending control is at the fund level, however, management control is exercised at the department level. All budget appropriations lapse at the end of the budget year to the extent they are not expended. Budgets may be amended by the County Commissioners through a public hearing process as required by State statute. During the year ended June 30, 2004, no budgets were exceeded.

Note 4. Cash and Temporary Investments

State statutes authorize the County to invest in securities issued or guaranteed by the U.S. Treasury or agencies of the United States Government, bank certificates of deposit, shares or savings certificates of savings and loan associations, Tennessee Valley Authority bonds and notes and export – import bank notes and guaranteed participations.

At June 30, 2004 the carrying amount of the County's deposits, including certificates of deposit, was \$9,331,836 and the bank balances were \$8,893,096. The entire bank balance was covered by federal depository insurance or collateral held by the County's agent in the County's name.

Note 5. Investments

Investments consist primarily of GNMA's, certificates of deposit and money market funds, which are intended to be held until maturity. The following schedule summarizes the difference between the market value and the book values of these investments for the year ended June 30, 2004:

Ending balance at cost	\$ 7,238,051
Approximate market value	<u>7,238,051</u>
Gross unrealized (loss)	<u>\$ -</u>

NOTES TO FINANCIAL STATEMENTS

Note 6. Changes in Fixed Assets

During the year ended June 30, 2004 changes in fixed assets were as follows:

	Governmental Activities			Balance June 30, 2004
	Balance June 30, 2003	Additions	Deletions	
Construction in progress	\$ 2,818,665	\$ -	\$ 2,818,665	\$ -
Land	2,091,044	8,303	-	2,099,347
Infrastructure	45,594,773	2,818,665	-	48,413,438
Buildings and improvements	19,468,420	204,297	-	19,672,717
Equipment	6,546,058	188,905	107,296	6,627,667
Total	<u>\$ 76,518,960</u>	<u>\$ 3,220,170</u>	<u>\$ 2,925,961</u>	<u>\$ 76,813,169</u>

Accumulated Depreciation – Governmental

	Governmental Activities			Balance June 30, 2004
	Balance June 30, 2003	Additions	Deletions	
Infrastructure	\$ 19,149,806	\$ 915,536	\$ -	\$ 20,065,342
Buildings and improvements	8,763,249	307,147	-	9,070,396
Equipment	4,337,993	397,768	106,349	4,629,412
Total	<u>\$ 32,251,048</u>	<u>\$ 1,620,451</u>	<u>\$ 106,349</u>	<u>\$ 33,765,150</u>

Note 7. Long-Term Debt

The following is a summary of long-term debt transactions for the year ended June 30, 2004:

	Balance June 30, 2003	Additions	Reductions	Balance June 30, 2004
Accrued compensated absences	\$ 265,611	\$ 21,457	\$ -	\$ 287,068
Capital lease	79,182	-	79,182	-
Total	<u>\$ 344,793</u>	<u>\$ 21,457</u>	<u>\$ 79,182</u>	<u>\$ 287,068</u>

NOTES TO FINANCIAL STATEMENTS

The June 30, 2004 debt issued by the County did not exceed its legal debt margin which is computed as follows:

Assessed valuation	<u>\$ 382,269,728</u>
Debt Limit – 2% of total assessed valuation	\$ 7,645,395
Amount of debt applicable to debt limit	<u>-</u>
Legal debt margin	<u>\$ 7,645,395</u>

Compensated absences:

The County accrues a liability for future vacation benefits. This liability is attributable to employees' services already rendered. The liability for compensated absences is determined at the end of each fiscal year and the portion paid within 60 days of year-end is adjusted to current salary costs. The liability for the total remaining portion is recorded in the statement of net assets (entity wide reporting) for the vested amount owed as of June 30, 2004.

Note 8. Retirement Commitments

All County full-time or regular part-time employees participate in the Wyoming Retirement System ("System"), a multiple-employer public employee retirement system. The payroll for employees covered by the System for the year ended June 30, 2004 was \$3,749,839 and the County's total payroll was \$4,032,728.

All County full-time or regular part-time employees are eligible to participate in the System. Employees who retire at or after age 60 with four years of credited service are entitled to a retirement benefit according to predetermined formulas and allowed to select one of five optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained age 50, but will result in a reduction of benefits based on the length of time remaining to normal retirement age. The System also provides death and disability benefits. Benefits are established by State statute.

NOTES TO FINANCIAL STATEMENTS

The System statutorily requires 11.25% of the covered employees' salary to be contributed to the plan, of which 5.57% is paid by employee and the remaining 5.68% is paid by the County. However, due to special benefits for law enforcement officers, the actual contribution rates are as follows. For miscellaneous employees, 11.22% of the covered employees' salary was contributed to the plan, of which 5.57% was paid by the employee and 5.65% was paid by the County. For law enforcement officers, 14.52% was contributed to the plan, of which 8.77% was paid by the employee and 5.75% was paid by the County. When these two groups are combined together, 12.09% of the covered employees' salary was contributed to the plan, of which 6.41% was paid by the employee and 5.68% was paid by the County. The contribution requirement for the year ended June 30, 2004, was \$508,247 which consisted of \$252,860 from employees and \$255,387 from the County.

Effective in 1996, the System is subject to Statement No. 25 of the Governmental Accounting Standards Board (GASB), "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans." GASB 25 requires the System to disclose liabilities using the same methods and assumptions as are used for funding.

Historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's December 31, 2003 annual financial report for the periods for which the information is available.

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The total assets under this plan were \$505,247 as of June 30, 2004. This amount is included in the fiduciary funds as investments.

Note 9. Contingencies

Carbon County is involved in numerous mineral industry, ad valorem and severance tax issues, including threatened litigation, and claims for refunds and rebates. The extent of the possible liability is not known at this time. The tax monies received in protest have been placed in agency funds until such time that the claims have been settled at which time they will be distributed to the applicable taxing entity. In addition, Carbon County has transferred general fund monies together with funds received from other taxing entities to an agency fund until such time as the claims have been settled. These funds are to be used, as necessary, for the cost of the pending litigations.

NOTES TO FINANCIAL STATEMENTS

Note 10. Commitment

In May 2003, the voters of Carbon County approved a 1% Capital Facilities Tax. The tax will raise \$15 million and began being collected on October 1, 2003. Half of the tax receipts were for various municipality projects in Carbon County. The remainder (approximately \$7.5 million) is to be used to construct a new jail facility.

The jail construction costs, including furnishings and moving costs, are estimated to be \$15 million dollars. A joint powers board was formed to receive the funding and construct the facility. The joint powers board is funding the difference through grants from Federal and State agencies, cash reserves and debt financing. The construction has begun and completion is expected in the first part of 2005.

The title to the property will revert to Carbon County once any and all debt of the joint powers board is paid.

Note 11. Risk Management – Claims and judgments

Description

The County's risk management activities are recorded in the General fund. An excess coverage insurance policy covers individual's claims in excess of \$5,000 for each insured during the policy year.

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disaster for which the government carries commercial insurance. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Claims Liabilities

The County records an estimated liability for health care claims against the County. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience.

NOTES TO FINANCIAL STATEMENTS

Unpaid Claims Liabilities

The fund establishes a liability for both reported and unreported events, which include estimates of both future payments of losses and related claim adjustment expenses. The following represents the changes in approximate aggregate liabilities for the County from July 1, 2002 to June 30, 2004:

Liability balance, July 1, 2002	\$ 138,566
Claims and changes in estimates	939,155
Claims payments	<u>(1,006,652)</u>
Liability balance, June 30, 2003	71,069
Claims and changes in estimates	1,005,826
Claims payments	<u>(1,010,039)</u>
Liability balance, June 30, 2004	<u>\$ 66,856</u>
Assets available to pay claims, June 30, 2004	<u>\$ 203,156</u>

The County has implemented voluntary dependent care assistance, flexible benefits, and medical reimbursement plans for their employees whereby an employee may contribute to any of these plans with tax savings. The County does not share in the costs of these plans. All contributions and expenses related to these plans are funded by the employee. A separate cash account has been established where these funds are deposited and the County then administers this account. Any funds contributed to these plans during the year and not used within 30 days after the end of the fiscal year forfeit to the County.

REQUIRED SUPPLEMENTARY INFORMATION

CARBON COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended June 30, 2004

	General Fund		Variance Positive (Negative)
	Budget - Original & Final	Actual (Budgetary Basis)	
Revenue			
Taxes	\$ 7,409,750	\$ 6,579,011	\$ (830,739)
Licenses and permits	446,070	375,190	(70,880)
Intergovernmental	16,131,268	6,854,220	(9,277,048)
Interest	170,070	70,695	(99,375)
Miscellaneous	170,250	187,831	17,581
Total revenue	<u>24,327,408</u>	<u>14,066,947</u>	<u>(10,260,461)</u>
Expenditures			
Current:			
General government	13,562,693	5,477,966	8,084,727
Public safety	7,129,895	6,139,837	990,058
Highways and streets	4,344,829	1,857,296	2,487,533
Health and welfare	1,048,321	776,501	271,820
Culture and recreation	168,639	147,253	21,386
Capital outlay	735,904	401,082	334,822
Total expenditures	<u>26,990,281</u>	<u>14,799,935</u>	<u>12,190,346</u>
Excess (deficiency) of revenues over (under) expenditures	(2,662,873)	(732,988)	1,929,885
Fund balance, beginning	<u>7,883,661</u>	<u>7,883,661</u>	<u>-</u>
Fund balance, ending	<u>\$ 5,220,788</u>	<u>\$ 7,150,673</u>	<u>\$ 1,929,885</u>

(Continued)

See Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual.

CARBON COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES – BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended June 30, 2004
(Continued)

Explanation of differences between budgetary revenue and expenditures and GAAP revenue and expenditures:

Revenue:

Actual total revenue budgetary basis	\$ 14,066,947
Differences – Budget to GAAP	
Property and other taxes accrual difference	871,714
Grants deferred and receivable difference	(369,090)
Other receivable differences	<u>135,942</u>
Total revenue as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$ 14,705,513</u>

Expenditures:

Actual total expenditures budgetary basis	\$ 14,799,935
Differences – Budget to GAAP	
Compensated absences difference	2,021
Accounts payable accrual difference	(133,062)
Unpaid claims liabilities accrual difference	(4,213)
Debt service payments	85,184
Other expenditures differences	<u>(78,928)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	<u>\$ 14,670,937</u>

See Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual.

CARBON COUNTY, WYOMING

**NOTES TO SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL**

June 30, 2004

A. Budgetary Basis

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all the General Fund. Since all accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences has been provided on page 37. All annual appropriations lapse at year end.

B. Budgetary Information

The appropriated budget is prepared by fund, function, and department. The government's department heads, with the County Commissioners' approval, may make transfers of appropriations within a department or division. Transfers of appropriations between departments and/or divisions require approval of the County Commissioners'. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

C. Excess of Expenditures over Appropriations

For the year ended June 30, 2004, there were no instances of excess of expenditures over appropriations in the General Fund.

OTHER SUPPLEMENTARY INFORMATION

CARBON COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPECIAL REVENUE FUNDS**

For the Year Ended June 30, 2004

	Special Revenue Funds		Variance Positive (Negative)
	Budget Original & Final	Actual (Budgetary Basis)	
Revenue			
Taxes	\$ 924,298	\$ 1,094,647	\$ 170,349
Intergovernmental	-	10,653	10,653
Program revenue	177,500	149,230	(28,270)
Interest	8,800	4,734	(4,066)
Miscellaneous	1,800	17,348	15,548
Total revenue	<u>1,112,398</u>	<u>1,276,612</u>	<u>164,214</u>
Expenditures			
Current:			
Highways and streets	662,588	580,555	82,033
Culture and recreation	731,828	693,303	38,525
Capital outlay	158,305	124,074	34,231
Total expenditures	<u>1,552,721</u>	<u>1,397,932</u>	<u>154,789</u>
Excess (deficiency) of revenues over (under) expenditures	(440,323)	(121,320)	319,003
Fund balance, beginning	<u>1,162,787</u>	<u>1,162,787</u>	<u>-</u>
Fund balance, ending	<u>\$ 722,464</u>	<u>\$ 1,041,467</u>	<u>\$ 319,003</u>

CARBON COUNTY, WYOMING

**COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS**

June 30, 2004

	Weed and Pest	Fair	Library	Museum
ASSETS				
Cash	\$ 288,117	\$ 185,768	\$ 158,978	\$ 151,751
Receivables				
Taxes	6,913	1,852	6,109	1,119
Accounts	8,685	-	-	-
Inventory	96,905	-	-	-
Investments	-	-	84,753	-
Prepaid expenses	1,400	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 402,020</u>	<u>\$ 187,620</u>	<u>\$ 249,840</u>	<u>\$ 152,870</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 30,806	\$ -	\$ -	\$ 968
Accrued liabilities	168	-	1,808	-
Deferred Revenue	-	-	4,406	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>30,974</u>	<u>-</u>	<u>6,214</u>	<u>968</u>
FUND BALANCES				
Reserved for inventory	96,905	-	-	-
Designated for cash reserve	165,500	115,300	176,085	42,336
Unreserved - undesignated	108,641	72,320	67,541	109,566
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>371,046</u>	<u>187,620</u>	<u>243,626</u>	<u>151,902</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 402,020</u>	<u>\$ 187,620</u>	<u>\$ 249,840</u>	<u>\$ 152,870</u>

<u>Jeffrey Center</u>	<u>Total</u>
\$ 60,172	\$ 844,786
1,450	17,443
-	8,685
-	96,905
-	84,753
-	1,400
<u>\$ 61,622</u>	<u>\$ 1,053,972</u>

\$ -	\$ 31,774
-	1,976
-	4,406
-	38,156

-	96,905
-	499,221
61,622	419,690
61,622	1,015,816
<u>\$ 61,622</u>	<u>\$ 1,053,972</u>

CARBON COUNTY, WYOMING

**COMBINING STATEMENT OF REVENUES , EXPENDITURES, AND CHANGES IN
FUND BALANCES – SPECIAL REVENUE FUNDS**

For the Year Ended June 30, 2004

	Weed and Pest	Fair	Library	Museum
Revenues				
Taxes	\$ 475,901	\$ 95,271	\$ 360,015	\$ 79,379
Intergovernmental	-	-	17,676	-
Interest	1,010	576	1,618	1,421
Program Revenue	96,688	27,438	14,732	7,556
Donations	-	16,698	-	-
	<u>573,599</u>	<u>139,983</u>	<u>394,041</u>	<u>88,356</u>
Total revenues				
Expenditures				
Cost of goods sold	141,548	-	-	-
Personnel	204,349	40,267	320,892	34,312
Capital	68,720	25,984	94	18,241
Supplies	7,192	8,251	16,861	13,914
Other	233,896	87,810	96,548	12,936
	<u>655,705</u>	<u>162,312</u>	<u>434,395</u>	<u>79,403</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	(82,106)	(22,329)	(40,354)	8,953
Fund balances, beginning	<u>453,152</u>	<u>209,949</u>	<u>283,980</u>	<u>142,949</u>
Fund balances, ending	<u>\$ 371,046</u>	<u>\$ 187,620</u>	<u>\$ 243,626</u>	<u>\$ 151,902</u>

<u>Jeffrey Center</u>	<u>Total</u>
\$ 73,805	\$ 1,084,371
-	17,676
109	4,734
-	146,414
<u>650</u>	<u>17,348</u>
<u>74,564</u>	<u>1,270,543</u>
-	141,548
40,969	640,789
11,035	124,074
9,648	55,866
<u>24,047</u>	<u>455,237</u>
<u>85,699</u>	<u>1,417,514</u>
(11,135)	(146,971)
<u>72,757</u>	<u>1,162,787</u>
<u>\$ 61,622</u>	<u>\$ 1,015,816</u>

CARBON COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
WEED AND PEST SPECIAL REVENUE FUND**

For the Year Ended June 30, 2004

	Budget - Original and Final	Actual	Variance - Positive (Negative)
Revenues			
Taxes	\$ 382,133	\$ 480,909	\$ 98,776
Interest	2,500	1,010	(1,490)
Program revenue	<u>114,000</u>	<u>92,008</u>	<u>(21,992)</u>
Total revenues	<u>498,633</u>	<u>573,927</u>	<u>75,294</u>
Expenditures			
Highways and streets	662,588	580,555	82,033
Capital Outlay	<u>47,000</u>	<u>68,720</u>	<u>(21,720)</u>
Total expenditures	<u>709,588</u>	<u>649,275</u>	<u>60,313</u>
Excess (deficiency) of revenues over (under) expenditures	(210,955)	(75,348)	135,607
Fund balance, beginning	<u>453,152</u>	<u>453,152</u>	<u>-</u>
Fund balance, ending	<u>\$ 242,197</u>	<u>\$ 377,804</u>	<u>\$ 135,607</u>

CARBON COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FAIR BOARD SPECIAL REVENUE FUND**

For the Year Ended June 30, 2004

	Budget - Original and Final	Actual	Variance - Positive (Negative)
Revenues			
Taxes	\$ 84,099	\$ 96,960	\$ 12,861
Interest	800	576	(224)
Program revenue	33,500	35,902	2,402
Donations	-	16,698	16,698
	<u>118,399</u>	<u>150,136</u>	<u>31,737</u>
Total revenues			
Expenditures			
Culture and recreation	148,723	145,547	3,176
Capital Outlay	35,000	25,984	9,016
	<u>183,723</u>	<u>171,531</u>	<u>12,192</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(65,324)	(21,395)	43,929
Fund balance, beginning	<u>209,949</u>	<u>209,949</u>	<u>-</u>
Fund balance, ending	<u>\$ 144,625</u>	<u>\$ 188,554</u>	<u>\$ 43,929</u>

CARBON COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
LIBRARY SPECIAL REVENUE FUND**

For the Year Ended June 30, 2004

	Budget - Original and Final	Actual	Variance - Positive (Negative)
Revenues			
Taxes	\$ 317,284	\$ 362,814	\$ 45,530
Intergovernmental	-	10,653	10,653
Interest	5,000	1,618	(3,382)
Program revenue	<u>30,000</u>	<u>13,764</u>	<u>(16,236)</u>
Total revenues	<u>352,284</u>	<u>388,849</u>	<u>36,565</u>
Expenditures			
Culture and recreation	423,435	411,930	11,505
Capital Outlay	<u>2,000</u>	<u>94</u>	<u>1,906</u>
Total expenditures	<u>425,435</u>	<u>412,024</u>	<u>13,411</u>
Excess (deficiency) of revenues over (under) expenditures	(73,151)	(23,175)	49,976
Fund balance, beginning	<u>283,980</u>	<u>283,980</u>	<u>-</u>
Fund balance, ending	<u>\$ 210,829</u>	<u>\$ 260,805</u>	<u>\$ 49,976</u>

CARBON COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
MUSEUM SPECIAL REVENUE FUND**

For the Year Ended June 30, 2004

	Budget - Original and Final	Actual	Variance - Positive (Negative)
Revenues			
Taxes	\$ 70,338	\$ 79,537	\$ 9,199
Interest	500	1,421	921
Program revenue	-	7,556	7,556
Donations	1,800	-	(1,800)
	<u>72,638</u>	<u>88,514</u>	<u>15,876</u>
Total revenues			
Expenditures			
Culture and recreation	88,300	61,162	27,138
Capital Outlay	58,800	18,241	40,559
	<u>147,100</u>	<u>79,403</u>	<u>67,697</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(74,462)	9,111	83,573
Fund balance, beginning	<u>142,949</u>	<u>142,949</u>	<u>-</u>
Fund balance, ending	<u>\$ 68,487</u>	<u>\$ 152,060</u>	<u>\$ 83,573</u>

CARBON COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
JEFFREY CENTER SPECIAL REVENUE FUND**

For the Year Ended June 30, 2004

	Budget - Original and Final	Actual	Variance - Positive (Negative)
Revenues			
Taxes	\$ 70,444	\$ 74,427	\$ 3,983
Interest	-	109	109
Donations	-	650	650
	<u>70,444</u>	<u>75,186</u>	<u>4,742</u>
Total revenues			
Expenditures			
Culture and recreation	71,370	74,664	(3,294)
Capital Outlay	15,505	11,035	4,470
	<u>86,875</u>	<u>85,699</u>	<u>1,176</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	(16,431)	(10,513)	5,918
Fund balance, beginning	<u>72,757</u>	<u>72,757</u>	-
Fund balance, ending	<u>\$ 56,326</u>	<u>\$ 62,244</u>	<u>\$ 5,918</u>

CARBON COUNTY, WYOMING

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES –
FIDUCIARY FUND TYPE AGENCY FUNDS**

June 30, 2004

	<u>Governmental</u>	<u>Special</u>	<u>Other</u>	<u>Total</u>
ASSETS				
Cash	\$ 11,553	\$ 1,556,747	\$ 3,282,437	\$ 4,850,737
Investments	-	-	505,247	505,247
Taxes Receivable	<u>12,456</u>	<u>368,613</u>	<u>-</u>	<u>381,069</u>
Total Assets	<u>\$ 24,009</u>	<u>\$ 1,925,360</u>	<u>\$ 3,787,684</u>	<u>\$ 5,737,053</u>
LIABILITIES				
Due to other taxing units	<u>\$ 24,009</u>	<u>\$ 1,925,360</u>	<u>\$ 3,282,437</u>	<u>\$ 5,231,806</u>
NET ASSETS HELD IN TRUST	<u>-</u>	<u>-</u>	<u>505,247</u>	<u>505,247</u>
Total Liabilities & Net Assets Held in Trust	<u>\$ 24,009</u>	<u>\$ 1,925,360</u>	<u>\$ 3,787,684</u>	<u>\$ 5,737,053</u>

CARBON COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2004

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Expenditures
Department of Homeland Security		
Passed through State of Wyoming, Office of Homeland Security/ Emergency Management		
State Domestic Preparedness Equipment Support Program	97.004	\$ 304,270
Emergency Management Performance Grants	97.042	<u>20,000</u>
Total Expenditures of Department of Homeland Security Awards		<u>324,270</u>
Department of Health and Human Services Administration for Children and Families		
Passed through State of Wyoming, Department of Health		
Community Services Block Grant	93.569	86,045
Temporary Assistance for Needy Families	93.558	41,479
Health Resources and Services Administration		
Passed through State of Wyoming, Department of Health		
Maternal and Child Health Grant	93.994	57,510
Centers for Disease Control and Prevention		
Passed through State of Wyoming, Department of Health		
CDC Bioterrorism Grant	93.283	7,667
Immunization Grants	93.268	1,000
HIV Prevention Activities - Health Department Based	93.940	<u>315</u>
Total Expenditures of Department of Health and Human Services Awards		<u>194,016</u>
Department of Justice		
Office of Juvenile Justice and Delinquency Prevention		
Passed through State of Wyoming, Department of Family Services		
Juvenile Accountability Incentive Block Grants	16.523	33,415
Passed through the Wyoming County Commissioners Association		
WCCA/OJJDP Non-Participating State Juvenile Justice Grant	16.541	<u>32,749</u>
Total Expenditures of Department of Justice Awards		<u>66,164</u>

(Continued)

See Notes to this Financial Statement.

CARBON COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

(Continued)

For the Year Ended June 30, 2004

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Expenditures
Department of the Interior		
Office of Surface Mining Reclamation and Enforcement		
Passed through State of Wyoming, Department of Environmental Quality Abandoned Mine Land Reclamation (AMLR) Program	15.252	19,488
Bureau of Land Management		
Passed through State of Wyoming, Forestry Division		
Wildland Urban Interface Community and Rural Fire Assistance	15.228	6,648
Wildland Urban Interface Community and Rural Fire Assistance	15.228	<u>1,321</u>
Total Expenditures of Department of Interior Awards		<u>27,457</u>
Department of Agriculture		
Food and Nutrition Service		
Passed through State of Wyoming, Department of Health Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	3,479
Department of Transportation		
Federal Highway Administration		
Passed through State of Wyoming, Department of Transportation Ft. Steele - T.E.A.L. STP-E-LC-TL99-00(080)	20.205	<u>1,546</u>
Total Federal Assistance		<u>\$ 616,932</u>

See Notes to this Financial Statement.

CARBON COUNTY, WYOMING

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2004

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance and federal cost-reimbursement contracts of Carbon County, Wyoming. Carbon County, Wyoming receives federal awards both directly from federal agencies and indirectly through pass-through entities.

Federal program expenditures included in the accompanying schedule are presented on the modified accrual basis of accounting. The information in the schedule is presented in accordance with requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

Major Programs

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs.

CARBON COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

1. Summary of Auditor’s results:

- An Unqualified opinion was issued on the financial statements.
- No reportable conditions in internal control were found.
- No instances of noncompliance material to the financial statements were found.
- No reportable conditions in internal control over major programs were found.
- An Unqualified opinion was issued on the compliance for major programs.
- No audit findings were reported.
- The following federal programs were determined to be major programs:

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>Federal Award Expenditures</u>
U.S. Department of Homeland Security Passed through the State of Wyoming , Office of Homeland Security State Homeland Security Grant Program	97.004	\$ <u>304,270</u>
Total		\$ <u><u>304,270</u></u>

- The dollar threshold used to distinguish between Type A and Type B programs is as follows: Type A programs are all programs with more than \$300,000 or more in federal awards. Type B programs are all programs with less than \$300,000 in federal awards.
- The auditee does qualify as a low-risk auditee.

2. Findings relating to the financial statements which are required to be reported in accordance with Generally Accepted Government Auditing Standards (GAGAS):

- No such findings.

3. Findings and questioned costs for Federal Awards:

- No such findings

Mader Tschacher Peterson & Co.

Certified Public Accountants & Consultants

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

To the County Commissioners
Carbon County, Wyoming
Rawlins, Wyoming

We have audited the financial statements of Carbon County, Wyoming as of and for the year ended June 30, 2004, and have issued our report thereon dated October 21, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards," issued by the Comptroller General of the United States.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Carbon County, Wyoming's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the County Commissioners, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mader Sechaker Peterson + Co.

October 21, 2004
Laramie, Wyoming

Mader Tschacher Peterson & Co.

Certified Public Accountants & Consultants

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commissioners
Carbon County, Wyoming
Rawlins, Wyoming

Compliance

We have audited the compliance of Carbon County, Wyoming, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. Carbon County, Wyoming's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Carbon County, Wyoming's management. Our responsibility is to express an opinion on Carbon County, Wyoming's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Carbon County, Wyoming's, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Carbon County, Wyoming's compliance with those requirements.

In our opinion, Carbon County, Wyoming complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of Carbon County, Wyoming is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Carbon County, Wyoming's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County Commissioners, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Mader Ischaack Peterson & Co.

October 21, 2004
Laramie, Wyoming