

**TOWN OF WRIGHT, WYOMING**

**FINANCIAL REPORT  
(Reviewed)**

**FOR THE FISCAL  
YEAR ENDED JUNE 30, 2025**

# TOWN OF WRIGHT, WYOMING

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## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Mayor and Town Council Members of the  
**Town of Wright**  
Wright, Wyoming

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the **Town of Wright, Wyoming (Town)**, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the **Town's** basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

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

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the **Town of Wright, Wyoming**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### **Basis for Qualified Conclusion**

As explained in Note 1, Paragraph D. to the financial statements, management has not recorded certain capital assets prior to July 1, 2020 in governmental activities and, accordingly, has not recorded depreciation expense on these assets acquired prior to July 1, 2020. Accounting principles generally accepted in the United States of America require that those capital assets be capitalized and depreciated, which would increase the assets and net position. Management has not determined the amounts by which this departure would affect the assets or net position of the governmental activities.

**Qualified Conclusion**

Based on our review, except for the issue noted in the Basis for Qualified Conclusion paragraph, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

**Required Supplementary Information**

Management has omitted the management's discussion and analysis information that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

*Bennett, Weber & Hermstad, LLP*

Gillette, Wyoming  
January 23, 2026

**TOWN OF WRIGHT, WYOMING**

**STATEMENT OF NET POSITION**

**June 30, 2025**

See Independent Accountant's Review Report

	Governmental Activities
<b>ASSETS</b>	
Cash	\$ 207,947
Investments	5,242,018
Receivables:	
Property taxes, net of allowance for uncollectibles	96,047
Other taxes	189,121
Other receivables	11,082
Due from other entities	54,151
Other assets	202,940
Capital assets:	
Nondepreciable capital assets	381,538
Depreciable capital assets, net	3,207,729
<b>Total Assets</b>	<b>\$ 9,592,573</b>
<b>LIABILITIES</b>	
Vouchers payable	\$ 59,080
Other accrued liabilities	45,643
Noncurrent liabilities:	
Compensated absences, due within one year	45,367
Compensated absences, due within more than one year	32,342
<b>Total Liabilities</b>	<b>\$ 182,432</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Taxes levied for subsequent years	\$ 93,262
<b>NET POSITION</b>	
Net investment in capital assets	\$ 3,575,182
Unrestricted	5,741,697
<b>Total Net Position</b>	<b>\$ 9,316,879</b>

See Notes to the Basic Financial Statements

**TOWN OF WRIGHT, WYOMING**

**STATEMENT OF ACTIVITIES**

Year Ended **June 30, 2025**

See Independent Accountant's Review Report

	Expenses	Program Revenues			Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental Activities:</b>					
Mayor and Council	\$ 353,598	\$ -	\$ -	\$ -	\$ (353,598)
Clerk/Treasurer	446,278	2,243	-	-	(444,035)
Community Development	1,159,942	13,025	26,055	121,384	(999,478)
Law Enforcement/Emergency Services	442,435	152	-	-	(442,283)
Parks and Recreation	795,440	86,247	-	-	(709,193)
<b>Total Governmental Activities</b>	<b>\$ 3,197,693</b>	<b>\$ 101,667</b>	<b>\$ 26,055</b>	<b>\$ 121,384</b>	<b>\$ (2,948,587)</b>
<b>General Revenues:</b>					
Taxes:					
Severance					\$ 59,089
Property Levied for General Purposes					104,389
Automobile					38,929
Sales and Use					1,330,104
1% Optional Sales					1,093,539
Gasoline					94,220
Franchise, Gross Receipt Based					98,490
Cigarette					7,717
Lodging, Restricted					8,641
Mineral Royalties					91,857
Gaming Revenue					26,462
Supplemental State Funding, Unrestricted					150,772
Investment Income					230,409
Miscellaneous					30,983
<b>Total General Revenues</b>					<b>\$ 3,365,601</b>
<b>Change in Net Position</b>					<b>\$ 417,014</b>
Net Position, Beginning, as previously reported, July 1					8,956,117
Restatement					(56,252)
<b>Net Position, Beginning, as restated, July 1</b>					<b>\$ 8,899,865</b>
<b>Net Position, Ending June 30</b>					<b>\$ 9,316,879</b>

See Notes to the Basic Financial Statements

**TOWN OF WRIGHT, WYOMING**

**BALANCE SHEET  
GOVERNMENTAL FUND – GENERAL FUND**

**June 30, 2025**

See Independent Accountant’s Review Report

<b>ASSETS</b>	
Cash	\$ 207,947
Investments	5,242,018
Receivables:	
Property taxes, net of allowance for uncollectibles	96,047
Other taxes	189,121
Other receivables	11,082
Due from other entities	54,151
Other assets	202,940
<b>Total Assets</b>	<b>\$ 6,003,306</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Vouchers payable	\$ 59,080
Other accrued liabilities	45,643
<b>Total Liabilities</b>	<b>\$ 104,723</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable taxes	\$ 93,597
<b>FUND BALANCE</b>	
Nonspendable	\$ 202,940
Unassigned	5,602,046
<b>Total Fund Balance</b>	<b>\$ 5,804,986</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 6,003,306</b>

See Notes to the Basic Financial Statements

**TOWN OF WRIGHT, WYOMING**

**RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUND  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

**June 30, 2025**

See Independent Accountant's Review Report

Total Governmental Fund Balance		<b>\$ 5,804,986</b>
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Property taxes are not available to pay for current period expenditures, and, therefore are deferred inflows of resources in the fund.		<b>335</b>
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund.		
Non-depreciable assets	<b>\$ 381,538</b>	
Depreciable assets	<b>4,265,722</b>	
Less: accumulated depreciation	<b><u>(1,057,993)</u></b>	
		<b>3,589,267</b>
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds, compensated absences.		<b>(77,709)</b>
<b>Total Net Position of Governmental Activities</b>		<b>\$ 9,316,879</b>

See Notes to the Basic Financial Statements

**TOWN OF WRIGHT, WYOMING**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE  
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND**

Year Ended **June 30, 2025**

See Independent Accountant’s Review Report

(Page 1 of 2)

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Severance	\$ 29,427	\$ 29,427	\$ 59,089	\$ 29,662
Property Taxes, Levied for General Purposes	102,000	102,000	106,015	4,015
Automobile	36,000	36,000	38,929	2,929
Sales and Use	1,152,552	1,152,552	1,330,104	177,552
1% Optional Sales	1,007,604	1,007,604	1,093,539	85,935
Gasoline	81,480	81,480	94,220	12,740
Franchise, Gross Receipt Based	50,000	50,000	98,490	48,490
Cigarette	10,000	10,000	7,717	(2,283)
Capital Facilities, Restricted	100	100	-	(100)
Lodging Tax, Restricted	6,000	6,000	8,641	2,641
<b>Total Taxes</b>	<b>\$ 2,475,163</b>	<b>\$ 2,475,163</b>	<b>\$ 2,836,744</b>	<b>\$ 361,581</b>
Intergovernmental:				
Local Sources	\$ 6,200	\$ 6,200	\$ 26,055	\$ 19,855
State Sources	259,115	259,115	231,386	(27,729)
Federal Sources	999,498	979,498	159,089	(820,409)
<b>Total Intergovernmental</b>	<b>\$ 1,264,813</b>	<b>\$ 1,244,813</b>	<b>\$ 416,530</b>	<b>\$ (828,283)</b>
Other:				
Licenses and Permits	\$ 14,400	\$ 14,400	\$ 13,177	\$ (1,223)
Charges for Services	79,650	79,650	86,247	6,597
Fines and Fees	3,500	3,500	2,243	(1,257)
Investment Income	120,000	120,000	230,409	110,409
Miscellaneous	92,100	92,100	30,983	(61,117)
<b>Total Other</b>	<b>\$ 309,650</b>	<b>\$ 309,650</b>	<b>\$ 363,059</b>	<b>\$ 53,409</b>
<b>Total Revenues</b>	<b>\$ 4,049,626</b>	<b>\$ 4,029,626</b>	<b>\$ 3,616,333</b>	<b>\$ (413,293)</b>
<b>EXPENDITURES</b>				
Mayor and Council				
Current:				
Salaries and Benefits	\$ 35,525	\$ 35,525	\$ 31,488	\$ 4,037
Contractual Services	458,030	458,030	270,513	187,517
Capital Outlay	1,000	1,000	-	1,000
<b>Total Mayor and Council</b>	<b>\$ 494,555</b>	<b>\$ 494,555</b>	<b>\$ 302,001</b>	<b>\$ 192,554</b>
Clerk/Treasurer:				
Current:				
Salaries and Benefits	\$ 291,316	\$ 291,316	\$ 262,969	\$ 28,347
Contractual Services	211,551	226,551	153,743	72,808
Supplies and Materials	13,700	13,700	13,252	448
Capital Outlay	55,000	55,000	11,149	43,851
<b>Total Clerk/Treasurer</b>	<b>\$ 571,567</b>	<b>\$ 586,567</b>	<b>\$ 441,113</b>	<b>\$ 145,454</b>

(Continued)

**TOWN OF WRIGHT, WYOMING**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE  
IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND**

Year Ended **June 30, 2025**

See Independent Accountant’s Review Report

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	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Community Development:</b>				
Current:				
Salaries and Benefits	\$ 241,214	\$ 241,214	\$ 204,441	\$ 36,773
Contractual Services	292,808	292,808	182,798	110,010
Supplies and Materials	136,500	151,500	80,678	70,822
Capital Outlay	185,915	185,915	98,765	87,150
<b>Total Community Development</b>	<b>\$ 856,437</b>	<b>\$ 871,437</b>	<b>\$ 566,682</b>	<b>\$ 304,755</b>
<b>Law Enforcement/Emergency Services:</b>				
Current:				
Salaries and Benefits	\$ 70,824	\$ 70,824	\$ 55,600	\$ 15,224
Contractual Services	406,153	406,153	385,977	20,176
Supplies and Materials	3,000	3,000	610	2,390
Capital Outlay	1,500	1,500	248	1,252
<b>Total Law Enforcement/Emergency Servi</b>	<b>\$ 481,477</b>	<b>\$ 481,477</b>	<b>\$ 442,435</b>	<b>\$ 39,042</b>
<b>Parks/Recreation:</b>				
Current:				
Salaries and Benefits	\$ 392,221	\$ 392,221	\$ 335,213	\$ 57,008
Contractual Services	252,306	252,306	230,208	22,098
Supplies and Materials	75,386	75,386	52,420	22,966
Capital Outlay	465,196	575,196	570,827	4,369
<b>Total Parks/Recreation</b>	<b>\$ 1,185,109</b>	<b>\$ 1,295,109</b>	<b>\$ 1,188,668</b>	<b>\$ 106,441</b>
<b>Miscellaneous:</b>				
Capital Facilities Tax	\$ 100	\$ 100	\$ -	\$ 100
Lodging Tax	6,000	6,000	8,641	(2,641)
50 Year Anniversary Celebration	100,000	100,000	51,597	48,403
Capital Outlay:				
Agricultural Complex	165	165	15	150
Street Projects	1,500,000	1,390,000	165,232	1,224,768
Energy Grant	50,000	50,000	-	50,000
Bike Path	1,169,565	1,169,565	43,801	1,125,764
Golf Course Pump	-	-	32,510	(32,510)
Emergency Generator	-	-	19,612	(19,612)
<b>Total Miscellaneous</b>	<b>\$ 2,825,830</b>	<b>\$ 2,715,830</b>	<b>\$ 321,408</b>	<b>\$ 2,394,422</b>
<b>Total Expenditures</b>	<b>\$ 6,414,975</b>	<b>\$ 6,444,975</b>	<b>\$ 3,262,307</b>	<b>\$ 3,182,668</b>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	\$ (2,365,349)	\$ (2,415,349)	\$ 354,026	\$ 2,769,375
<b>FUND BALANCE, BEGINNING JULY 1,</b>	<b>5,450,960</b>	<b>5,450,960</b>	<b>5,450,960</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 3,085,611</b>	<b>\$ 3,035,611</b>	<b>\$ 5,804,986</b>	<b>\$ 2,769,375</b>

See Notes to the Basic Financial Statements

**TOWN OF WRIGHT, WYOMING**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGE IN FUND BALANCE OF THE GOVERNMENTAL FUND  
TO THE GOVERNMENT – WIDE STATEMENT OF ACTIVITIES**

Year Ended **June 30, 2025**

See Independent Accountant’s Review Report

Net Change in Fund Balance - Total Governmental Fund	\$	<b>354,026</b>
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Timing differences for the recognition of property tax revenues between revenues reported in the fund and revenues reported in the Statement of Activities</p>		<b>(1,626)</b>
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>		
<p>    Capital outlays</p>	\$	486,294
<p>    Depreciation</p>		<u>(413,635)</u>
		<b>72,659</b>
<p>Net increase in long-term compensated absences is not reflected in the governmental fund, but increases long-term liabilities in the Statement of Net Position</p>		<b>(8,045)</b>
<p><b>Change in Net Position of Governmental Activities</b></p>		<b>\$ 417,014</b>

See Notes to the Basic Financial Statements

**TOWN OF WRIGHT, WYOMING  
NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

The Town of Wright, Wyoming is a political subdivision of the State of Wyoming governed by an elected mayor and a four member council.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town of Wright. 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 Town currently has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items properly not included among program revenues are reported as general revenues.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Severance taxes, property taxes, automobile taxes, gasoline taxes, franchise taxes, cigarette taxes, capital facilities taxes, lodging taxes and interest associated with the current fiscal period as well as charges for services are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Sales and use taxes collected and held by the State of Wyoming or Campbell County Treasurer at year end on behalf of the Town are also recognized as revenue.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible-to-accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

The Town reports the following major governmental fund:

The *General Fund* is the government's primary operating fund and is always classified as a major fund. It accounts for all financial resources and transactions of the general government except those required to be accounted for in other funds. The Town currently has no other funds.

#### D. Assets, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

##### 1. Cash and Investments

The Town's cash is considered to be cash on hand and demand deposits.

Investments for the Town are measured at fair value in accordance with GASB No. 72 or net asset value (NAV) per share (or its equivalent) and reported according to GASB No. 79 requirements following amortized cost.

##### 2. Property Taxes Receivable

Property taxes receivable represents assessments for 2024 and prior years which were collectible during the year ended June 30, 2025. Property is annually valued and assessed January 1. Taxes are levied on or about August 1 and payable in two installments on September 1 and March 1. These installments become delinquent, and thus payable, on November 10 and May 10. The taxpayer may elect, without penalty, to pay the entire balance by December 31. Property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current financial statement period. Property taxes which are not current receivables are offset by deferred inflows of resources. Property taxes are collected by the Campbell County Treasurer and remitted to the Town in the month following collection.

##### 3. Lodging Tax Receivable

Effective July 1, 2015, the Town entered into a Memorandum of Understanding with Campbell County, Wyoming, the City of Gillette, Wyoming and the Campbell County Lodging Tax Board for the purpose of funding the acquisition or capital construction of a visitors' center facility. The parties to the Memorandum are comprised of the county-wide joint powers board members.

Pursuant to Wyoming Statutes, upon the passage of a 2% county-wide lodging tax proposition, members of the joint powers board may elect to retain an amount not to exceed 10% of their proportionate share of the total lodging tax revenues collected for general revenue purposes. The 10% of lodging tax revenues retained by the members of the joint powers board may be used by the members for general revenue purposes. For the purpose of funding the acquisition or capital construction of a visitors' center facility, the parties to the Memorandum mutually agreed to distribute to the Campbell County Lodging Tax Board, in the form of funding grants, their proportionate share of the 10% lodging tax revenue that may be retained under statute.

A facility was purchased by the Campbell County Lodging Tax Board during the fiscal year ended June 30, 2024. An amendment was made to the Memorandum of Understanding in December, 2023 to acknowledge that the funds created under the original Memorandum of Understanding have been utilized to purchase, maintain and operate a building.

This agreement may be terminated by any of the Parties.

For the year ended June 30, 2025, the Town's proportionate share of the 10% of lodging taxes retained, and subsequently contributed to the Campbell County Lodging Tax Board, was \$8,641. The Town recognized this amount as Lodging Tax Revenue and the related contribution as an expenditure.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

#### 4. Capital Assets

Prior to July 1, 2020, the Town elected not to record in the government-wide financial statements certain capital assets including land, improvements, buildings, machinery and equipment, vehicles, and construction in progress and accordingly, prior to July 1, 2020 had not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those capital assets be capitalized and depreciated, which would increase the assets and net position. The amounts by which the departure would affect the assets or net position is not reasonably determinable.

As of July 1, 2020 the Town began recording capital assets acquired as of July 1, 2020 and going forward. Capital assets acquired prior to July 1, 2020 are not included. Capital assets purchased subsequent to June 30, 2020, which include land, infrastructure, machinery and equipment, and construction in progress are reported in the governmental activities column in the government-wide financial statements. Generally, office furniture and equipment with an individual cost of less than \$5,000 are not capitalized, while vehicles, machinery and equipment with an individual cost of less than \$10,000 are not capitalized. Software with an individual cost of less than \$10,000 is not capitalized. Public domain (“infrastructure”) capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems and other assets with individual costs of less than \$10,000 are not capitalized. Building and other improvements with an individual cost of less than \$50,000 are not capitalized. All purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value at date of receipt.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

All reported capital assets except land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Infrastructure	10-30 years
Machinery and Equipment	5-10 years

#### 5. Impairments

The Town evaluates prominent events or changes in circumstances that affect capital assets to determine whether impairment of capital assets has occurred. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The Town will consider an asset impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life-cycle of the capital asset. The Town will recognize an impairment loss when the Town considers a capital asset impaired and will recognize the capital asset at the lower of carrying value and fair value.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

#### 6. Compensated Absences

The Town accrues accumulated unpaid vacation and sick leave and associated salary related costs when earned (or estimated to be earned) by the employee. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is reported only as a noncurrent liability in the government-wide statement of net position and represents a reconciling item between the fund and government-wide presentation.

#### 7. Payables, Accrued Liabilities and Long-Term Obligations

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

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statement regardless of whether they will be liquidated with current resources. However, claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statement only to the extent that they will be paid with current, expendable, available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources.

#### 8. Fund Balance

The Town reports fund balance in its governmental fund based on hierarchy of classifications that are primarily based on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts can be spent. The fund balance classifications used by the Town's governmental fund are as follows:

*Nonspendable fund balances* - Those balances representing amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to remain intact. The not in spendable form criteria includes items that are not expected to be converted to cash. The amounts reported as nonspendable fund balances are determined before classifying the amounts as restricted, committed, or assigned.

*Restricted fund balances* - Those balances representing amounts that are externally restricted by creditors, grantors, contributors, or laws or regulations of other governments. Restrictions can also be imposed through law, constitutional provisions, or enabling legislation. Restricted fund balances are reported in the Town's governmental fund. The Town has no restricted fund balances as of June 30, 2025.

*Committed fund balances* - Those balances representing amounts that can only be used for specified purposes determined by formal actions of the government's highest level of decision making authority. The Town Council is the highest level of decision-making authority for the government that can, by adoption of resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

*Assigned fund balances* - Those balances that are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. The Town Council has authorized assignments at the department level by Town management. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments, generally only exist temporarily. An additional action does not normally have to be taken for removal of an assignment. As discussed above, an additional action is essential to either remove or revise a commitment. Assigned fund balances are not classified as nonspendable and are neither restricted nor committed.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

*Unassigned fund balances* - Those balances representing the remaining classification for the General Fund. This balance represents the fund balance of the General Fund that has not been assigned and has been neither restricted, committed, nor assigned to specific purposes in the General Fund. If expenditures incurred for specified purposes exceed the amounts restricted, committed, or assigned for those purposes, a negative unassigned fund balance may be reported.

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

#### 9. Net Position

Net position represents the residual of all other elements presented in the statement of net position which equals assets less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets, including accounts, contract and retainage payables. Net position is reported as restricted when there are limitations imposed on their use through enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

In certain circumstances, the Town may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

#### 10. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

### Note 2. Stewardship, Compliance and Accountability

#### Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the General Fund. All annual appropriations lapse at fiscal year end.

On or before May 1 of each year, all departments of the Town submit requests for appropriation to the Clerk's office so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before May 15, the proposed budget is presented to the Town Council for review. The Council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Clerk's office. Any revenue estimates must be changed by an affirmative vote of the majority of the Town Council.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 2. Stewardship, Compliance and Accountability (Continued)

Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established at the department level for the General Fund. Management control is exercised at the budgetary line item level. Transfers of appropriations between departments require the approval of the Town Council. The Town may amend its budget after it is approved using the same procedures necessary to approve the original budget. During the course of the year, the Town revised the annual budget once. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect appropriation in the first complete appropriated budget as well as the final appropriation amounts, including any supplemental appropriations.

### Note 3. Detailed Notes on All Funds

#### A. Deposits and Investments

##### Deposits

**Custodial Credit Risk** for deposits is the risk that in the event of a bank failure, the Town's deposits may not be returned or the Town will not be able to recover collateral securities in the possession of an outside party. The Town's deposits as of June 30, 2025 were covered, in their entirety, by federal depository insurance through an Insured Cash Sweep (ICS) Deposit Placement Agreement with a local bank which allows the deposit to be divided into amounts under the Standard FDIC insurance maximum of \$250,000 and is placed in deposit accounts at other ICS network banks.

##### Investments

The Town is authorized by its governing board to invest in those types of securities allowed by Wyoming State Statutes.

The Wyoming Government Investment Fund (WGIF) operates in accordance with applicable laws and regulations and administers the short-term cash deposits made by State of Wyoming local entities. The investments are administered to provide liquid cash reserves, placing the majority portion in a cash portfolio and the rest in an extended cash portfolio. Specified State of Wyoming elected officials are responsible for regulatory oversight of WGIF.

WGIF is sponsored by the Wyoming Association of Municipalities and the Wyoming School Board Association and is governed by a board elected by the depositors. The weighted average maturity of WGIF liquid asset series is 39 days but the weighted average maturity of this fund for the Town is 1 day at June 30, 2025. Investments held by the Wyoming Government Investment Fund are rated by Standard and Poors.

The Wyoming Cooperative Liquid Assets Securities System (WYCLASS) operates in accordance with applicable laws and regulations which authorize political subdivisions of the State of Wyoming to invest jointly with other investors in a fund of legal investments. The Trust is a professionally managed local government investment pool trust fund. The Trust operates like a money market mutual fund.

WYCLASS investment advisory services and administration and marketing services are provided by Public Trust Advisors, LLC. The weighted average maturity of WYCLASS liquid asset series is 81 days but the weighted average maturity of this fund for the Town is 1 day at June 30, 2025. Investments held by Wyoming Cooperative Liquid Assets Securities System are rated by Standard and Poors.

Fair Value of Investments - The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data, for substantially the full term of the assets or liabilities.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds (Continued)

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities.

- \$2,762,690 held in WGIF Liquid Asset Series, a local government investment pool, is not assigned to a fair market value level, as it is measured at net asset value. Investments valued using the net asset value (NAV) per share (or its equivalent) are assets being reported according to GASB No. 79 requirements following amortized cost by the Wyoming Government Investment Fund. The Town is eligible to redeem the funds in the Liquid Asset Series at any time, with no redemption notice period required.
- \$2,479,328 held in WYCLASS Liquid Asset Series, a local government investment pool, is managed as a stable value NAV pool but does not meet all of the specific criteria outlined in GASB No. 79, therefore investments in the pool are reported at fair value which approximates net asset value. The Town is eligible to redeem the funds in the Liquid Asset Series at any time, with no redemption notice period required.

As of June 30, 2025, the Town had the following investments:

Investment Type	Fair Value or NAV	Credit Quality Ratings	Weighted Average Maturity (Days)
Wyoming Government Investment Fund - Liquid Assets Series (WGIF)	\$ 2,762,690	AAAm	1
Wyoming Class Local Government Investment Pool - Liquid Assets Series (WYCLASS)	\$ 2,479,328	AAAm	1
Total	\$ 5,242,018		

**Custodial Credit Risk** for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form, and therefore, the Town is not exposed to custodial credit risk related to these types of investments.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Wyoming Government Investment Fund and Wyoming Cooperative Liquid Assets Securities System invest in a wide variety of investments which are all allowed under Wyoming State Statutes. Currently, there are no restrictions on when the Town can withdraw or contribute money to its current investments.

**Concentration of Credit Risk** is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. Investments issued or explicitly guaranteed by the United States Government and investments in mutual funds, external investment pools and other pooled investments are excluded from the concentration of credit risk requirements. The Town's investment policy related to concentration of credit risk is to diversify the Town's investments by security type and institution in order to reduce overall portfolio risks while attaining market average rates of return.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds (Continued)

#### B. Property Taxes Receivable

Property taxes receivable as of June 30, 2025, including the applicable allowance for uncollectible accounts, is as follows:

Property taxes receivable, 2024 and prior years	\$ 2,785
Estimated property taxes receivable for 2025	93,262
Less: Allowance for uncollectibles	-
<b>Property taxes receivable, Net</b>	<b>\$ 96,047</b>

The Town reports deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in the governmental fund were as follows:

	Unavailable
Unavailable taxes, 2024 and prior years	\$ 335
Unavailable taxes, 2025	93,262
<b>Total Deferred Inflows of Resources</b>	<b>\$ 93,597</b>

#### C. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance June 30, 2024	Additions/ Transfers	Deductions/ Transfers	Balance June 30, 2025
<b>Governmental Activities</b>				
Non-depreciable capital assets:				
Construction in progress	\$ 123,894	\$ 276,966	\$ (29,072)	\$ 371,788
Land	9,750	-	-	9,750
<b>Total non-depreciable capital assets</b>	<b>\$ 133,644</b>	<b>\$ 276,966</b>	<b>\$ (29,072)</b>	<b>\$ 381,538</b>
Depreciable capital assets:				
Infrastructure	\$ 2,960,391	\$ -	\$ -	\$ 2,960,391
Machinery and equipment	1,066,931	238,400	-	1,305,331
Less accumulated depreciation	(644,358)	(413,635)	-	(1,057,993)
<b>Total depreciable capital assets, net</b>	<b>\$ 3,382,964</b>	<b>\$ (175,235)</b>	<b>\$ -</b>	<b>\$ 3,207,729</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 3,516,608</b>	<b>\$ 101,731</b>	<b>\$ (29,072)</b>	<b>\$ 3,589,267</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
Community Development	\$ 384,773
Parks and Recreation	26,160
Clerk/Treasurer	2,702
<b>Total depreciation expense - governmental activities</b>	<b>\$ 413,635</b>

Construction in progress in the governmental activities represents construction related to the Community Center Parking Lot, a Bike Path, and Dredging at the golf course and Panther Pond. The Community Center Parking Lot and Bike Path are in the initial and design phases. Actual signed contract for Dredging project approximates \$233,000 and will be funded by the general fund, taxes, and grants.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds (Continued)

#### D. Compensated Absences

Full time employees earn paid vacation after the first year of employment until the 4th year at 12 days per year. Following years 5 to 9 earn at 17 days per year, years 10 to 19 at 22 days per year, and after 20 years at 25 days per year. Part-time employees earn paid vacation at ½ day per month and can not exceed 6 days per year. Vacation is paid to employees upon termination, resignation or retirement. 10 days may be carried over into next year.

Sick leave accumulates at one day for each month of employment and can not exceed 60 days. Accumulated sick leave is paid at the rate of one quarter of the employee’s regular pay for any unused days upon termination, resignation, or retirement.

#### E. Long-Term Liability

Long-term liability activity for the year ended June 30, 2025 was as follows:

	Balance June 30, 2024 Restated			Balance June 30, 2025		Due Within One Year
	Restated	Additions	Deductions			
<b>Governmental Activities</b>						
Total Compensated Absences*	\$ 69,664	\$ 8,045	\$ -	\$ 77,709	\$	45,367

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

#### F. Legal Debt Margin

The Wyoming Constitution provides that the Town shall not create any general obligation indebtedness exceeding 4% of the assessed value of the property therein. As of June 30, 2025, the Town's assessed valuation was \$13,343,059 and the Town had no general obligation debt.

#### G. Tax Revenue

A summary of the tax revenues for the year ended June 30, 2025 is presented below:

	General Fund
Severance	\$ 59,089
Property, levied for general purposes	106,015
Automobile	38,929
Sales and use	1,330,104
1% optional sales	1,093,539
Gasoline	94,220
Franchise, gross receipt based	98,490
Cigarette	7,717
Lodging tax, restricted	8,641
	\$ 2,836,744

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information

#### A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The following is a summary of significant coverages and the related deductibles:

Type of Claim	Deductible	Amount of Coverage
Premises:		
Public Entity Property	\$ 5,000	\$ 17,953,191
Business Income and Extra Expense	\$ 5,000	\$ 250,000
Accounts Receivable at all described premises	\$ 5,000	\$ 100,000
Accounts Receivable in transit or at all un-described premises	\$ 5,000	\$ 50,000
Appurtenant Buildings and Structures	\$ 5,000	\$ 100,000
Covered Leasehold Interest	\$ 5,000	\$ 100,000
Debris Removal	\$ 5,000	\$ 250,000
Duplicate Electronic Data Processing Data and Media	\$ 1,000	\$ 50,000
Fine Arts	\$ 5,000	\$ 50,000
Green Building Alternatives - Increased Cost	\$ 5,000	\$ 100,000
Newly Acquired or Constructed Property	\$ 5,000	\$ 2,000,000
Personal Property	\$ 5,000	\$ 1,000,000
Ordinance or Law Coverage	\$ 5,000	\$ 250,000
Outdoor Property	\$ 5,000	\$ 50,000
Outside Signs	\$ 5,000	\$ 100,000
Personal Effects	\$ 5,000	\$ 50,000
Personal Property - Outside Premises	\$ 5,000	\$ 50,000
Pollutant Cleanup and Removal	\$ 5,000	\$ 100,000
Preservation of Property	\$ 5,000	\$ 250,000
Undamaged Parts of Stock in Process	\$ 5,000	\$ 50,000
Utility Services - Direct Damage	\$ 5,000	\$ 50,000
Valuable Papers and Records at all described premises	\$ 5,000	\$ 100,000
Valuable Papers and Records in transit or at all un-described premises	\$ 5,000	\$ 50,000
Automobile		
Automobile Liability	\$ 5,000	\$ 1,000,000
Uninsured Motorist	\$ 5,000	\$ 1,000,000
Governmental Crime:		
Employee Theft	\$ 1,000	\$ 500,000
Premises Theft of Money - Securities	\$ 1,000	\$ 500,000
Outside Premises	\$ 1,000	\$ 500,000
Employer Liability:		
Bodily Injury - Accident	\$ 1,000	\$ 500,000
Bodily Injury - Disease	\$ 1,000	\$ 500,000

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

Type of Claim	Deductible	Amount of Coverage
Commercial General Liability:		
General Aggregate	\$ 5,000	\$ 1,000,000
Products - Completed Operations	\$ 5,000	\$ 1,000,000
Personal and Advertising Injury	\$ 5,000	\$ 1,000,000
Damage to Premises Rented	\$ 5,000	\$ 50,000
Employee Benefits Liability	\$ 1,000	\$ 3,000,000
Public Entity Management:		
Employment Practices Wrongful Act	\$ 5,000	\$ 1,000,000
Employment Practices Aggregate Act	\$ 5,000	\$ 2,000,000
Public Officials Liability Wrongful Act	\$ 5,000	\$ 1,000,000
Public Officials Liability Aggregate Limit	\$ 5,000	\$ 2,000,000

#### B. Contingencies

The Town participates in various State and Federal grant programs which are governed by various rules and regulations of the grantor agencies. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, any such disallowed claims would not have a material, adverse effect on the overall financial position of the Town as of June 30, 2025.

The Town receives revenue from an additional 1% sales tax levy which is subject to renewal every four years by the voters at a general election. This levy was approved by the voters in 2022. The 1% optional sales tax generated approximately \$1,090,000 which is approximately 30% of general fund revenues during the year ended June 30, 2025.

#### C. Retirement Commitments

The Town's full-time employees participate in the Wyoming Retirement System ("System"), Employer's Deferred Compensation Plan and Trust ("Plan"), a Section 457 defined contribution plan. The Plan was established in accordance with Section 457 of the Internal Revenue Code and Wyoming State Statutes (W.S. 9-3-501 and 9-3-508). The Town elected to contribute 7% of the employees' salary to the Plan as a benefit to its employees. The Town's contributions to the plan on behalf of its employees totaled approximately \$30,000 for the year ended June 30, 2025.

#### D. Impact of Recently Issued and Adopted Accounting Pronouncements

##### Recently Issued and Adopted Accounting Pronouncements:

In June 2022, GASB issued statement No. 100, *Accounting Changes and Error Corrections*. This statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The Town adopted this statement during the year ended June 30, 2025.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

In June, 2022 GASB issued GASB Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of a government's financial statement users by aligning the recognition and measurement guidance for compensated absences under a unified model and by amending certain previously required disclosures. Under the Statement, liabilities for certain types of compensated absences are required to be recognized that have 1) not been used; and 2) been used but not yet settled through cash or noncash means. This liability will be measured at the amount of cash or noncash settlement to be made. The Statement also amends the existing disclosure requirement to allow governments to disclose only the net annual change in the liability for compensated absences and no longer requires the disclosure of which governmental funds are used to liquidate the liability for compensated absences. This standard is effective for reporting periods beginning after December 15, 2024. The Town adopted this statement during the year ended June 30, 2025

#### Recently Issued Accounting Pronouncements:

In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement establishes new accounting and financial reporting requirements – or modifies existing requirements – related to management's discussion and analysis, unusual or infrequent items, presentation of the proprietary fund statement of revenues, expenses and changes in fund net position, major component unit information, and budgetary comparison information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is currently evaluating the impact of the adoption of this statement on the Town's financial statements.

#### E. Restatement of Net Position

During the year ended June 30, 2025, the Town adopted the provisions of GASB Statement No. 101, *Compensated Absences*. This Statement establishes recognition and measurement guidance for liabilities related to compensated absences, including vacation, sick leave, and other paid leave benefits. The new standard requires that certain types of leave be recognized as a liability when the leave is earned rather than when it is taken or paid.

As a result of implementing GASB Statement No. 101, the District restated beginning net position as of July 1, 2024, to recognize compensated absences in accordance with the new guidance. The effect of this restatement on beginning net position is as follows:

Net position, as previously reported July 1, 2024	\$ 8,956,117
Adjustment for GASB 101 Implementation	(56,252)
Net position, as restated, July 1, 2024	\$ 8,899,865