

CITY OF CASPER
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2022



Ketel Thorstenson, LLP

Certified Public Accountants/Business & Personal Consultants

ktllp.com

CITY OF CASPER

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Casper
Casper, Wyoming

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **CITY OF CASPER** (the City), Natrona County, Wyoming, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Economic Development Joint Powers Board or the Central Wyoming Regional Water System Joint Powers Board, which represent 90 and 94 percent, respectively, of the assets and revenues of the aggregate discretely presented component units, as of and for the year ended June 30, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units is based solely on the reports of the other auditors.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified audit opinions.

Emphasis of Matter

As described in Note 14 to the financial statements, the City recorded a prior period adjustment to remove the effect of the previously recorded liability, deferred inflows of resources, and deferred outflows of resources for other post-employment benefits. Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 7 through 17, and the budgetary comparison information, and the pension schedules on pages 71 through 79, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Notice:

The accompanying financial statements and our independent auditor's report are for the use of the City Council and management, which have been specifically communicated to Ketel Thorstenson, LLP by the City, and should not be used or relied upon for any other party for any purpose. Additional users of these financial statements and independent auditors' report are hereby advised that the liability of Ketel Thorstenson, LLP to third party users who use or rely on this information may be limited pursuant to 1995 Wyo. Sess. Laws, Chapter 155 creating Wyo. Stat. Sec. 33-3-201.



KETEL THORSTENSON, LLP
Certified Public Accountants

December 30, 2022

CITY OF CASPER

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) JUNE 30, 2022

This section of the City of Casper (the City) annual financial report presents our discussion and analysis of the City's financial performance during the year ended June 30, 2022. Please read it in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's net position from governmental and business-type activities increased by \$75,505,412 primarily due to a decrease in public safety net pension liability of \$66,081,786.
- During the year, the City's revenues generated from charges for services, taxes and other revenues of the governmental programs were \$82,179,789 more than the governmental expenditures, excluding transfers.
- In the City's business-type activities, revenue increased by 0.30 percent, while expenses increased by 3 percent to \$55,954,032, due to an increase in net pension liability of \$791,982 and an increase in fuel related expenses of \$201,399.
- The general fund reported a \$1,985,450 current year decrease in fund balance primarily due to negative investment return of \$2,326,035. This loss included a realized gain of \$736,742 and unrealized losses of \$3,062,777.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – management's discussion and analysis (this section), the basic financial statements, including related notes, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services, like public safety, were financed in the short-term, as well as what remains for future spending.
- Proprietary fund statements offer short- and long-term financial information about the activities that the City operates like businesses. The City has four proprietary funds – the Utilities Fund, the Solid Waste Fund, the Recreation Fund, and the Parking Fund. In addition, the City has two internal service funds – the General Internal Service Fund to account for the City's property insurance, maintenance and fleet management, and the Employee Health Insurance Internal Service Fund to account for employee health insurance.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to the required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each of which are added together and presented in a single column in the basic financial statements.

CITY OF CASPER

**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The table below summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of the overview section of the management’s discussion and analysis explains the structure and contents of each of the statements.

	Government-wide	Fund Statements	
	Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government (except fiduciary funds)	The activities of the City that are not proprietary or fiduciary, such as finance office, police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer systems
Required Financial Statements	Statement of Net Position and Statement of Activities	Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; and Statement of Cash Flows
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of Asset/ Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of Inflow/ Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

CITY OF CASPER

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED) JUNE 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position – the difference between the City's assets and liabilities – are one way to measure the City's financial health or position.

- Increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City, you need to consider additional non-financial factors, such as changes in the City's property tax base and changes in the sales tax revenue base.

The government-wide financial statements of the City are reported in two categories:

- **Governmental Activities** -- This category includes most of the City's basic services, such as police, fire, public works, parks department and general administration. Property taxes, sales taxes, charges for services, state and federal grants and interest earnings finance most of these activities.
- **Business-type Activities** -- The City charges a fee to customers to help cover the costs of certain services it provides. The City's water and sewer systems, as well as the solid waste program, various park and recreation services, and parking operations.
- The government-wide financial statements include not only the City of Casper itself, (the primary government), but also include the legally separate entities of the Downtown Development Authority, Economic Development Joint Powers Board, and the Central Wyoming Regional Water System Joint Powers Board. Due to the appointment of board members of these entities or the level of funding the City provides, the City can affect these entities. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds – not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- State law requires some of the funds.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

CITY OF CASPER

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

Fund Financial Statements (Continued)

The City has three kinds of funds:

Governmental Funds – Most of the City's basic services are included in the governmental funds, which focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out and (2) the balances left at the end of the year that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements, or on the subsequent page, that explains the relationship (or differences) between them.

Proprietary Funds – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short- and long-term financial information. The City's proprietary funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds.

CITY OF CASPER

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The City's combined net position increased by 19 percent between 2021 and 2022 – increasing by \$75,505,412 (see Table A-1).

Statement of Net Position						
Table A-1						
	Governmental Activities		Business-Type Activities		Total	
	2021	2022	2021	2022	2021	2022
Current & Other Assets	\$ 147,864,975	\$ 147,846,186	\$ 53,871,765	\$ 58,106,231	\$ 201,736,740	\$ 205,952,417
Capital Assets	181,000,899	186,988,621	191,021,984	185,090,526	372,022,883	372,079,147
Total Assets	328,865,874	334,834,807	244,893,749	243,196,757	573,759,623	578,031,564
Pension Related Deferred Outflows (Inflows) of Recourses	\$ 13,705,412	\$ -	\$ 1,547,824	\$ -	\$ 15,253,236	\$ -
Long-Term Debt	\$ 115,213,393	\$ 2,869,627	\$ 31,857,275	\$ 16,801,610	\$ 147,070,668	\$ 19,671,237
Other Liabilities	11,272,496	56,471,596	6,820,933	18,540,368	18,093,429	75,011,964
Total Liabilities	126,485,889	59,341,223	38,678,208	35,341,978	165,164,097	94,683,201
Deferred Inflows of Resources	28,836,458	12,414,009	3,422,434	3,839,072	32,258,892	16,253,081
Net Position:						
Net Investment in Capital Assets	\$ 181,000,899	\$ 186,136,484	\$ 172,912,681	\$ 168,860,485	\$ 353,913,580	\$ 354,996,969
Restricted	341,859	264,937	490,000	-	831,859	264,937
Unrestricted	5,906,181	76,678,154	30,938,250	35,155,222	36,844,431	111,833,376
Total Net Position	\$ 187,248,939	\$ 263,079,575	\$ 204,340,931	\$ 204,015,707	\$ 391,589,870	\$ 467,095,282
Beginning Net Position	\$ 192,875,272	\$ 187,248,939	\$ 197,139,574	\$ 204,340,931	\$ 390,014,846	\$ 391,589,870
Change in Net Position	(5,626,333)	75,830,636	7,201,357	(325,224)	1,575,024	75,505,412
Percentage of Change in Net Position	-2.92%	40.50%	3.65%	-0.16%	0.40%	19.28%

CITY OF CASPER

**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

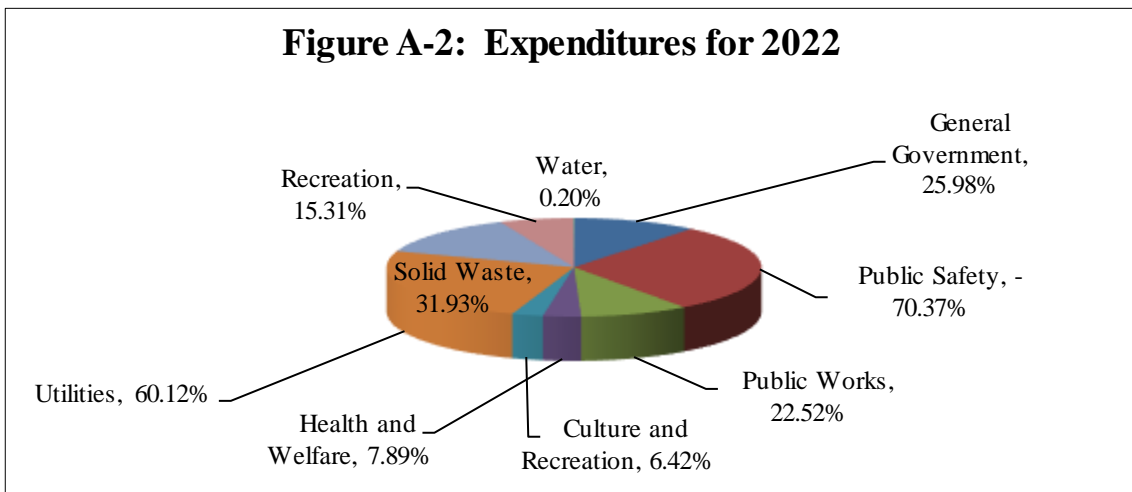
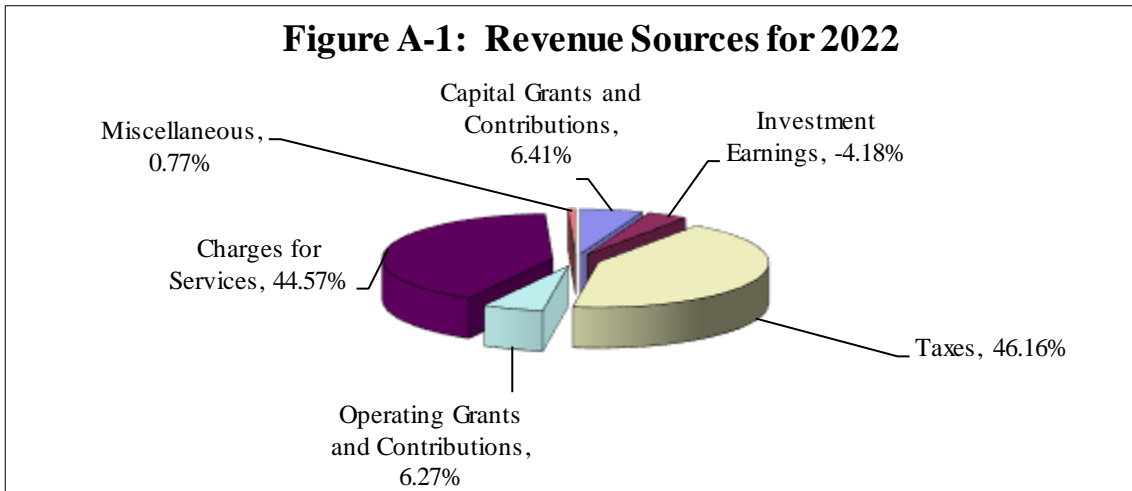
FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (CONTINUED)

The Statement of Net Position reports all financial and capital resources. The statement presents the assets and liabilities in order of relative liquidity. The liabilities with average maturities greater than one year are reported in two components – the amount due within one year and the amount due in more than one year. The long-term liabilities of the City, consisting of compensated absences payable, notes payable, lease obligations and long-term debt with the State Office of Land and Investments been reported in this manner on the Statement of Net Position. The difference between the City’s assets and liabilities is its net position.

Changes in Net Position

The City’s total revenues (excluding transfers) totaled \$127,524,373 (see Table A-2). Approximately 46 cents of every dollar of the City’s revenue comes from taxes, with 44 cents of every dollar raised coming from charges for services (primarily water, sewer, recreation and aquatic park and solid waste operations). In 2022, approximately 6 cents of every dollar came from capital grants and contributions (See Figure A-1).

The total cost of all programs and services decreased \$89,379,983 from 2021 to 2022. The City’s expenses cover a range of services, including public works administration, public safety, and culture and recreation. (See Figure A-2).



CITY OF CASPER

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (CONTINUED)

Changes in Net Position (Continued)

Table A-2						
	Total Governmental Activities		Total Business-Type Activities		Grand Total	
	2021	2022	2021	2022	2021	2022
Revenues						
<i>Program Revenues</i>						
Charges for Services	\$ 9,214,977	\$ 7,071,021	\$ 48,070,602	\$ 49,762,872	\$ 57,285,579	\$ 56,833,893
Operating Grants and Contributions	16,165,446	7,989,751	-	-	16,165,446	7,989,751
Capital Grants and Contributions	3,491,614	7,999,894	853,870	168,718	4,345,484	8,168,612
<i>General Revenues</i>						
Taxes	56,114,677	58,871,539	-	-	56,114,677	58,871,539
Unrestricted Investment						
Earnings (Loss)	278,545	(3,510,942)	35,497	(1,818,547)	314,042	(5,329,489)
Gain on Sale	-	-	116,372	-	116,372	-
Miscellaneous	1,006,330	(176,545)	247,101	1,166,612	1,253,431	990,067
Total Revenues	\$ 86,271,589	\$ 78,244,718	\$ 49,323,442	\$ 49,279,655	\$ 135,595,031	\$ 127,524,373
Expenses						
General Government	\$ 27,958,585	\$ 13,516,522	\$ -	\$ -	\$ 27,958,585	\$ 13,516,522
Public Safety	30,947,738	(36,608,869)	-	-	30,947,738	(36,608,869)
Public Works	23,077,328	11,713,166	-	-	23,077,328	11,713,166
Health and Welfare	1,815,786	4,105,760	-	-	1,815,786	4,105,760
Culture and Recreation	3,527,775	3,338,350	-	-	3,527,775	3,338,350
Utilities	-	-	31,403,761	31,275,660	31,403,761	31,275,660
Solid Waste	-	-	171,779	16,610,997	171,779	16,610,997
Recreation	-	-	14,742,875	7,965,910	14,742,875	7,965,910
Parking Lot	-	-	7,753,317	101,465	7,753,317	101,465
Total Expenses	\$ 87,327,212	\$ (3,935,071)	\$ 54,071,732	\$ 55,954,032	\$ 141,398,944	\$ 52,018,961
Excess (Deficit) Revenues						
Before Transfers	\$ (1,055,623)	\$ 82,179,789	\$ (4,748,290)	\$ (6,674,377)	\$ (5,803,913)	\$ 75,505,412
Transfers	(10,544,649)	(6,349,153)	10,544,649	6,349,153	-	-
Increase in Net Position	\$ (11,600,272)	\$ 75,830,636	\$ 5,796,359	\$ (325,224)	\$ (5,803,913)	\$ 75,505,412
Prior Period Adjustment	\$ -	\$ 3,776,515	\$ -	\$ 1,251,371	\$ -	\$ 5,027,886
Net Position - Ending	\$ 183,472,424	\$ 263,079,575	\$ 203,089,560	\$ 204,015,707	\$ 386,561,984	\$ 467,095,282

CITY OF CASPER

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (CONCLUDED)

Governmental Activities

Revenues of the City's governmental activities exceeded expenditures by \$82,179,789 excluding transfers, due to a pension revenue of \$66,081,786, related to a change in pension liability and deferred outflows/inflows of Fire Pension A and Fire Pension B. This is reflected as a reduction of expenses on the accompanying financial statements. The majority of this change was the result of Senate File 0039 (Fire A Solution) which included a cash infusion of \$75,000,000. The cash infusion helped ensure Fire Pension A was solvent and could continue providing benefits through the life of the plan.

Business-Type Activities

Expenses of the City's business-type activities exceeded revenues by \$6,674,377 excluding transfers, due to losses on investments of \$1,665,290, increased expenses related to the landfill closure and post-closure liability of \$676,111, and increased sewer related costs of \$691,228. Additionally, there was a reduction of revenue associated with state grants for the current year Booster Station Project. The City recorded revenue related to this project of \$871,520 in fiscal year 2021 and \$7,509 in fiscal year 2022, for a current year reduction of \$864,011.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The financial analysis of the City's funds mirror those highlighted in the analysis of governmental and business-type activities presented above. The City maintains several governmental funds and four business-type funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City Council revised the City budget several times. These amendments fall into two categories:

- Supplemental appropriations approved for unanticipated, yet necessary, expenses to provide for items necessary for health and welfare of its citizens.
- Increases in appropriations by contingency transfer to prevent budget overruns.

CITY OF CASPER

**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

CAPITAL ASSET ADMINISTRATION

By the end of 2022, the City had invested \$372,079,147 in a broad range of capital assets, including land, buildings, and infrastructure, and various machinery and equipment. (See Table A-3.) This amount represents a net decrease (including additions and deductions) of \$901,794

	Governmental Activities		Business-type Activities	
	2021	2022	2021	2022
Land	\$ 12,375,497	\$ 11,151,006	\$ 8,193,722	\$ 8,504,125
Buildings	25,621,888	32,547,605	43,360,679	41,762,243
Infrastructure	101,964,312	111,218,866	7,179,302	15,054,722
Improvements	22,921,612	21,491,728	115,472,046	108,144,597
Machinery and Equipment	6,894,388	7,604,197	9,370,168	9,026,436
Construction Work in Progress	11,223,202	2,017,161	7,446,067	2,598,403
Right of Use Lease Asset*	958,058	958,058	-	-
Totals	\$ 181,958,957	\$186,988,621	\$ 191,021,984	\$185,090,526

*The City implemented GASB 87, *Leases*, effective July 1, 2021. The standard was implemented using the facts and circumstances that existed as of July 1, 2021, however, for comparability purposes, the beginning Right of Use Lease Asset is included in the 2021 column.

This year’s major capital asset changes included:

Governmental Fund Assets:

- Purchase of Casper Business Building for \$7,999,894.
- Construction in Process balance decreased due to completion of several large projects during the fiscal year.
- Purchase of two Rosenbauer Chassis Fire Engines for \$280,986 and \$275,376

Business-type Assets:

- Construction in Process balance decreased due to completion of several large projects during the fiscal year.
- Facility Asphalt Improvements at the Solid Waste Facility were completed during fiscal year 2022.
- Purchase of 2022 Mach LR64 Garbage Collection equipment for \$268,797.

CITY OF CASPER

**MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) (CONTINUED)
JUNE 30, 2022**

LONG-TERM DEBT

At year-end, the City had \$28,201,176 in notes payable, lease obligations, long-term debt and other long-term obligations. This is a decrease from 2021 as shown on Table A-4 below. The decrease from 2021 is due to regularly schedule payments in 2022 and no new significant obligations.

	Governmental Activities		Business-type Activities	
	2021	2022	2021	2022
Notes Payable	\$ 817,040	\$ 164,000	\$ -	\$ -
Lease Obligations**	958,058	688,137	-	-
Compensated Absences	1,960,419	2,017,490	562,485	571,569
State Office of Land and Investments	-	-	18,109,303	16,230,041
Accrued Landfill Closure and Postclosure	-	-	7,777,526	8,529,544
Total	\$ 3,735,517	\$ 2,869,627	\$ 26,449,314	\$ 25,331,154

** The City implemented GASB 87, *Leases*, effective July 1, 2021. The standard was implemented using the facts and circumstances that existed as of July 1, 2021, however, for comparability purposes, the beginning Lease Obligation Liability is included in the 2021 column.

The City made scheduled payments throughout the year on its debt balances.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The Coronavirus pandemic continued to impact the City’s operations in 2022 resulting in a lean organization and deep reflection on the processes and programs offered by the City. These changes will continue to influence the operations and programs of the City in the future. The City’s current economic position made improvement in 2022.

According to the U.S. Bureau of Labor and Statistics, the State of Wyoming’s unemployment rate at fiscal year-end was 3.1 percent and the City of Casper’s unemployment rate at fiscal year-end was 4.0 percent. In comparison from the previous year, there was a decrease of 1.5 percent and 2.6 percent, respectively.

According to the Department of Administration and Information, Economic Analysis Division, the cost of living in Wyoming is surging. For quarter 2 of 2022 the consumer price index increased by 9.1 percent. This is 5.7 percent higher than the same period last year. One misconception that comes from an inflationary period is that of assuming that because expenses are increasing, that indeed operating revenue and more specifically sales tax revenue (in Wyoming), will likewise increase on a dollar-for-dollar basis. It is anticipated that indeed as citizens spend more, taxes as a percentage of spending, particularly with sales taxes, should see an increase. However, with inflation being such a large factor locally, it is advisable to expect that Casper citizens will likely change consumption patterns, at least temporarily, in order to have income keep pace with the cost of consumable goods.

CITY OF CASPER

**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (CONCLUDED)
JUNE 30, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES (CONTINUED)

One of the primary sources of revenue to the City is based on taxable retail sales in the community (sales tax). The City experienced a 11.8 percent increase in taxable sales over the prior year and has adopted a budget with an increase in sales tax revenue for the next year anticipating an increase to economic conditions because of the Coronavirus pandemic restrictions being lifted.

The City's adopted General Fund budget for the next fiscal year increased budgeted revenues by \$2,400,305 or 5 percent and budgeted expenses increased by 2,401,206 or 5 percent. The largest portion of this increase in revenue is related to taxes.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional information, contact the City of Casper Finance Office, 200 North David Street, Casper, WY 82601.

CITY OF CASPER

**STATEMENT OF NET POSITION
JUNE 30, 2022**

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
Assets:				
Cash and Cash Equivalents (Note 2)	\$ 5,480,533	\$ 3,639,752	\$ 9,120,285	\$ 4,411,554
Investments (Note 2)	118,302,492	49,375,821	167,678,313	5,531,393
Accounts and Notes Receivable, Net (Note 3)	19,725,442	4,799,862	24,525,304	1,715,669
Other Assets	317,201	801,135	1,118,336	627,890
Leases Receivable (Note 6)	2,747,244	762,935	3,510,179	-
Internal Balances	1,273,274	(1,273,274)	-	-
Capital Assets (Note 4):				
Land and Construction in Progress	13,168,167	11,102,528	24,270,695	760,053
Other Capital Assets, Net of Depreciation	173,820,454	173,987,998	347,808,452	47,159,424
TOTAL ASSETS	\$ 334,834,807	\$ 243,196,757	\$ 578,031,564	\$ 60,205,983
Liabilities:				
Accounts Payable	\$ 2,623,528	\$ 2,752,541	\$ 5,376,069	\$ 573,960
Unearned Revenue	1,374,697	-	1,374,697	-
Other Current Liabilities	1,714,807	1,130,327	2,845,134	152,865
Net Pension Liability (Note 9)	50,758,564	6,127,956	56,886,520	-
Landfill Closure and Postclosure Liability (Note 12)	-	8,529,544	8,529,544	-
Long-Term Liabilities (Notes 5 and 6):				
Due Within One Year	2,012,085	2,193,671	4,205,756	2,175,161
Due in More Than One Year	857,542	14,607,939	15,465,481	8,318,989
TOTAL LIABILITIES	59,341,223	35,341,978	94,683,201	11,220,975
DEFERRED INFLOWS OF RESOURCES				
Taxes Levied for Future Period	5,388,760	-	5,388,760	211,734
Pension Related Deferred Inflows (Note 9)	4,348,566	3,095,428	7,443,994	-
Lease Related Deferred Inflows (Note 6)	2,676,683	743,644	3,420,327	-
TOTAL DEFERRED INFLOWS OF RESOURCES	12,414,009	3,839,072	16,253,081	211,734
Net Position:				
Net Investment in Capital Assets	186,136,484	168,860,485	354,996,969	37,425,327
Restricted	264,937	-	264,937	1,000,000
Unrestricted	76,678,154	35,155,222	111,833,376	10,347,947
TOTAL NET POSITION	263,079,575	204,015,707	467,095,282	48,773,274
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 334,834,807	\$ 243,196,757	\$ 578,031,564	\$ 60,205,983

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

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CITY OF CASPER

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	--- Program Revenues ---		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
General Government	\$ 13,516,522	\$ 6,248,689	\$ 7,443,073	\$ 7,999,894
Public Safety, Pension (Note 9)	(66,081,783)	-	-	-
Public Safety	29,472,914	719,233	357,538	-
Public Works	11,713,166	-	-	-
Health and Welfare	4,105,760	-	182,540	-
Culture and Recreation	3,338,350	103,099	6,600	-
Total Governmental Activities	(3,935,071)	7,071,021	7,989,751	7,999,894
Business-Type Activities:				
Utilities	31,275,660	30,534,828	-	52,372
Solid Waste	16,610,997	16,460,273	-	116,346
Recreation	7,965,910	2,755,329	-	-
Parking Lot	101,465	12,442	-	-
Total Business-Type Activities	55,954,032	49,762,872	-	168,718
Total Primary Government	\$52,018,961	\$56,833,893	\$ 7,989,751	\$ 8,168,612
Total Component Units	\$ 7,874,544	\$ 8,314,822	\$ 568,837	\$ -

General Revenues:

Property Taxes
Sales Taxes
Local Option 1% Sales Tax
Other Taxes
Gaming and Lottery Revenue
Franchise Taxes
Motor Vehicle Taxes
Grants and Contributions Not Restricted
Unrestricted Investment Earnings (Loss)
Miscellaneous Revenue (Expense)

Transfers (Note 7)

Total General Revenue and Transfers

Change in Net Position

Net Position, Beginning, as Previously Stated

Prior Period Adjustment (Note 14)

Net Position, Beginning, as Restated

Net Position, Ending

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

Net (Expense) Revenue and
 ----- Changes in Net Position -----

Governmental Activities	Business-Type Activities	Total	Component Units
\$ 8,175,134	\$ -	\$ 8,175,134	\$ -
66,081,783	-	66,081,783	-
(28,396,143)	-	(28,396,143)	-
(11,713,166)	-	(11,713,166)	-
(3,923,220)	-	(3,923,220)	-
(3,228,651)	-	(3,228,651)	-
<u>26,995,737</u>	<u>-</u>	<u>26,995,737</u>	<u>-</u>
-	(688,460)	(688,460)	-
-	(34,378)	(34,378)	-
-	(5,210,581)	(5,210,581)	-
-	(89,023)	(89,023)	-
<u>-</u>	<u>(6,022,442)</u>	<u>(6,022,442)</u>	<u>-</u>
26,995,737	(6,022,442)	20,973,295	-
			\$ 1,009,115
5,570,303	-	5,570,303	161,086
20,254,774	-	20,254,774	-
16,932,871	-	16,932,871	-
8,857,425	-	8,857,425	-
1,336,848	-	1,336,848	-
4,384,038	-	4,384,038	-
1,535,280	-	1,535,280	-
51,960	775,000	826,960	-
(3,510,942)	(1,818,547)	(5,329,489)	519,214
(228,505)	391,612	163,107	28,353
(6,349,153)	6,349,153	-	-
<u>48,834,899</u>	<u>5,697,218</u>	<u>54,532,117</u>	<u>708,653</u>
75,830,636	(325,224)	75,505,412	1,717,768
183,472,424	203,089,560	386,561,984	47,055,506
3,776,515	1,251,371	5,027,886	-
<u>187,248,939</u>	<u>204,340,931</u>	<u>391,589,870</u>	<u>47,055,506</u>
<u>\$ 263,079,575</u>	<u>\$ 204,015,707</u>	<u>\$ 467,095,282</u>	<u>\$ 48,773,274</u>

CITY OF CASPER

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022**

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and Cash Equivalents (Note 2)	\$ 1,505,920	\$ 1,029,374	\$ 1,636,535	\$ 4,171,829
Investments (Note 2)	71,596,080	42,423,635	1,029,347	115,049,062
Taxes Receivable	10,548,695	3,113,646	109,240	13,771,581
Accounts Receivable, Net	1,433,922	-	100,824	1,534,746
Special Assessments Receivable	-	-	107,730	107,730
Notes Receivable (Note 3)	2,404,934	97,009	164,000	2,665,943
Lease Receivable (Note 6)	2,747,244	-	-	2,747,244
Other Receivable	-	-	9,024	9,024
Due from Other Governments	43,552	16,899	1,546,419	1,606,870
Due from Other Funds (Note 7)	2,063,270	-	-	2,063,270
Inventory of Supplies	88,918	-	-	88,918
Prepaid Expenses	18,534	30,371	56,385	105,290
Total Assets	\$ 92,451,069	\$ 46,710,934	\$ 4,759,504	\$ 143,921,507
Liabilities, Deferred Inflows of Resources and Fund Balances				
<i>Liabilities</i>				
Accounts Payable	\$ 999,399	\$ 1,075,800	\$ 168,495	\$ 2,243,694
Accrued Wages Payable	1,449,746	-	163,933	1,613,679
Customer Deposits and Held for Others	28,991	-	-	28,991
Due to Other Funds (Note 7)	34,224	-	2,223,759	2,257,983
Unearned Revenues	1,338,446	36,251	-	1,374,697
Total Liabilities	3,850,806	1,112,051	2,556,187	7,519,044
<i>Deferred Inflows of Resources</i>				
Unavailable Grant Revenue	-	-	4,008	4,008
Unavailable Revenue - Special Assessments	-	-	116,164	116,164
Unavailable Revenue - Property Taxes	5,390,089	-	-	5,390,089
Unavailable Revenue - Leases (Note 6)	2,676,683	-	-	2,676,683
Total Deferred Inflows of Resources	8,066,772	-	120,172	8,186,944
<i>Fund Balances (Note 1)</i>				
Nonspendable	2,512,386	30,371	56,385	2,599,142
Restricted	-	-	264,937	264,937
Committed	37,193,301	45,568,512	2,715,145	85,476,958
Unassigned (Deficit)	40,827,804	-	(953,322)	39,874,482
Total Fund Balances	80,533,491	45,598,883	2,083,145	128,215,519
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 92,451,069	\$ 46,710,934	\$ 4,759,504	\$ 143,921,507

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

CITY OF CASPER

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total Fund Balances - Governmental Funds \$ 128,215,519

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

Capital assets used in governmental activities are not financial resources
and therefore are not reported in the funds. 186,988,621

Long-term liabilities, including notes payable and compensated absences
are not due and payable in the current period and therefore not reported in
the funds. (2,869,627)

Assets such as taxes receivable, special assessments receivable, and
grants receivable are not available to pay for current period expenditures
and therefore are deferred in the funds. 121,501

Net pension liability, along with deferred inflows/outflows of resources are
not receivable or payable in the current period and therefore, are not
reported in the funds. (55,107,130)

Internal service funds are used by management to charge the costs of
activities, such as insurance, to individual funds. Certain assets and
liabilities of internal service funds are included in the governmental
activities in the Statement of Net Position. 4,287,305

Internal Service Fund Items included in Reconciling Items Above:

Net Book Value of Property and Equipment (10,950)

Compensated Absences 79,464

Net Pension Liability and Deferred Inflows of Resources 1,374,872

1,443,386

Total Net Position - Governmental Activities \$ 263,079,575

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

CITY OF CASPER

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenue				
Taxes and Special Assessments	\$ 35,596,069	\$ 16,932,871	\$ 1,625,985	\$ 54,154,925
Licenses and Permits	1,859,322	-	-	1,859,322
Intergovernmental Revenue	15,022,591	2,006,107	2,955,670	19,984,368
Charges for Goods and Services	4,427,951	-	783,748	5,211,699
Fines and Forfeits	1,731,986	-	-	1,731,986
Earnings (Loss) on Deposits and Investments	(2,326,035)	(1,075,696)	(14,031)	(3,415,762)
Rentals	417,101	-	-	417,101
Contributions and Donations - Private Sources	19,197	11,834	20,929	51,960
Other	302,173	4,298	2,447	308,918
Total Revenue	57,050,355	17,879,414	5,374,748	80,304,517
Expenditures				
Current:				
General Government	10,040,902	2,628,727	810,813	13,480,442
Public Safety	27,771,523	-	433,456	28,204,979
Public Works	3,871,661	-	2,586,697	6,458,358
Health and Welfare	1,247,450	-	2,897,584	4,145,034
Culture and Recreation	2,869,232	-	-	2,869,232
Debt Service	603,040	-	65,280	668,320
Capital Outlay	8,331,825	7,648,734	126,585	16,107,144
Total Expenditures	54,735,633	10,277,461	6,920,415	71,933,509
Excess (Deficit) of Revenue Over (Under)				
Expenditures	2,314,722	7,601,953	(1,545,667)	8,371,008
Other Financing Sources (Uses)				
Sale of Municipal Property	603,500	-	-	603,500
Transfers In (Note 7)	1,460,152	1,063,568	1,428,604	3,952,324
Transfers Out (Note 7)	(6,363,824)	(3,638,301)	(21,223)	(10,023,348)
Total Other Financing Sources (Uses)	(4,300,172)	(2,574,733)	1,407,381	(5,467,524)
Net Change in Fund Balances	(1,985,450)	5,027,220	(138,286)	2,903,484
Fund Balance -- June 30, 2021	82,518,941	40,571,663	2,221,431	125,312,035
Fund Balance -- June 30, 2022	\$ 80,533,491	\$ 45,598,883	\$ 2,083,145	\$ 128,215,519

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

CITY OF CASPER

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Government Funds \$ 2,903,484

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

Government funds report capital outlays as expenditures; however, in the Statement of Activities the cost of those assets is allocated over their estimated lives and reported as depreciation expense.

Capital Asset Purchases Capitalized	16,107,144
Depreciation and Amortization Expense	(9,494,435)
	<hr/>
	6,612,709

Capital assets transferred to proprietary funds (230,574)

The governmental funds reflect proceeds from capital asset sales, if any, while the Statement of Activities reports a gain or loss on sale or disposal of capital assets. (1,352,471)

The fund financial statement governmental fund accruals differ from the government-wide statement accruals in that the fund financial statements require the amounts to be "available." These include:

Property Taxes and Special Assessments	112,500
Unavailable Grant Revenue	(1,122,595)

Repayment of note payable principal and lease liability is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 922,961

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These include:

Accrued Leave	(57,071)
Accrued Interest	5,699

Changes in the pension related deferred outflows/inflows, pension liability, and related pension expenses. 68,396,055

Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The net revenue of the internal service fund is reported with governmental activities. (159,410)

Internal Service Fund Items included in Reconciling Items Above:

Depreciation Expense	16,396
Compensated Absences	3,568
Pension Plan Items	(220,615)
	<hr/>
	(200,651)

Change in Net Position of Governmental Activities \$ 75,830,636

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

CITY OF CASPER

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2022**

	Utilities Fund	Solid Waste Fund	Recreation Fund
Assets			
<i>Current Assets</i>			
Cash and Cash Equivalents (Note 2)	\$ 1,652,949	\$ 1,042,744	\$ 940,688
Investments (Note 2)	34,513,285	14,711,687	-
Accounts Receivable, Net	3,336,937	1,271,764	60,820
Due from Other Funds (Note 7)	4,308	35,279	-
Due from Other Governments	-	130,008	-
Leases Receivable (Note 6)	270,802	-	233,706
Prepaid Expenses	-	67,652	-
Inventory	665,919	33,506	34,058
Total Current Assets	40,444,200	17,292,640	1,269,272
<i>Capital Assets (Note 4)</i>			
Land	7,695,039	288,441	520,645
Construction Work in Progress	2,333,430	264,973	-
Buildings	16,755,364	22,734,894	39,225,007
Improvements Other Than Buildings	166,816,301	20,123,624	38,874,917
Machinery and Equipment	15,255,345	16,691,088	5,396,216
Infrastructure	14,696,082	694,288	-
Accumulated Depreciation	(117,145,521)	(24,740,772)	(42,280,310)
Total Capital Assets, Net	106,406,040	36,056,536	41,736,475
Total Assets	\$ 146,850,240	\$ 53,349,176	\$ 43,005,747

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

Parking Lot Fund	Total Proprietary Funds	Internal Service Funds
\$ 3,371	\$ 3,639,752	\$ 1,308,704
150,849	49,375,821	3,253,430
333	4,669,854	29,548
-	39,587	156,056
-	130,008	-
258,427	762,935	-
-	67,652	41,370
-	733,483	81,623
412,980	59,419,092	4,870,731
-	8,504,125	-
-	2,598,403	-
2,337,122	81,052,387	-
644,065	226,458,907	-
55,379	37,398,028	789,292
-	15,390,370	-
(2,145,091)	(186,311,694)	(778,342)
891,475	185,090,526	10,950
\$ 1,304,455	\$ 244,509,618	\$ 4,881,681

CITY OF CASPER

STATEMENT OF NET POSITION (CONTINUED)
 PROPRIETARY FUNDS
 JUNE 30, 2022

	Utilities Fund	Solid Waste Fund	Recreation Fund
Liabilities and Net Position			
<i>Current Liabilities</i>			
Accounts Payable	\$ 2,274,396	\$ 340,202	\$ 137,568
Current Portion of Long-Term Debt (Note 5)	1,583,149	537,587	72,935
Due to Other Fund (Note 7)	-	-	930
Accrued Interest Payable	103,280	104,825	-
Accrued Wages Payable	219,153	182,373	140,816
Customer Deposits	31,050	-	348,830
Total Current Liabilities	4,211,028	1,164,987	701,079
<i>Noncurrent Liabilities</i>			
Long-Term Debt, Net of Current Portion (Note 5)	9,244,766	5,350,467	12,706
Net Pension Liability (Note 9)	2,922,446	2,296,645	908,865
Landfill Closure and Postclosure Liability (Note 12)	-	8,529,544	-
	12,167,212	16,176,656	921,571
Total Liabilities	16,378,240	17,341,643	1,622,650
<i>Deferred Inflows of Resources</i>			
Pension Related Deferred Inflows	1,476,222	1,160,109	459,097
Lease Related Deferred Inflows (Note 6)	263,100	-	228,342
	1,739,322	1,160,109	687,439
Total Liabilities and Deferred Inflows of Resources	18,117,562	18,501,752	2,310,089
Net Position			
Net Investment in Capital Assets	95,846,699	30,385,836	41,736,475
Unrestricted Net Position	32,885,979	4,461,588	(1,040,817)
Total Net Position	128,732,678	34,847,424	40,695,658
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 146,850,240	\$ 53,349,176	\$ 43,005,747

Parking Lot Fund	Total Proprietary Funds	Internal Service Funds
\$ 375	\$ 2,752,541	\$ 379,834
-	2,193,671	-
-	930	-
-	208,105	-
-	542,342	151,601
-	379,880	-
375	6,077,469	531,435
-	14,607,939	-
-	6,127,956	913,456
-	8,529,544	-
-	29,265,439	913,456
375	35,342,908	1,444,891
-	3,095,428	461,416
252,202	743,644	-
252,202	3,839,072	461,416
252,577	39,181,980	1,906,307
891,475	168,860,485	10,950
160,403	36,467,153	2,964,424
1,051,878	205,327,638	2,975,374
\$ 1,304,455	\$ 244,509,618	\$ 4,881,681

CITY OF CASPER

**RECONCILIATION OF THE PROPRIETARY FUNDS NET POSITION TO THE
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total Net Position - Enterprise Funds \$ 205,327,638

Amounts reported for business-type activities in the Statement
of Net Position are different because:

Internal service funds are used by management to charge the costs of activities, such as health insurance, property insurance, building maintenance, and fleet management to individual funds. Certain amounts reported for business-type activities in the Statement of Net Position are different because of the Enterprise Funds' participation in the activities conducted in the internal service funds.

(1,311,931)

Total Net Position - Business-Type Activities

\$ 204,015,707

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

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CITY OF CASPER

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Utilities Fund	Solid Waste Fund	Recreation Fund
Operating Revenue			
Charges for Goods and Services	\$ 30,534,828	\$ 16,460,273	\$ 2,755,329
Operating Expenses			
Personal Services	5,578,652	5,330,067	2,673,509
Other Current Expenses	19,636,040	8,364,975	2,886,629
Depreciation	5,777,229	2,757,066	2,410,358
Total Operating Expenses	30,991,921	16,452,108	7,970,496
Operating Income (Loss)	(457,093)	8,165	(5,215,167)
Non-Operating Income (Expense)			
Intergovernmental	52,372	116,346	-
Earnings (Loss) on Deposits and Investments	(1,277,180)	(537,308)	3,532
Other	339,056	394	19,070
Interest Expense and Fiscal Charges	(242,731)	(144,633)	-
Gain (Loss) on Disposition of Assets	26,000	7,092	-
Total Non-Operating Income (Expense)	(1,102,483)	(558,109)	22,602
Income (Loss) before Other Financing Sources (Uses)	(1,559,576)	(549,944)	(5,192,565)
Other Financing Sources (Uses)			
Forgiveness of Long-Term Debt	775,000	-	-
Capital Asset Transfers	-	-	278,129
Transfers In (Note 7)	3,000,000	-	3,494,780
Transfers Out (Note 7)	(2,748)	(53,000)	(234,833)
Total Other Financing Sources (Uses)	3,772,252	(53,000)	3,538,076
Net Income (Loss)	2,212,676	(602,944)	(1,654,489)
Net Position - June 30, 2021, as previously stated	125,911,042	35,007,433	42,150,671
Prior Period Adjustment (Note 14)	608,960	442,935	199,476
Net Position - June 30, 2021, as restated	126,520,002	35,450,368	42,350,147
Net Position - June 30, 2022	\$ 128,732,678	\$ 34,847,424	\$ 40,695,658

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

Parking Lot Fund	Total Proprietary Funds	Internal Service Funds
\$ 12,442	\$ 49,762,872	\$ 7,026,273
-	13,582,228	1,582,107
41,623	30,929,267	5,276,990
72,422	11,017,075	16,396
114,045	55,528,570	6,875,493
(101,603)	(5,765,698)	150,780
-	168,718	-
(7,591)	(1,818,547)	(95,180)
-	358,520	-
-	(387,364)	-
-	33,092	(168,688)
(7,591)	(1,645,581)	(263,868)
(109,194)	(7,411,279)	(113,088)
-	775,000	-
-	278,129	(84,420)
-	6,494,780	-
(133,175)	(423,756)	-
(133,175)	7,124,153	(84,420)
(242,369)	(287,126)	(197,508)
1,294,247	204,363,393	2,979,672
-	1,251,371	193,210
1,294,247	205,614,764	3,172,882
\$ 1,051,878	\$ 205,327,638	\$ 2,975,374

CITY OF CASPER

**RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Net Change in Net Position - Total Enterprise Funds \$ (287,126)

Amounts reported for business-type activities in the Statement of Activities
are different because:

Internal service funds are used by management to charge the costs of certain activities,
such as health insurance, property insurance, building maintenance, and fleet management
to individual funds. Certain amounts reported for business-type activities in the Statement
of Activities are different because of Enterprise Funds' participation in the activities
conducted in the internal service funds.

	(38,098)
Change in Net Position of Business-Type Activities	\$ (325,224)

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

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CITY OF CASPER

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2022

	Utilities Fund	Solid Waste Fund	Recreation Fund
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 30,750,333	\$ 16,333,698	\$ 3,460,774
Payments to Suppliers	(19,820,265)	(8,057,074)	(3,634,626)
Payments to Employees	(5,662,843)	(4,544,543)	(2,877,656)
Net Cash Flows Provided by (Used in) Operating Activities	5,267,225	3,732,081	(3,051,508)
Cash Flows from Noncapital Financing Activities:			
Internal Activity, Net	(114,104)	(32,048)	(210,512)
Operating Subsidies	164,327	-	-
Transfers In	3,000,000	-	3,494,780
Transfers Out	(2,748)	(53,000)	(234,833)
Net Cash Flows Provided by (Used in) Noncapital Financing Activities	3,047,475	(85,048)	3,049,435
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(3,543,299)	(1,224,580)	(39,608)
Principal Paid on Long-Term Debt	(1,213,132)	(333,375)	-
Proceeds from Long-Term Debt	442,245	-	-
Interest Paid	(539,775)	(152,405)	-
Proceeds from Sale of Equipment	26,000	7,092	-
Other Receipts (Disbursements)	339,056	(45,055)	19,070
Net Cash Flows Used in Capital and Related Financing Activities	(4,488,905)	(1,748,323)	(20,538)
Cash Flows Provided by (Used in) Investing Activities:			
Investment Earnings (Losses)	(1,170,257)	(491,328)	3,840
Increase (Decrease) in Cash and Investments	2,655,538	1,407,382	(18,771)
Cash and Investments - June 30, 2021	33,510,696	14,347,049	959,459
Cash and Investments - June 30, 2022	\$ 36,166,234	\$ 15,754,431	\$ 940,688
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ (457,093)	\$ 8,165	\$ (5,215,167)
<i>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</i>			
Depreciation Expense	5,777,229	2,757,066	2,410,358
Change in Landfill Closure and Post-Closure Liability	-	752,018	-
Change in Assets and Liabilities:			
Change in Accounts Receivable	227,954	(126,575)	356,615
Change in Prepaid Expense	-	(35,857)	-
Change in Inventories	(68,881)	(33,506)	(23,138)
Change in Accounts Payable	(87,376)	(374,754)	(719,495)
Change in Accrued Wages	58,173	51,928	27,358
Change in Compensated Absences	(20,266)	8,623	20,727
Change in Customer Deposits	(12,449)	-	348,830
Change in Lease Receivable and Deferred Inflow	(7,702)	-	(5,364)
Pension Liability	(703,308)	330,805	(517,938)
Pension Related Deferred Outflows and Inflows	560,944	394,168	265,706
Net Cash Flows Provided by (Used in) Operating Activities	\$ 5,267,225	\$ 3,732,081	\$ (3,051,508)
Noncash Capital and Related Financing Activities			
Capital Contributions	\$ -	\$ -	\$ 278,129
Principal Forgiveness of Long-Term Debt	775,000	-	-
Reconciliation of Cash, Cash Equivalents and Investments			
Cash and Cash Equivalents	\$ 1,652,949	\$ 1,042,744	\$ 940,688
Investments	34,513,285	14,711,687	-
	\$ 36,166,234	\$ 15,754,431	\$ 940,688

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

Parking Lot Fund	Total Proprietary Funds	Internal Service Funds
\$ 12,109	\$ 50,556,914	\$ 7,148,201
(50,023)	(31,561,988)	(5,664,284)
-	(13,085,042)	(1,772,873)
(37,914)	5,909,884	(288,956)
-	(356,664)	(240,476)
-	164,327	51,421
-	6,494,780	-
(133,175)	(423,756)	-
(133,175)	5,878,687	(189,055)
-	(4,807,487)	-
-	(1,546,507)	-
-	442,245	-
-	(692,180)	-
-	33,092	-
-	313,071	-
-	(6,257,766)	-
(5,907)	(1,663,652)	(95,180)
(176,996)	3,867,153	(573,191)
331,216	49,148,420	5,135,325
\$ 154,220	\$ 53,015,573	\$ 4,562,134
\$ (101,603)	\$ (5,765,698)	\$ 150,780
72,422	11,017,075	16,396
-	752,018	-
(333)	457,661	121,928
-	(35,857)	(41,370)
-	(125,525)	(16,539)
(2,175)	(1,183,800)	(329,385)
-	137,459	26,281
-	9,084	3,568
-	336,381	-
(6,225)	(19,291)	-
-	(890,441)	(501,802)
-	1,220,818	281,187
\$ (37,914)	\$ 5,909,884	\$ (288,956)
\$ -	\$ 278,129	\$ -
-	775,000	-
\$ 3,371	\$ 3,639,752	\$ 1,308,704
150,849	49,375,821	3,253,430
\$ 154,220	\$ 53,015,573	\$ 4,562,134

CITY OF CASPER

**STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2022**

	Amoco Reuse Joint Powers Board Fund	Police Evidence Fund	Court Bonds Fund	Total Custodial Funds
Assets				
Cash and Cash Equivalents	\$ 842,185	\$ 83,537	\$ 79,378	\$ 1,005,100
Investments	5,368,389	-	-	5,368,389
Total Assets	\$ 6,210,574	\$ 83,537	\$ 79,378	\$ 6,373,489
Net Position				
Restricted for:				
Amoco Reuse Agreement				
Joint Powers Board	\$ 6,210,574	\$ -	\$ -	\$ 6,210,574
Individuals, Organization, and Other Governments	-	83,537	79,378	162,915
Total Net Position	\$ 6,210,574	\$ 83,537	\$ 79,378	\$ 6,373,489

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

CITY OF CASPER

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2022

	Amoco Reuse Joint Powers Board Fund	Police Evidence Fund	Court Bonds Fund	Total Custodial Funds
ADDITIONS				
Contributions:				
Seizures from Crime Scenes	\$ -	\$ 204,281	\$ -	\$ 204,281
Mandated Collections from Perpetrators	-	-	401,891	401,891
Total Contributions	-	204,281	401,891	606,172
Investment Earnings:				
Interest, Dividends, and Other	84,503	-	-	84,503
Less Investment Cost	6,212	-	-	6,212
Net Investment Earnings	78,291	-	-	78,291
Total Additions	78,291	204,281	401,891	684,463
DEDUCTIONS				
Court Bond Refunds	-	-	369,312	369,312
Forfeited Court Bonds	-	-	155,877	155,877
Refunded Seizures from Crime Scenes	-	203,365	-	203,365
Administrative Expense	-	144	-	144
Net Decrease in Fair Value of Investments	219,351	-	-	219,351
Withdrawals	2,080,000	-	-	2,080,000
Total Deductions	2,299,351	203,509	525,189	3,028,049
Net Increase (Decrease) in Fiduciary Net Position	(2,221,060)	772	(123,298)	(2,343,586)
Net Position - June 30, 2021	8,431,634	82,765	202,676	8,717,075
Net Position - June 30, 2022	\$ 6,210,574	\$ 83,537	\$ 79,378	\$ 6,373,489

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

CITY OF CASPER

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2022

	Central Wyoming Regional Water System Joint Powers Board	Economic Development Joint Powers Board	Downtown Development Authority	Total Component Units
Assets				
<i>Current Assets</i>				
Cash and Cash Equivalents	\$ 574,826	\$ 2,316,081	\$ 520,647	\$ 3,411,554
Cash and Cash Equivalents, Restricted	1,000,000	-	-	1,000,000
Investments	5,328,981	202,412	-	5,531,393
Accounts Receivable, Net	1,143,423	-	214,869	1,358,292
Notes Receivable	-	357,377	-	357,377
Prepaid Expenses	24,163	5,400	-	29,563
Inventory	598,327	-	-	598,327
Total Current Assets	8,669,720	2,881,270	735,516	12,286,506
<i>Capital Assets</i>				
Land	580,874	-	-	580,874
Construction Work in Progress	179,179	-	-	179,179
Other Capital Assets, Net of Depreciation	42,073,707	3,387	5,082,330	47,159,424
Total Capital Assets, Net	42,833,760	3,387	5,082,330	47,919,477
Total Assets	\$ 51,503,480	\$ 2,884,657	\$ 5,817,846	\$ 60,205,983
Liabilities and Net Position				
<i>Current Liabilities</i>				
Accounts Payable	\$ 527,706	\$ 100	\$ 46,154	\$ 573,960
Current Portion of Long-Term Debt	2,175,161	-	-	2,175,161
Accrued Interest Payable	109,018	-	-	109,018
Accrued Expenses	43,847	-	-	43,847
Total Current Liabilities	2,855,732	100	46,154	2,901,986
<i>Noncurrent Liabilities</i>				
Long-Term Debt, Net of Current Portion	8,318,989	-	-	8,318,989
Deferred Inflows of Resources				
Unavailable Property Taxes	-	-	211,734	211,734
Total Liabilities and Deferred Inflows of Resources	11,174,721	100	257,888	11,432,709
Net Position				
Net Investment in Capital Assets	32,339,610	3,387	5,082,330	37,425,327
Restricted Net Position	1,000,000	-	-	1,000,000
Unrestricted Net Position	6,989,149	2,881,170	477,628	10,347,947
Total Net Position	40,328,759	2,884,557	5,559,958	48,773,274
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 51,503,480	\$ 2,884,657	\$ 5,817,846	\$ 60,205,983

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

CITY OF CASPER

COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2022

Component Unit	Expenses	--- Program Revenues ---		Net (Expense) Revenue and ----- Changes in Net Position -----			Total
		Charges for Services	Operating Grants and Contributions	Central Wyoming Regional Water Joint Powers Board	Economic Development Joint Powers Board	Downtown Development Authority	
Central Wyoming Regional Water Joint Powers Board	\$ 6,236,002	\$ 7,960,812	\$ -	\$ 1,724,810	\$ -	\$ -	\$ 1,724,810
Economic Development Joint Powers Board	713,755	-	568,837	-	(144,918)	-	(144,918)
Downtown Development Authority	924,787	354,010	-	-	-	(570,777)	(570,777)
Total Component Units	\$ 7,874,544	\$ 8,314,822	\$ 568,837	1,724,810	(144,918)	(570,777)	1,009,115
General Revenues:							
Property Taxes				-	-	161,086	161,086
Miscellaneous				15,836	-	12,517	28,353
Unrestricted Investment Earnings (Loss)				(146,293)	633,394	32,113	519,214
Total General Revenue				(130,457)	633,394	205,716	708,653
Change in Net Position				1,594,353	488,476	(365,061)	1,717,768
Net Position, Beginning				38,734,406	2,396,081	5,925,019	47,055,506
Net Position, Ending				\$ 40,328,759	\$ 2,884,557	\$ 5,559,958	\$ 48,773,274

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

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies

Reporting Entity

The City of Casper (the City) is a municipal corporation governed by nine elected council members. The reporting entity of the City consists of the primary government (which includes all of the funds, organizations, institutions, agencies, departments, and offices that make up the legal entity, plus those funds for which the primary government has a fiduciary responsibility, even though those fiduciary funds may represent organizations that do not meet the criteria for inclusion in the financial reporting entity); those organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the financial reporting entity's financial statements to be misleading or incomplete.

Discretely Presented Component Units

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The City is financially accountable if its governing board appoints a voting majority of another organization's governing body and has the ability to impose its will on that organization, or where there is a potential for that organization to provide specific financial benefits to, or impose specific financial burdens on, the City. The City may also be financially accountable for another organization if that organization is fiscally dependent on the City.

The Central Wyoming Regional Water System Joint Powers Board (CWRWS) primarily serves the City, but also provides services to Natrona County and several water and sewer districts in the region. The CWRWS was established to provide an orderly, economical, and efficient method of jointly administering and operating a regional water system. CWRWS issues separate standalone financial statements. Additional inquiries may be directed to CWRWS, 1500 SW Wyoming Boulevard, Casper, WY 82604.

The Economic Development Joint Powers Board (EDJPB) primarily serves the City and Natrona County. The Board was established to promote employment opportunities for the citizens of the Casper area by attracting and encouraging expansion within the region. The EDJPB issues separate standalone financial statements. Additional inquiries may be directed to EDJPB, 111 S. Durbin Street, Suite 200, Casper, WY 82601.

The Downtown Development Authority (DDA) primarily serves the City and was established to account for all of the revenues and expenditures associated with the activities of the David Street Station in downtown Casper, along with activities associated with developing the downtown area. The DDA does not issue separate financial statements. Additional inquiries may be directed to DDA, 136 S Wolcott Street, Casper, WY 82601.

Due to the nature and significance of its relationship with the City, the exclusion of CWRWS, EDJPB, and DDA would render the financial statements of the City incomplete or misleading.

Basis of Presentation

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting entity as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental, business-type activities and discretely presented component units. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Discretely presented component units are legally separate organizations that meet certain criteria, as described in the Discretely Presented Component Units section above, and may be classified as either governmental or business-type activities.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Government-wide Financial Statements (Continued):

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by recipients of goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or it meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined, or
3. Management has elected to classify one or more governmental or enterprise funds as major for consistency in reporting from year to year, or because of public interest in the fund's operations.

The funds of the City financial reporting entity are described below:

Governmental Funds:

The City reports the following major governmental funds:

General Fund – the General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is always considered to be a major fund.

Capital Projects Fund – the Capital Projects fund is used to account for sales and use taxes earmarked for the acquisition or construction of capital projects and equipment. The Capital Projects Fund is a major fund.

The City reports the following non-major governmental funds:

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organization, or other governments, or for major capital projects) that are legally restricted to expenditures for specified purposes. The City has seven special revenue funds.

Debt Service Fund – Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The City reports one debt service fund.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Concluded)

Fund Financial Statements (Continued):

Proprietary Funds:

Enterprise Funds – Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The City reports the following major enterprise funds:

Utilities Fund – the Utilities Fund is used to account for operations associated with providing water, wastewater, sewer collection, and wastewater treatment services to residents, along with construction and operation of the City’s water, sewer, and wastewater systems and related facilities.

Solid Waste Fund – the Solid Waste Fund is used to account for operations associated with providing balefill and solid waste collection, along with construction and operation of the City’s landfill.

Recreation Fund – the Recreation Fund is used to account for the operations of the Casper Municipal Golf Course, Hogadon Ski Area, Casper Events Center, outdoor pools and indoor aquatics center, the indoor ice arena, the recreation facility and various recreation and field programs of the City.

Parking Fund – the Parking Fund is used to account for the operations of the parking facility.

Internal Service Funds:

Internal Service Funds – Internal service funds are used to account for the financing of goods or services provided by one department or custodial to other departments or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis. Internal service funds are never considered to be major funds. The Employee Health and Accident Insurance Fund and General Internal Services Fund are the only internal service funds maintained by the City.

Employee Health Insurance Fund – This fund has historically been used for expenses related to the City’s self-insurance plan. The City joined the State health insurance plan in fiscal year 2020 and no longer has expenses related to the self-insurance plan. The remaining balance of this fund is now being used to pay for health-related expenses, including retiree subsidies, mental health benefits, and wellness programs for employees.

General Internal Services Fund – maintained for the City’s fleet of vehicles, and to finance and account for property insurance, maintenance of buildings and equipment.

Fiduciary Funds

Fiduciary funds consist of the following subcategory and are never considered to be a major fund.

Custodial funds – Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for cash and investments held on behalf of the Amoco Reuse Joint Powers Board, police evidence and court bonds.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe “how” transactions are recorded within the various financial statements. Basis of accounting refers to “when” revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus.

Measurement Focus:

Government-wide Financial Statements:

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus, applied on the accrual basis of accounting.

Fund Financial Statements:

In the fund financial statements, the “current financial resources” measurement focus and the modified-accrual basis of accounting are applied to governmental fund types, while the “economic resources” measurement focus and the accrual basis of accounting are applied to the proprietary and fiduciary fund types.

Basis of Accounting:

Government-wide Financial Statements:

In the government-wide Statement of Net Position and Statement of Activities, governmental, business-type, and component-unit activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues and related assets are recorded when earned (usually when the right to receive cash vests); and, expenses and related liabilities are recorded when an obligation is incurred (usually when the obligation to pay cash in the future vests).

Fund Financial Statements:

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues, including property taxes, are recognized when they become measurable and available. “Available” means resources are collected or to be collected soon enough after the end of the fiscal year that they can be used to pay the bills of the current period. The accrual period does not exceed one bill-paying cycle, and for the City, the length of that cycle is 60 days. The revenues which are accrued at June 30, 2022, are property taxes, special assessments, lease revenue, and amounts due from other governments.

Reported deferred revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

Expenditures are generally recognized when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt, which are recognized when due.

All proprietary and fiduciary fund types are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and their expenses are recognized when they are incurred.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Interfund Eliminations and Reclassifications

Government-wide Financial Statements:

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified, as follows:

1. In order to minimize the grossing-up effect on assets and liabilities within the governmental and business-type activities columns of the primary government, amounts reported as interfund receivables and payables have been eliminated in the governmental and business-type activities columns, except for the net, residual amounts due between governmental and business-type activities, which are presented as Internal Balances.
2. In order to minimize the doubling-up effect on the internal services fund activity, certain “centralized expenses,” including an administrative overhead component, are charged as direct expenses to the funds or programs in order to show all expenses that are associated with a service, program, department, or fund. When expenses are charged in this manner, expense reduction occurs in the Internal Service Fund, so that expenses are only reported in the function to which they relate.

Fund Financial Statements:

Noncurrent portions of long-term interfund receivables (reported in “Advance to” asset accounts) are equally offset by nonspendable fund balance which indicates that they do not constitute available spendable resources since they are not a component of net current assets. Current portions of interfund receivables (reported in “Due from” asset accounts) are considered available spendable resources.

Cash and Cash Equivalents

For the purposes of financial reporting, “cash and cash equivalents” includes all demand and saving accounts and certificates of deposit or short-term investments with a term to maturity at date of acquisition of three months or less. Investments in open-end mutual fund shares, or similar investments in external investment pools, are also considered to be cash equivalents.

The City pools the cash and investment resources of its funds for cash management purposes. The proprietary funds essentially have access to the entire amount of the cash and investment resources on demand. Accordingly, each proprietary fund’s equity in the cash management pool, including restricted investments, is considered to be cash and cash equivalents for the purpose of the Statement of Cash Flows.

Investments

The City follows the guidelines described in Wyoming Statute 9-4-831 as it relates to the investment of public funds. Wyoming Statutes authorize the types of investments in which the City may invest. Among these authorized investments are U.S., state, and local government securities and accounts of any bank or savings association that is Federally insured or secured by a pledge of assets, including bonds, debentures, and other securities in which the City may by law invest.

The City’s investments consist of U.S. government agency notes and bonds, U.S. government agency mortgage-backed securities, government sponsored enterprise securities (GSEs) including mortgage backed securities, commercial paper, and participation in WYO-STAR.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Investments (Continued)

WYO-STAR is an authorized government investment pool created by the Wyoming State Treasurer's office for Wyoming local government investing. The value of the City's investments in WYO-STAR equals the value of its WYO-STAR shares. Each participant's position in the WYO-STAR investment pool is calculated by the proportion of the cost of their contribution to the total funds invested in the pool multiplied by the pool's total fair value. WYO-STAR investments consist of short-term bonds and cash with a weighted average maturity which does not exceed 90 days.

Receivables and Payables

Receivables and payables are not aggregated in these financial statements. The City expects all receivables to be collected within one year. Appropriate allowances for estimated uncollectible amounts at June 30, 2022 total approximately \$881,000, \$24,000, \$162,000, \$110,000, \$5,800, and \$11,500 for the general, debt service, utility, solid waste, recreation and internal service funds, respectively. Included in accounts receivable are unbilled receivables of approximately \$1,350,000 and \$455,000, for the utility and solid waste funds, respectively.

Inventory

Inventory consists of parts and supplies for facility and equipment repair, and maintenance of City vehicles, along with inventory for sale at the Fort Caspar museum. Inventory is recorded at the lower of cost or market, using the first-in, first-out method.

Capital Assets

Capital assets include land, buildings, infrastructure, machinery and equipment, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets.

The accounting treatment over capital assets depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Financial Statements:

Capital assets are recorded at historical cost, or estimated cost, where actual cost could not be determined. Donated capital assets are valued at their acquisition value on the donation date. Reported cost values include ancillary charges necessary to place the asset into its intended location and condition for use. Subsequent to initial capitalization, improvements or betterments that are significant and which extend the useful life of a capital asset are also capitalized.

Infrastructure assets used in general government operations, consisting of certain improvements other than buildings, including roads, bridges, sidewalks, drainage systems, and lighting systems, acquired prior to January 1, 2004, were not required to be capitalized by the City. Infrastructure assets acquired since January 1, 2004, are recorded at cost, and classified as Improvements Other Than Buildings.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the government-wide Statement of Activities, with net capital assets reflected in the Statement of Net Position. Accumulated depreciation is reported on the government-wide Statement of Net Position and on each proprietary fund's Statement of Net Position/Balance Sheet.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Government-wide Financial Statements (Continued):

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$ -0-	----N/A----	----N/A----
Improvements Other Than Buildings	\$ 5,000	Straight-line	10-50 yrs.
Buildings	\$ 5,000	Straight-line	10-50 yrs.
Machinery and Equipment	\$ 5,000	Straight-line	5-40 yrs.
Infrastructure	\$ 5,000	Straight-line	10-50 yrs.

Land is an inexhaustible capital asset and is not depreciated.

Fund Financial Statements:

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the appropriate governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for on the accrual basis, the same as in the government-wide statements.

Leases

Lessee:

The City is a lessee for noncancellable leases of office space. The City recognizes a lease liability (Note 5) and an intangible right-to-use lease asset (Note 4) in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Leases (Continued)

Lessor:

The City is a lessor for a noncancellable lease of land, parking spaces, restaurant space, and office space. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The City uses the implicit borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of a lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets and liabilities, the statement of financial position reports a section for the deferred outflows of resources and deferred inflows of resources.

Deferred outflows of resources represent consumption of net position that applies to a future period or periods. These items will not be recognized as an outflow of resources until the applicable future period. The City has not recognized any deferred outflows of resources as of June 30, 2022.

Deferred inflows of resources represent acquisitions of net position that applies to a future period or periods. These items will not be recognized as an outflow of resources until the applicable future period. Deferred inflows of resources consist primarily of property taxes, special assessments, pension, and leases.

Compensated Absences

The City allows employees to accumulate unused vacation and sick pay by accumulated compensatory leave up to certain limits. All vacation and sick pay are accrued when incurred in government-wide and proprietary fund financial statements and recorded as an expenditure in the governmental fund statements when the employees use the benefits.

Long-Term Liabilities

The accounting treatment of long-term liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Long-Term Liabilities (Continued)

All long-term liabilities to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term liabilities primarily consist of notes payable and long-term debt, compensated absences, lease liabilities and landfill closure and post-closure liabilities.

In the governmental fund financial statements, debt proceeds are reported as revenues (other financing sources), while payments of principal and interest are reported as expenditures when they become due. The accounting for proprietary fund long-term debt is on the accrual basis for both the fund statements and the government-wide statements.

Equity Classifications

Government-wide Financial Statements:

Equity is classified as net position and is displayed in three components:

1. Net investment in capital assets – consists of capital assets, including restricted capital assets, net of accumulated depreciation (if applicable) and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted net position – consists of net position with constraints placed on their use either by (a) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (b) laws through constitutional provisions or enabling legislation.
3. Unrestricted net position – all other net position that do not meet the definition of restricted or net investment in capital assets.

Fund Financial Statements:

The City classifies governmental fund balance as follows:

Nonspendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Council, Mayor, or Finance Officer. The City has no assigned fund balances at year end.

Unassigned – includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Equity Classifications (Continued)

Fund Financial Statements (Continued):

As of June 30, 2022, the City had the following governmental fund classifications:

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:				
Inventory	\$ 88,918	\$ -	\$ -	\$ 88,918
Notes Receivable	2,404,934	-	-	2,404,934
Prepaid Expenses	18,534	30,371	56,385	105,290
	<u>2,512,386</u>	<u>30,371</u>	<u>56,385</u>	<u>2,599,142</u>
Restricted:				
Redevelopment Loans	-	-	264,937	264,937
	-	-	<u>264,937</u>	<u>264,937</u>
Committed				
Perpetual Care of One-Cent Projects	28,552,011	-	-	28,552,011
Capital Projects	-	45,568,512	-	45,568,512
Opportunity Projects	6,534,543	-	-	6,534,543
Metropolitan Animal Control	905,281	-	-	905,281
Metropolitan Planning	-	-	265,680	265,680
Revolving Land Fund	802,886	-	-	802,886
Weed and Pest Activities	-	-	1,023,679	1,023,679
River Management	398,580	-	-	398,580
Debt Service	-	-	750,314	750,314
Special Fire Assistance	-	-	21,228	21,228
Police Projects	-	-	-	-
Public Safety Communication	-	-	654,244	654,244
	<u>37,193,301</u>	<u>45,568,512</u>	<u>2,715,145</u>	<u>85,476,958</u>
Unassigned (Deficit)	40,827,804	-	(953,322)	39,874,482
Total Fund Balances	<u>\$ 80,533,491</u>	<u>\$ 45,598,883</u>	<u>\$ 2,083,145</u>	<u>\$ 128,215,519</u>

At June 30, 2022, the Public Transit fund has a deficit fund balance (\$950,706) and the Police Grants Fund has a deficit balance of (\$3,686). These deficits will be financed through future revenues of the fund.

With regard to the City's governmental funds, the City uses restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar-for-dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Proprietary fund equity is classified the same as in the government-wide financial statements. The City does not have a formal minimum fund balance policy. With regard to the City's proprietary funds, it is the City's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Fiduciary fund equity is reported as restricted.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Continued)

Program Revenues

Program revenues are derived directly from the program itself or from parties other than the City's taxpayers or citizenry, as a whole. Program revenues are classified into three categories, as follows:

1. Charges for services – These arise from charges to customers, applicants, or others who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services.
2. Program-specific operating grants and contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals and are restricted for use in a particular program.
3. Program-specific capital grants and contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals and are restricted for the acquisition of capital assets for use in a particular program.

Proprietary Funds Revenue and Expense Classifications

In the proprietary fund's Statement of Activities, revenues and expenses are classified in a manner consistent with how they are classified in the Statement of Cash Flows. That is, transactions for which related cash flows are reported as capital and related financing activities, non-capital financing activities, or investing activities are not reported as components of operating revenues or expenses.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied on or before August 1 and are payable in two installments before September 1 and March 1 of the following year. The county bills and collects the taxes and remits them to the City. The City is permitted by several state statutes to levy up to 8 mills of the assessed valuation on taxable real property in the City.

Use of Estimates

The preparation of the financial statements in accordance with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of certain financial statement balances. Actual results could vary from the estimates used.

Emerging Accounting Standards

In June 2022, the Governmental Accounting Standards Board (GASB) issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences. Leave that has not been used, is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means should generally be recognized at the employee's pay rate as of the financial statement date. The standard also includes guidance for types of leave other than vacation, requires accrual of salary related payments, and changes the disclosure requirements. The statement is effective for the City's year ending June 30, 2025. The City is currently evaluating the impact this statement will have on the financial statements.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(1) Summary of Significant Accounting Policies (Concluded)

Accounting Standard Adopted

The City implemented GASB Statement No. 87, *Leases*, during the year ended June 30, 2022. The standard enhances the relevance and consistency of information of the government’s leasing activities. The standard requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the terms of the lease. The statement requires a lessee to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The standard was implemented using the facts and circumstances that existed at the beginning of the period of implementation, or July 1, 2021. Implementation of the standard had no effect on beginning net position as deferred inflows were equal to the lease receivable for lessor transactions, and the right-of-use intangible assets were equal to the lease liability for lessee transactions.

Subsequent Events

The City has assessed subsequent events through December 30, 2022, the date which the financial statements were available to be issued.

(2) Deposits and Investments

As of June 30, 2022, the City had the following investments:

Investments	Fair Value	Interest Rate	Investment Maturities (in Years)			
			Less than 1	1-5	6-10	More than 10
Money Market Funds	\$ 19,938,686	0.50%	\$ 19,938,686	-	-	-
U.S. Government Securities	41,589,746	0.13% - 6.02%	5,527,233	36,062,513	-	-
U.S. Government Sponsored Enterprises	34,854,074	0.13% - 6.00%	16,480,288	18,254,447	11,658	107,681
State Treasurer's Investment Pool:						
WYO-STAR I	709,648	0.04% - 1.94%	709,648	-	-	-
WYO-STAR II	70,586,159	0.51% - 3.67%	70,586,159	-	-	-
Total Investments	\$ 167,678,313		\$ 113,242,014	\$ 54,316,960	\$ 11,658	\$ 107,681

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Valuation methodologies used for investments measured at fair value are as follows:

Money Market Funds – valued using quoted market prices for identical or similar assets in active markets. These are Level 1 investments.

U.S. Government Securities – valued using quoted market prices for identical or similar assets in active markets. These are Level 2 investments.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(2) Deposits and Investments (Continued)

U.S. Government Sponsored Enterprises – value using quoted market prices for identical or similar assets in active markets. These are Level 2 investments.

WYO-STAR – each participant’s position in the investment pool is calculated by the proportion of the cost of their contribution to the total funds invested, multiplied by the fair value of the underlying investments. These are Level 2 investments.

Interest Rate Risk:

To limit exposure to fair value losses arising from rising interest rates, the City attempts to match its investment maturities to expected cash flow needs. The City’s investment policy limits the maturities as follows:

Maturity Limitations	Percent of Total Invested Principal	
	Maximum	Minimum
0-1 Year	100%	25%
1-3 Years	75%	0%
3-5 Years	50%	0%
5-10 Years	50%	0%
10-30 Years	50%	0%

Credit Risk:

State law limits eligible investments for the City, as discussed above. The City has no investment policy that would further limit its investment choices. As of June 30, 2022, the City’s investment in WYO-STAR pool was unrated. However, under Wyoming State Statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized statistical rating organizations. The U.S. GSEs are not specifically guaranteed by the U.S. government, however they are rated Aaa by Moody’s and AA+ by Standard and Poor’s.

Concentration of Credit Risk:

Corporate bond investments must be diversified by issuer, with no more than 5 percent of the total of all corporate bond investments being from a single issuer. The City was in compliance with this policy during the year ended June 30, 2022.

Custodial Credit Risk - Deposits:

The risk that, in the event of a depository failure, the City’s deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk.

The actual bank balances at June 30, 2022 were as follows:

<u>Primary Government</u>	<u>Bank Balance</u>
Insured - FDIC	\$ 818,862
Uninsured, collateralized in accordance with Wyoming State Statutes	9,631,680
Total	\$ 10,450,542

Custodial Credit Risk – Investments:

The risk that, in the event of a depository failure, the City’s deposits may not be returned to it. The City requires investments owned by the City to be in safekeeping under the terms of a custody agreement with the City. All custodians of City investments must carry a minimum \$100 million insurance policy to protect City assets against losses.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(3) Notes Receivable

The following is a summary of the notes receivable at June 30, 2022:

	Collateral	Rate	Maturity	Balance
<i>Redevelopment Loan Fund</i>				
Big House, LLC	Real Estate	4.57% - 6.01%	August 2024	\$ 164,000
<i>Capital Projects Fund</i>				
Wyoming National LLC	Real Estate	2.25%	September 2031	97,009
<i>General Fund</i>				
Central Wyoming Rural Water System	Real Estate	2.50%	October 2023	1,887,790
Casper Housing Authority	Real Estate	4.00%	April 2030	213,192
Casper Housing Authority	Real Estate	3.00%	April 2032	303,952
Total				\$ 2,665,943

(4) Changes in Capital Assets

A summary of changes in capital assets for year ending June 30, 2022 is as follows:

	Balance 6/30/2021	Additions	Disposals and Transfers	Balance 6/30/2022
<i>Governmental Activities:</i>				
Capital Assets, not being Depreciated:				
Land	\$ 12,375,497	\$ -	\$ 1,224,491	\$ 11,151,006
Construction Work in Progress	11,223,202	4,933,990	14,140,031	2,017,161
Total Capital Assets, not being Depreciated	23,598,699	4,933,990	15,364,522	13,168,167
Capital Assets, being Depreciated:				
Buildings	39,668,813	7,999,894	-	47,668,707
Infrastructure	154,281,083	14,085,141	-	168,366,224
Improvements Other Than Buildings	43,448,611	262,348	-	43,710,959
Machinery and Equipment	41,544,728	2,607,248	182,930	43,969,046
Right-To-Use Lease Assets	958,058	-	-	958,058
Total Capital Assets, being Depreciated	279,901,293	24,954,631	182,930	304,672,994
Less Accumulated Depreciation and Amortization:				
Buildings	14,046,925	1,074,177	-	15,121,102
Infrastructure	52,316,771	4,830,587	-	57,147,358
Improvements Other Than Buildings	20,526,999	1,692,232	-	22,219,231
Machinery and Equipment	34,650,340	1,897,439	182,930	36,364,849
Total Accumulated Depreciation	121,541,035	9,494,435	182,930	130,852,540
Total Governmental Activities Capital Assets, being Depreciated, Net				
	158,360,258	15,460,196	-	173,820,454
Total Governmental Capital Assets, Net				
	\$ 181,958,957	\$ 20,394,186	\$ 15,364,522	\$ 186,988,621

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(4) Changes in Capital Assets (Continued)

Depreciation and amortization expense was charged to functions as follows:

Culture and Recreation	\$ 730,107
Public Works	5,599,922
Public Safety	1,540,989
General Government	1,404,022
Health and Social Services	219,395
Total Depreciation and Amortization Expense - Governmental	\$ 9,494,435

Total amortization expense of the intangible right-to-use assets totaled \$261,606 for the year ended June 30, 2022, and is included in depreciation and amortization expense.

	Balance 6/30/2021	Additions	Disposals and Transfers	Balance 6/30/2022
<i>Business-Type Activities:</i>				
Capital Assets, not being Depreciated:				
Land	\$ 8,193,722	\$ 310,403	\$ -	\$ 8,504,125
Construction Work in Progress	7,446,067	2,941,508	7,789,172	2,598,403
Total Capital Assets, not being Depreciated	15,639,789	3,251,911	7,789,172	11,102,528
Capital Assets, being Depreciated:				
Buildings	81,052,387	-	-	81,052,387
Infrastructure	7,323,279	8,067,091	-	15,390,370
Improvements Other Than Buildings	226,458,907	-	-	226,458,907
Machinery and Equipment	35,934,483	1,555,787	92,242	37,398,028
Total Capital Assets, being Depreciated	350,769,056	9,622,878	92,242	360,299,692
Less Accumulated Depreciation and Amortization for:				
Buildings	37,691,708	1,598,436	-	39,290,144
Infrastructure	143,977	191,671	-	335,648
Improvements Other Than Buildings	110,986,861	7,327,449	-	118,314,310
Machinery and Equipment	26,564,315	1,899,519	92,242	28,371,592
Total Accumulated Depreciation	175,386,861	11,017,075	92,242	186,311,694
Total Business-Type Activities Capital Assets, being Depreciated, Net	175,382,195	(1,394,197)	-	173,987,998
Total Business-Type Capital Assets, Net	\$ 191,021,984	\$ 1,857,714	\$ 7,789,172	\$ 185,090,526

Depreciation and amortization expense was charged to business-type funds as follows:

Utility	\$ 5,777,229
Solid Waste	2,757,066
Recreation	2,410,358
Parking	72,422
Total Depreciation Expense - Business-Type	\$ 11,017,075

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(4) Changes in Capital Assets (Concluded)

As of June 30, 2022, the City has significant remaining commitments on the Derington Addition Water Main Replacement and North Platte Sewer Rehabilitation project of approximately \$581,000 and \$5,800,000, respectively. The projects are funded through the Utility Fund.

(5) Long-Term Debt

The following is a summary of the long-term debt activity for the year ending June 30, 2022:

	Balance 6/30/2021	Borrowings	Repayments	Balance 6/30/2022	Due Within One Year
Primary Government:					
Governmental Activities:					
Notes Payable	\$ 817,040	\$ -	\$ 653,040	\$ 164,000	\$ 55,000
Lease Obligations	958,058	-	269,921	688,137	257,085
Compensated Absences	1,960,419	1,794,287	1,737,216	2,017,490	1,700,000
Total Governmental Activities	3,735,517	1,794,287	2,660,177	2,869,627	2,012,085
Business-Type Activities:					
State Office of Land and					
Investments	18,109,303	442,245	2,321,507	16,230,041	1,682,312
Accrued Landfill Closure (Note 12)	7,777,526	752,018	-	8,529,544	-
Compensated Absences	562,485	612,887	603,803	571,569	511,359
Total Business-Type Activities	26,449,314	1,807,150	2,925,310	25,331,154	2,193,671
Total Primary Government	\$ 30,184,831	\$ 3,601,437	\$ 5,585,487	\$28,200,781	\$ 4,205,756

Debt Covenants

The City has pledged future utility and solid waste fund customer revenues to repay debt in the respective proprietary funds. Pledged revenues recognized during the year ended June 30, 2022, exceed the principal and interest requirements for the debt collateralized by those revenues. Proceeds from the debt were used to fund various projects, and the debt is payable solely from customer net revenues.

Below is a comparison of principal and interest payments and total pledged revenue for the current year:

	Utility	Solid Waste
Current Year Principal and Interest	\$ 970,401	\$ 188,742
Pledged Revenue	30,534,828	16,460,273

Long-term debt at June 30, 2022, is comprised of the following:

Note Payable

Section 108 HUD Loan \$634,000, matures in August 2024, semi-annual variable payments ranging from \$15,000 to \$55,000, including interest at 4.57 to 6.01 percent.	\$ 164,000
Total Note Payable	164,000

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(5) Long-Term Debt (Continued)

State of Wyoming, Office of State Lands and Investments

Due to the State of Wyoming, Office of State Lands and Investments:

\$2,356,956 loan for the replacement of the City's area wide water main, matures in September 2030, due in annual installments of \$157,352, interest at 2.50 percent. Water revenues are pledged and the loan is financed through the Utility Fund.	1,252,056
\$125,543 loan for the replacement of the City's area wide water main, matures in September 2030, non-interest bearing, due in annual installments of \$6,608. Water revenues are pledged and the loan is financed through the Utility Fund.	59,468
\$1,500,000 loan for the East 2nd Street Rehabilitation, matures in October 2022, due in annual installments ranging from \$108,250 to \$129,046, including interest at 4.00 percent. Water revenues are pledged and the loan is financed through the Utility Fund. Paid in full subsequent to year end.	91,575
\$1,500,000 loan for the repair of various water mains, matures in June 2024, due in annual installments of \$96,221 including interest at 2.50 percent. Water revenues are pledged and the loan is financed through the Utility Fund.	182,028
\$1,500,000 loan for the repair of various water mains, matures in April 2025, due in annual installments of \$96,221 including interest at 2.50 percent. Water revenues are pledged and the loan is financed through the Utility Fund.	361,317
\$1,500,000 loan for the repair of various water mains, matures in September 2026, due in annual installments of \$96,221 including interest at 2.50 percent,. Water revenues are pledged and the loan is financed through the Utility Fund.	444,840
\$567,005 loan for upgrades to the automated meter reading system, matures in September 2026, due in annual installments of \$36,372, including interest at 2.50 percent. Water revenues are pledged and the loan is financed through the Utility Fund.	168,666
\$1,500,000 loan for repair of various water mains, matures in April 2025, due in annual installments of \$96,221, including interest at 2.50 percent. Water revenues are pledged and the loan is financed through the Utility Fund.	529,135
\$1,150,292 loan for Zone 2 water transmission main, matures in April 2025, due in annual installments of \$73,788, including interest at 2.50 percent. Water revenues are pledged and the loan is financed through the Utility Fund.	404,486
\$2,496,222, loan for upgrades to the wastewater treatment plant, matures in July 2042, percent, due in quarterly installments of \$39,746, including interest at 2.50. Wastewater revenues are pledged and the loan is financed through the Solid Waste Fund.	2,496,223
Total loan approved of \$8,000,000 for the North Platte Sanitary Sewer Interceptor rehabilitation project, matures in April 2039, due in annual installments of \$39,746, including interest at 2.50 percent. Wastewater revenues are pledged and the loan is financed through the Solid Waste Fund.	719,562

CITY OF CASPER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

(5) Long-Term Debt (Continued)

State of Wyoming, Office of State Lands and Investments (Continued):

Total loan approved of \$10,500,000 for wastewater treatment plant project, matures in December 2027, due in annual installments of \$673,545, including interest ranging from 2.5 to 4.0 percent. Wastewater revenues are pledged and the loan is financed through the Solid Waste Fund. 3,688,972

\$500,000 loan for wastewater treatment plant upgrades, matures in May 2034, non-interest bearing, due in annual installments of \$3,434. Wastewater revenues are pledged and the loan is financed through the Solid Waste Fund. 161,408

\$2,192,254 loan for the Central Wyoming landfill, matures in April 2028, due in annual installments of \$140,172, including interest at 2.50 percent. Solid waste revenues are pledged and the loan is financed through the Solid Waste Fund. 766,558

\$5,334,206 loan for the baler building renovation and expansion, matures in September 2039, due in annual installments of \$342,174, including interest at 2.50 percent. Solid waste revenues are pledged and the loan is financed through the Solid Waste Fund. 4,903,747

Total State of Wyoming Office of State Lands and Investments 16,230,041

Lease Liabilities

Noncancellable lease for office space, due in monthly installments through March 2025 (currently \$8,241 per month), including interest at 2.00 percent. Financed through the Public Safety Communications Fund. 303,042

Noncancellable lease for office space, due in monthly installments through March 2025 (currently \$12,000 per month), including interest at 2.00 percent. Financed partially through the General Fund and partially through the Public Safety Communications Fund. 385,095

Total Lease Liabilities 688,137

Compensated Absences

General Fund 2,017,490

Utility Fund 268,574

Solid Waste Fund 217,354

Recreation Fund 85,641

Total Compensated Absences 2,589,059

Accrued Landfill Closure and Postclosure 8,529,544

Total Long-Term Debt \$ 28,200,781

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(5) Long-Term Debt (Concluded)

The annual requirements to amortize long-term debt outstanding as of June 30, 2022, except for compensated absences are as follows:

	Notes Payable		SLIB Loans		Lease Obligations	
	Interest	Principal	Interest	Principal	Interest	Principal
2023	\$ 8,157	\$ 55,000	\$ 370,047	\$ 1,676,156	\$ 12,507	\$ 257,085
2024	4,887	55,000	376,059	1,651,910	7,340	251,142
2025	1,623	54,000	316,159	1,623,656	2,348	179,910
2026	-	-	276,202	1,662,950	-	-
2027	-	-	235,250	1,605,849	-	-
2028-2032	-	-	746,367	3,677,388	-	-
2033-2037	-	-	416,449	2,355,491	-	-
2038-2042	-	-	122,822	1,908,601	-	-
2043-2047	-	-	1,413	68,040	-	-
Total	\$ 14,667	\$ 164,000	\$ 2,860,768	\$ 16,230,041	\$ 22,195	\$ 688,137

	Total	
	Interest	Principal
2023	\$ 390,711	\$ 1,988,241
2024	388,286	1,958,052
2025	320,130	1,857,566
2026	276,202	1,662,950
2027	235,250	1,605,849
2028-2032	746,367	3,677,388
2033-2037	416,449	2,355,491
2038-2042	122,822	1,908,601
2043-2047	1,413	68,040
Total	\$ 2,897,630	\$ 17,082,178

(6) Leases

Lessee:

Lease agreements are summarized as follows:

Lease Asset	Lease Term		Interest Rate	Initial Lease Liability	Balance June 30, 2022
	Commencement	Payment			
Dispatch Center	February 2014	\$8,241/month	2%	\$ 537,829	\$ 303,042
Hall of Justice	October 1975	\$12,000/month	2%	420,229	385,095

The City entered into lease agreements for office space used for dispatch and emergency operations and for the Hall of Justice for police department office space and municipal court. The term of the dispatch center lease is 25 years and the term of the Hall of Justice lease is 99 years. However, during 2022, the City purchased a police administration building and is currently renovating the space for use by the police department, dispatch, and municipal court. The renovation is expected to complete in March 2025, and accordingly, the lease liability and right-to-use intangible assets were measured using a lease expiration date of March 2025.

For purposes of measuring the lease liability and right-to-use asset, the City uses the incremental borrowing rate of 2 percent. Future principal and interest lease payments are included in Note 5.

CITY OF CASPER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

(6) Leases (Continued)

Lessor:

The City's leasing operations consist of leasing land, parking spaces, a rooftop, office space, and space for a restaurant. A summary of leases by asset class are as follows:

Lease Asset	Lease Receivable June 30, 2022	Lease Revenue	Lease Interest Revenue
Land	\$ 3,090,881	\$ 200,696	\$ 70,892
Parking Spaces	258,427	15,870	5,283
Rooftop	28,220	4,334	105
Office Space	77,037	13,390	290
Restaurant	55,614	31,560	1,381

Future payments due to the City under non-cancelable long-term lease agreements are as follows for the years ending June 30:

	Principal	Interest
2023	\$ 283,058	\$ 77,453
2024	182,240	72,527
2025	150,483	69,195
2026	153,905	66,035
2027	160,085	62,747
2028-2032	958,014	255,100
2033-2037	558,206	172,009
2038-2042	580,767	106,394
2043-2047	389,300	41,563
2048-2052	94,121	1,721
Total	\$ 3,510,179	\$ 924,744

(7) Interfund Transfers and Advances

Interfund transfers during the year ended June 30, 2022, were as follows:

	Transfers In	Transfers Out
General Fund	\$ 1,460,152	\$ 6,363,824
Capital Projects Fund	1,063,568	3,638,301
Utilities Fund	3,000,000	2,748
Solid Waste Fund	-	53,000
Recreation Fund	3,494,780	234,833
Parking Fund	-	133,175
Non-major Governmental Funds	1,428,604	21,223
Total Transfers	\$ 10,447,104	\$ 10,447,104

Interfund transfers are generally made to cover operations of the City, equipment purchases, or finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(7) Interfund Transfers and Advances (Continued)

Amounts due to and due from other funds at June 30, 2022 are as follows:

	Interfund Due From	Interfund Due To
General Fund	\$ 2,063,270	\$ 34,224
Utilities Fund	4,308	-
Solid Waste Fund	35,279	-
Recreation Fund	-	930
Non-major Governmental Funds	-	2,223,759
Internal Service Funds	156,056	-
	\$ 2,258,913	\$ 2,258,913

Interfund due to and from amounts resulted from short-term loans to cover operating cash deficits.

(8) Related Party Transactions

Related party transactions not disclosed elsewhere in this report include:

The City provided \$437,346 in revenues to the Economic Development Joint Powers Board, a component unit of the City, during the year ended June 30, 2022. There were no amounts due to or from the component unit at June 30, 2022.

The City, under an operating agreement with the Central Wyoming Regional Water System Joint Powers Board (CWRWS) provides billing services, collects income derived from the sale of water, and incurs the cost for the operations of the plant. The operating costs are then reimbursed by the CWRWS monthly. Employees associated with the direct daily operations of CWRWS are employees of the City, with all personnel costs being reimbursed. The plant facility is the sole and separate property of the CWRWS. The CWRWS paid the City \$3,111,563 for the operating costs and billed the City \$7,020,974 for water sales during the year ended June 30, 2022. At June 30, 2022, the City owed the CWRWS \$1,055,388 and CWRWS owed the City \$471,213.

In 2011, the City loaned \$15,905,000 to CWRWS to call remaining revenue bonds. See Note 3.

Global Spectrum, L.P. d/b/a OVG 360

On October 1, 2016, the City entered into a contract with Global Spectrum, L.P d/b/a OVG 360 (“The Management Company”) to manage the Casper Events Center operations (“the Facility”). Under the management contract between the City and the Management Company, the City has retained ownership and control of the capital facilities, as well as the Events bank account. On November 21, 2017, the Management Company amended the original contract to include the management of Hogadon Lodge Restaurant Operations.

As stipulated in the management contract, the City provided a subsidy of \$914,910 to the Management Company during the year ending June 30, 2022.

As of June 30, 2022, the City had accounts payable to the Management Company of \$415,707 for presold tickets. In addition, the City had accounts receivable from the Management Company of \$3,566 as of June 30, 2022.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(8) Related Party Transactions (Continued)

Global Spectrum, L.P. d/b/a OVG 360 (Continued)

Under the terms of the management contract, the Management Company received a management fee of \$15,660 per month, or \$187,920 during the year ending June 30, 2022.

Additionally, the Management Company is entitled to receive a commercial rights fee equal to 15 percent of the portion of revenue from the sale of commercial rights (including naming, sponsorship, advertising, and premium seating arrangements), 3 percent of the portion of revenue from the sale of food and beverages. The City paid the Management Company a total of \$118,726 under these terms during the year ended June 30, 2022.

The Management Company is also entitled to receive an incentive fee each full, or partial, operating year if they achieve certain metrics. The incentive fee for June 30, 2022 was \$33,048.

(9) Pension Plans

All eligible City employees are covered under one of the four following retirement plans:

Public Employees Pension Plan:

Plan Description: The City participates in the Public Employees' Pension Plan (PEPP), a statewide cost-sharing, multiple employer defined benefit pension plan administered by the WRS Board. Substantially all City full-time employees not covered by the Law Enforcement Pension Plan, Paid Firemen's Pension Plan A, or Paid Firemen's Pension Plan B, are eligible to participate. Participants who retire at age 60 with four years of credited service are entitled to a retirement benefit according to predetermined formulas and are allowed to select one of seven optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained the age of 50, but will result in a reduction of benefits based on the length of time remaining to normal retirement age. The WRS also provides death and disability benefits. Benefits are established by Wyoming State Statutes.

Benefits Provided: The determination of retirement benefits is dependent upon the employee's initial employment date.

Service Retirement Tier 1: If an employee made a contribution prior to September 1, 2012, the employee is in Tier 1. Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. The formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary over 15 years.

Service Retirement Tier 2: If an employee made his or her first contribution after September 1, 2012, the employee is in Tier 2. Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. The formula for retirement equals 2% times the number of years of service times the five-year highest average salary.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(9) Pension Plans (Continued)

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his or her duties. To qualify, the member must have at least 10 years of service and must be “in service” at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his or her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his or her service retirement benefit as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

Survivor’s benefits: Certain surviving dependents receive benefits based on the deceased member’s compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

Contributions: For the year ended June 30, 2022, state statute requires employer contributions of 9.37 percent. The City elects to pay 100 percent of the required contributions on behalf of the department heads, however, the City does not pay any amounts on behalf of other eligible City employees in excess of the statutorily required percentages. For the years ended June 30, 2022, 2021, and 2020, the City’s statutorily required contributions to the PEPP were **\$1,797,291**, \$1,594,291, and \$1,603,280, respectively.

Paid Fireman’s Pension Plan A:

Plan description: The City formerly participated in the Wyoming Paid Firemen’s Plan A (Plan A), a statewide cost-sharing, multiple-employer defined benefit retirement plan covering paid firemen who were employed prior to July 1, 1981 and who elected to participate. Plan A issues a publicly available financial report, which includes audited financial statements and required supplementary information for Plan A.

Benefits provided:

Plan A statutorily provides retirement, disability, and death benefits according to a percentage of a Fireman First Class salary. Plan A also statutorily provides for an annual percentage increase in the benefit amounts beginning in the year following 12 months of payments, by at least 3 percent.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his or her duties from an individual and specific act incurred while employed. To qualify for benefit, there is no age or service requirement. The member receives a monthly disability retirement benefit for the period based on maximum salary and years of service.

Survivor benefits: Certain surviving beneficiaries receive benefits based on the maximum salary and years of service. Upon death, 100 percent of the benefit continues to be paid to the beneficiary.

Contributions: Plan A statutorily required participants to contribute 8 percent of their salary to a maximum not to exceed the salary of a Fireman First Class. Employers were required to contribute 21 percent of the salary. Effective April 1, 1997, required contributions were suspended as Plan A had been determined to be actuarially over-funded. During the year ended June 30, 2022, WRS assessed nine of the legacy plan employers an assessment totaling \$1,000,000 per year for 20 years. The City’s share of the assessment is \$364,706 per year, or a total of \$7,280,000. The City records the annual payment as pension expense as the payments are made.

There were no contributions to Plan A during the years ending June 30, 2022, 2021, or 2020.

Paid Fireman’s Pension Plan B:

Plan description: The City participates in the Wyoming Paid Firemen’s Retirement Fund (Plan B), a statewide cost-sharing, multiple-employer defined benefit pension plan administered by the WRS Board. Substantially all paid City firemen hired after July 1, 1981 are eligible to participate. The Fund provides retirement, disability, and death benefits according to predetermined formulas. Benefits are established by Wyoming State Statutes.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(9) Pension Plan (Continued)

Paid Fireman's Pension Plan B (Continued):

Benefits provided: The members of Plan B qualify for a retirement allowance if they are 50 years old and have at least 48 months of credited service. The basic monthly benefit for participants is based on a formula involving years of service, highest average salary, and age at retirement. The current benefit formula equals 2.8 percent times the three-year final average compensation for the first 25 years of service. The benefit is capped at 70 percent of the highest average salary. The highest average salary is calculated by averaging the 36 highest continuous months of acceptable salary as defined in the rules of the WRS Board.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his or her duties from an individual and specific act incurred while employed. To qualify for benefits, there is no age or service requirement. The member receives a monthly disability retirement benefit equal to 50 percent of the final average salary.

Survivor benefits: The surviving spouse or other qualified dependents receive benefits based on 50 percent of the member's final actual salary. On the death of a member, inactive member, retired member, or survivor, the excess of the accumulated member contributions over all pension payments made are payable as a death benefit to the next qualified beneficiary.

Contributions: The Plan statutorily requires participants to contribute 10.745 percent of their salary to Plan B and the employer is statutorily required to contribute 14 percent of each participant's salary. The City pays 100 percent of the required contributions on behalf of the fire chief, however, the City does not pay any amounts on behalf of other eligible fire employees in excess of the statutorily required percentages.

For the years ended June 30, 2022, 2021, and 2020, the City's statutorily required contributions to Plan B were **\$897,400**, \$871,148, and \$753,733, respectively.

Law Enforcement Pension Plan:

Plan description: The City participates in the Wyoming Law Enforcement Pension Plan (LEPP), a statewide cost-sharing, multiple-employer defined benefit pension plan administered by the WRS Board. Employees who are sworn law enforcement officers are eligible for full retirement benefits after they either reach age 60 with at least 48 months of contributions to the Police Plan or at any age with 20 years of service. These same employees are eligible for early retirement with a reduced benefit after they reach age 50 with 48 months of contributions. Benefits are established by Wyoming State Statutes.

Benefits provided: Benefits are based on a formula involving years of service, highest average salary, and age at retirement. Currently, the benefit formula entitles retirees to 2.5% of the highest average salary for each year of service with a ceiling on the benefit at 75% of the highest average salary.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his or her duties from an individual and specific act incurred while employed. To qualify for duty disability retirement, there is no age or service requirement, and the member receives a monthly disability retirement benefit for the period of his or her disability equal to 62.5% of final salary. To qualify for non-duty disability retirement, the member must have at least 10 years of service, and the member receives a monthly disability benefit for the period of his or her disability equal to 50% of final salary.

Survivor's benefit: The surviving spouse receives benefits dependent on if the member was on duty at time of death. Additional benefits are available for additional qualified dependents.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(9) Pension Plan (Continued)

Law Enforcement Pension Plan (Continued):

Contributions: The Police Plan is funded by amounts withheld from participating members' salaries and by contributions from the City. On July 1, 2021, the City elected to contribute one percent on behalf of the employees resulting in the contractually required contribution for employees being reduced to 7.60 percent, and the City portion to 9.60 percent, for the year ended June 30, 2022.

For the years ended June 30, 2022, 2021, and 2020, the City's statutorily required contributions to Plan B were **\$800,131**, \$738,868, and \$724,389, respectively.

Pension Assets (Liabilities), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions:

At June 30, 2022, the City reported a total net pension liability of \$56,886,520 for their proportionate share of the net pension liability. The net pension asset (liability) for each pension plan described above is as follows:

<u>Pension Plan</u>	<u>Net Pension (Liability) / Asset</u>
Public Employees Pension Plan	\$ (15,300,763)
Paid Firemen's Pension Plan A	(29,541,250)
Paid Firemen's Pension Plan B	2,967,020
Law Enforcement Pension Plan	(15,011,527)
Total Net Pension Liability	\$ (56,886,520)

The net pension asset / (liability) was measured as of December 31, 2021.

The City's proportionate share of the net pension liabilities, measured as of December 31, are as follows:

<u>Pension Plan</u>	<u>Proportionate Share of the Net Pension Liability</u>		<u>Increase (Decrease)</u>
	<u>December 31, 2021</u>	<u>December 31, 2020</u>	
Public Employees Plan	1.00351200%	0.96416360%	0.03934840%
Paid Firemen's Pension Plan A	30.21467020%	29.64194215%	0.57272805%
Paid Firemen's Pension Plan B	19.60952910%	19.99687617%	-0.38734707%
Law Enforcement Pension Plan	5.27574380%	4.98427051%	0.29147329%

CITY OF CASPER

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022

(9) Pension Plan (Continued)

Pension Assets (Liabilities), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions (Continued):

For the year ended June 30, 2022, the City recognized pension expense and reported deferred outflows of resources and deferred inflows of resources related to each pension plan as follows:

<u>Public Employees Pension Plan</u>	Deferred Outflows (Inflows) of Resources
Difference between Expected and Actual Experience	\$ 263,453
Changes in Assumption	1,238,143
Net Difference between Projected and Actual Earnings on Pension Plan Investments	(10,170,947)
City Contributions Subsequent to the Measurement Date	940,440
Total	\$ (7,728,911)

<u>Paid Firemen's Pension Plan A</u>	Deferred Outflows (Inflows) of Resources
Difference between Expected and Actual Experience	\$ -
Changes in Assumption	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	(736,236)
City Contributions Subsequent to the Measurement Date	-
Total	\$ (736,236)

<u>Paid Firemen's Pension Plan B</u>	Deferred Outflows (Inflows) of Resources
Difference between Expected and Actual Experience	\$ (1,191,759)
Changes in Assumption	241,055
Net Difference between Projected and Actual Earnings on Pension Plan Investments	(4,434,813)
City Contributions Subsequent to the Measurement Date	474,699
Total	\$ (4,910,818)

<u>Law Enforcement Pension Plan</u>	Deferred Outflows (Inflows) of Resources
Difference between Expected and Actual Experience	\$ 811,312
Changes in Assumption	9,634,129
Net Difference between Projected and Actual Earnings on Pension Plan Investments	(4,958,834)
City Contributions Subsequent to the Measurement Date	445,364
Total	\$ 5,931,971

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(9) Pension Plan (Continued)

Pension Assets (Liabilities), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions (Concluded):

Deferred outflow of resources includes \$1,860,503 resulting from City contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year Ending June 30:	PEPP	Fire Pension A	Fire Pension B	LEPP	Total
2023	\$ (1,695,425)	\$ (33,134)	\$ (1,083,185)	\$ 1,947,972	\$ (863,772)
2024	(3,208,536)	(710,062)	(1,982,211)	1,365,792	(4,535,017)
2025	(2,036,200)	(64,982)	(1,553,847)	2,448,506	(1,206,523)
2026	(1,729,190)	71,942	(1,026,717)	(275,663)	(2,959,628)
2027	-	-	119,589	-	119,589
Thereafter	-	-	140,854	-	140,854
	\$ (8,669,351)	\$ (736,236)	\$ (5,385,517)	\$ 5,486,607	\$ (9,304,497)

Actuarial Assumptions:

The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumption:	Public Employee Pension Plan	Paid Fireman Pension Plan A	Paid Firemen Pension Plan B	Law Enforcement Pension Plan
Inflation	2.25%	2.25%	2.25%	2.25%
Salary Increases	2.50% to 6.50%	4.50%	2.50% to 7.50%	3.00% to 7.00%
Investment Return	6.80%	6.80%	6.80%	6.80%
Payroll Growth Rate	2.50%	0.00%	2.50%	2.50%
Cost-of-Living Adjustment	0.00%	0.00%	0.00%	0.00%

Mortality rates were projected with either the MP-2020 Ultimate Scale or RP-2014 Health Annuitant Mortality Table, fully generational, for males or females, with adjustments based on Scale MP-2017.

Long-term expected rate of return:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in the pension plan's target asset allocation as of January 1, 2021. These best estimates are summarized in the following table:

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(9) Pension Plan (Concluded)

Long-term expected rate of return (Continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.0%	-0.50%
Fixed Income	21.0%	1.32%
Equity	48.5%	5.63%
Market Alternatives	19.0%	3.74%
Private Markets	9.5%	4.84%
	<u>100.0%</u>	

Experience Analysis:

WRS' success in achieving the 6.80 percent assumed investment return objective is evaluated on an ongoing basis over reasonably long periods of time (5 to 7 years). The long-term focus is to remove overreaction to short-term market events that have little to no bearing on long-term asset or liability management. WRS must reconcile its need to evaluate investment policy implementation decisions over shorter time frames while maintaining longer-term focus on managing and measuring the portfolio's overall performance objectives.

Discount Rate:

The discount rate used to measure the total pension liability was 6.80 percent for the PEPP, Plan A, and Plan B and 5.17 percent for the LEPP. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that matching employer contributions will be made at contractually required rates. Based on these assumptions, the WRS fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Asset to Changes in the Discount Rate:

The following presents the City's proportionate share of net pension (liability)/asset calculated using the discount rate of 6.80 percent or 5.17 percent, as applicable, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.80 or 4.17 percent) or 1-percentage point higher (7.80 or 6.17 percent) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Public Employees Pension Plan	\$ (28,229,720)	\$ (15,300,763)	\$ (4,583,392)
Paid Firemen's Pension Plan A	(34,083,273)	(29,541,250)	(25,630,186)
Paid Firemen's Pension Plan B	2,555,540	2,967,020	(7,545,384)
Law Enforcement Pension Plan	(24,631,647)	(15,011,527)	(7,306,212)

Pension Plan Fiduciary Net Position:

The Wyoming Retirement System (WRS) issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in a separately issued Wyoming Retirement System financial report. The financial report is publicly available and may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, Suite 600, Cheyenne, Wyoming 82009.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(10) Other Post-Employment Benefits

The City participates in a cost-sharing multi-employer defined benefit postemployment healthcare plan through the State of Wyoming Group Insurance Retiree Health Plan (the Plan). The Plan is administered by the State of Wyoming Employee Group Insurance (EGI). The Plan does not issue a separate report; however, additional Plan information can be obtained from the State of Wyoming's Employee Group Insurance at (307)-777-6835.

Any employee of a participating agency is eligible for retiree coverage under the group insurance plan at premium rates established by EGI, provided that

- (1) The employee has coverage in effect under the Plan for at least one year prior to retirement, and
- (2) The employee is eligible to receive a retirement benefit under the Wyoming Retirement System; and either:
 - a. Has attained age 50 with at least 4 years of service credit as an employee of one of the employing entities participating in the Plan.
 - b. Has at least 20 years of service credit as an employee of one of the employing entities participating in the Plan.

Benefits Provided:

The Plan provides medical and prescription drug benefits for retirees and their dependents through payment of insurance premiums for life. Surviving spouses are allowed to continue coverage after the retiree's death provided they were covered at the time of death.

Funding Policy:

EGI finances this program on a pay-as-you-go basis and has no assets held in trust. The State of Wyoming Legislature has the authority for establishing and amending the funding policy.

Total OPEB Liability:

The City's total OPEB liability of **\$-0-** as of June 30, 2022 was measured as of June 30, 2021 and was determined by actuarial valuations as of that date. The City's proportion of the collective total OPEB liability was based on a projection of the City's expected payments/contributions to the OPEB plan relative to the projected contributions of all participating employers actuarially determined.

As the actuarial valuation determined a total OPEB liability of **\$-0-** for the City, the remainder of disclosures required under accounting standards generally accepted in the United States are not applicable.

(11) Risk Management

The City 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. During the year ended June 30, 2022, the City managed its risks as follows:

Employee Health Insurance:

The City previously purchased health insurance for its employees from a commercial insurance carrier. The City currently purchases health insurance through the State of Wyoming. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2022**

(11) Risk Management (Continued)

Liability Insurance:

The City is a member of the Wyoming Association of Risk Management (WARM), which is a separate legal agency created under the Wyoming State Statutes for the purpose of establishing a shared risk pool and/or jointly purchasing insurance coverage. The premiums required by the participating entities are calculated annually and are based upon actuarially sound and recognized pooling practices. The pool is responsible for determining the amounts of the premiums charged to the entities and is also responsible for managing the pool's assets. The entities have the right to submit claims for losses incurred. The pool has the right to collect premiums and admit or terminate members for nonpayment of premiums. The City management considers the assets of WARM to be sufficient to cover any claims that may be incurred by its members. The City has not had significant settlements exceeding insurance coverage in any of the past three fiscal years. The City has had no significant reductions in insurance coverage from coverage in the prior year.

Unemployment Benefits and Workers' Compensation Benefits:

The City pays into the State Worker's Compensation System (the Act). All employers within the State of Wyoming are participants in this Act unless the employer elects not to be covered under the Act. This Act requires the City to obtain liability coverage for payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This Act provides general protection from suits filed by employees against the City. The City makes monthly payments to the State of Wyoming Department of Employment. These payments are based on salaries and a split rate between hazardous and non-hazardous positions.

(12) Landfill

State and Federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure costs will be paid only near or after the date the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The City has closed the old landfill site and is currently monitoring and performing postclosure activities. The new site opened in 2008. The City reports a landfill closure and postclosure liability of **\$8,529,544** as of June 30, 2022, that represents the cumulative amount estimated to date based on the use of 53 percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of approximately \$4,000,000 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in the current fiscal year.

The City expects to close the new landfill in 2054. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. As additional postclosure care requirements are determined, these costs may need to be covered by charges to future landfill users or future tax revenue.

(13) Contingent Liabilities

The City has been named as defendant in several lawsuits that have been referred to the City's insurance carriers. The City and its attorney believe any liability to the City would not be material, and that loss, if any, would be covered by insurance. The City has a \$-0- deductible for liability coverage through their insurance pool and a deductible of \$5,000 per \$100,000 of damage for property building and property damage.

CITY OF CASPER

**NOTES TO FINANCIAL STATEMENTS (CONCLUDED)
JUNE 30, 2022**

(14) Prior Period Adjustment

As more fully described in Note 10, the City participates in a multi-employer defined benefit postemployment healthcare plan. During the year ended June 30, 2022, the City determined it had improperly recorded its other post-employment (OPEB) liability, deferred inflows of resources, and deferred outflows of resources. The City had previously estimated their portion of the total OPEB liability based on figures for a similar sized employer, however, based on review of the actuarial study performed over the OPEB Plan for the June 30, 2021 actuarial valuation, the City's allocated net OPEB liability is \$-0-. GASB 75 indicates that although the City does participate in the OPEB plan, their portion of the total net OPEB liability reflected in the City's financial statements should be the amount reported in the actuarial study.

To correct this error, the City determined an adjustment to its previously reported June 30, 2021 net position was necessary to increase net position by \$5,027,886. Net position was adjusted in the following opinion units as follows:

	Net Position,		
	Previously	OPEB	Net Position,
	Reported	Restatement	As Restated
Government-Wide			
Governmental Activities	\$ 183,472,424	3,776,515	\$ 187,248,939
Business-Type Activities	203,089,560	1,251,371	204,340,931
	<u>\$ 386,561,984</u>	<u>\$ 5,027,886</u>	<u>\$ 391,589,870</u>
Proprietary Funds:			
Utility Fund	\$ 125,911,042	608,960	\$ 126,520,002
Solid Waste Fund	35,007,433	442,935	35,450,368
Recreation Fund	42,150,671	199,476	42,350,147
	<u>\$ 203,069,146</u>	<u>\$ 1,251,371</u>	<u>\$ 204,320,517</u>
Internal Service Funds:	<u>\$ 2,979,672</u>	<u>193,210</u>	<u>\$ 3,172,882</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CASPER

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND - BUDGETARY BASIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual - Budgetary Basis	Variance
Revenue				
Taxes and Special Assessments	\$ 34,506,285	\$ 34,506,285	\$ 35,596,069	\$ 1,089,784
Licenses and Permits	1,507,100	1,507,100	1,859,322	352,222
Intergovernmental Revenue:	7,496,078	7,501,078	15,022,591	7,521,513
Charges for Goods and Services	4,637,468	4,701,756	4,427,951	(273,805)
Fines and Forfeits	1,040,000	1,040,000	1,731,986	691,986
Earnings (Loss) on Deposits and Investments	1,164,868	1,164,868	(224,510)	(1,389,378)
Miscellaneous	1,146,336	1,171,866	738,471	(433,395)
Total Revenue	51,498,135	51,592,953	59,151,880	7,558,927
Expense				
Current:				
General Government	11,312,918	20,648,721	19,021,088	1,627,633
Public Safety	27,610,411	28,245,982	27,771,523	474,459
Public Works	3,961,934	4,009,632	3,871,661	137,971
Health and Welfare	1,270,338	1,283,358	1,247,450	35,908
Culture and Recreation	3,134,902	3,158,412	2,869,232	289,180
Total Expenditures	47,290,503	57,346,105	54,780,954	2,565,151
Excess (Deficiency) of Revenue over (under)				
Expenditures	4,207,632	(5,753,152)	4,370,926	10,124,078
Other Financing Sources (Uses):				
Sale of Municipal Property	-	-	603,500	603,500
Transfers In	1,704,854	1,812,430	1,460,152	(352,278)
Transfers Out	(6,508,215)	(6,468,165)	(6,363,824)	104,341
Total Other Financing Sources (Uses)	(4,803,361)	(4,655,735)	(4,300,172)	355,563
Net Change in Fund Balance	(595,729)	(10,408,887)	70,754	10,479,641
Fund Balance - June 30, 2021	82,518,941	82,518,941	82,518,941	-
Fund Balance - June 30, 2022	81,923,212	72,110,054	82,589,695	10,479,641

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CITY OF CASPER

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2022**

	2022	2021	2020	2019
Public Employees Pension Plan				
City's Proportion of the Net Pension Liability	1.00351200%	0.96416360%	1.00756228%	9.89110293%
City's Proportionate Share of Net Pension Liability	\$ 15,300,763	\$ 20,954,744	\$ 23,676,971	\$ 30,121,286
City's Covered Payroll (Plan's Fiscal Year)	\$ 18,781,813	\$ 17,166,618	\$ 17,513,576	\$ 17,223,918
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	81.47%	122.07%	135.19%	174.88%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.03%	79.24%	76.83%	69.17%
Paid Firemen's Pension Plan A				
City's Proportion of the Net Pension Liability	30.21467020%	29.64194215%	29.37820807%	29.29983689%
City's Proportionate Share of Net Pension Liability	\$ 29,541,250	\$ 95,977,116	\$ 76,552,381	\$ 66,510,699
City's Covered Payroll (Plan's Fiscal Year)	\$ -	\$ 19,451	\$ -	\$ -
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	0.00%	493430.24%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.90%	21.77%	27.32%	29.99%

2018	2017	2016	2015
1.02596736%	1.08185430%	1.12398125%	1.14912572%
\$ 23,385,290	\$ 26,153,830	\$ 26,181,433	\$ 20,278,532
\$ 18,225,054	\$ 19,288,437	\$ 19,603,063	\$ 19,643,298
128.31%	135.59%	133.56%	103.23%
76.35%	73.42%	73.40%	79.08%
28.89052136%	29.47675070%	29.08209028%	29.58824241%
\$ 64,636,432	\$ 54,081,810	\$ 53,934,024	\$ 48,698,590
\$ -	\$ -	\$ -	\$ -
0.00%	0.00%	0.00%	0.00%
34.28%	38.91%	40.05%	45.95%

CITY OF CASPER

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)
JUNE 30, 2022**

	2022	2021	2020	2019
Paid Firemen's Pension Plan B				
City's Proportion of the Net Pension Liability	19.60952910%	19.99687617%	20.42786525%	21.36997732%
City's Proportionate Share of Net Pension (Asset) / Liability	\$ (2,967,020)	\$ (465,933)	\$ 1,451,902	\$ 4,484,108
City's Covered Payroll (Plan's Fiscal Year)	\$ 6,279,429	\$ 5,710,703	\$ 5,725,600	\$ 5,729,523
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	-47.25%	-8.16%	25.36%	78.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	107.43%	101.27%	95.93%	87.07%
Wyoming Law Enforcement Retirement Plan				
City's Proportion of the Net Pension Liability	5.27574380%	4.98427051%	5.00942154%	4.71625389%
City's Proportionate Share of Net Pension Liability	\$ 15,011,527	\$ 3,395,396	\$ 4,318,057	\$ 11,416,742
City's Covered Payroll (Plan's Fiscal Year)	\$ 8,981,209	\$ 8,011,689	\$ 7,807,257	\$ 7,163,928
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	167.14%	42.38%	55.31%	159.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.62%	91.82%	89.05%	71.22%

2018	2017	2016	2015
20.94785735%	20.35084010%	21.23654410%	22.43692158%
\$ 8,637,811	\$ 6,702,535	\$ 6,492,989	\$ (252,329)
\$ 5,909,325	\$ 5,604,426	\$ 5,518,622	\$ 5,508,838
146.17%	119.59%	117.66%	-4.58%
77.98%	80.16%	79.33%	100.98%
4.74529593%	4.79267690%	4.69599021%	4.87314033%
\$ 4,083,063	\$ 3,618,084	\$ 3,527,625	\$ 1,435,806
\$ 7,286,263	\$ 7,418,067	\$ 7,062,757	\$ 7,202,055
56.04%	48.77%	49.95%	19.94%
87.99%	88.11%	87.49%	94.76%

CITY OF CASPER

**SCHEDULE OF THE CITY CONTRIBUTIONS
JUNE 30, 2022**

	2022	2021	2020	2019
Public Employees Pension Plan				
Contractually Required Contribution	\$ 1,725,534	\$ 1,622,169	\$ 1,567,437	\$ 1,512,694
Contributions in Relation to the Contractually Required Contributions	1,861,304	1,622,169	1,567,437	1,512,694
Contributions Deficiency (Excess)	<u>\$ (135,770)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 18,415,515	\$ 17,786,941	\$ 17,671,218	\$ 17,548,654
Contribution as a Percentage of Covered Payroll	9.37%	9.12%	8.87%	8.62%
Wyoming Law Enforcement Retirement Plan				
Contractually Required Contribution	\$ 745,838	\$ 722,449	\$ 694,328	\$ 665,599
Contributions in Relation to the Contractually Required Contributions	871,922	722,449	694,328	665,599
Contributions Deficiency (Excess)	<u>\$ (126,084)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 8,672,539	\$ 8,400,570	\$ 8,073,581	\$ 7,739,523
Contribution as a Percentage of Covered Payroll	8.60%	8.60%	8.60%	8.60%
Paid Firemen's Pension Plan A				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contributions	-	-	-	-
Contributions Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ -	\$ -	\$ -	\$ -
Contribution as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A
Paid Firemen's Pension Plan B				
Contractually Required Contribution	\$ 913,413	\$ 852,125	\$ 726,578	\$ 728,096
Contributions in Relation to the Contractually Required Contributions	954,080	852,125	726,578	728,096
Contributions Deficiency (Excess)	<u>\$ (40,667)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 6,089,422	\$ 6,086,607	\$ 5,589,062	\$ 6,067,467
Contribution as a Percentage of Covered Payroll	15.00%	14.00%	13.00%	12.00%

2018	2017	2016	2015
\$ 1,472,801	\$ 1,543,330	\$ 1,762,925	\$ 1,477,671
1,472,801	1,543,330	1,762,925	1,477,671
\$ -	\$ -	\$ -	\$ -
\$ 17,596,189	\$ 18,438,829	\$ 21,062,425	\$ 19,392,008
8.37%	8.37%	8.37%	7.62%
\$ 611,257	\$ 646,704	\$ 646,658	\$ 625,369
611,257	646,704	646,658	625,369
\$ -	\$ -	\$ -	\$ -
\$ 7,107,640	\$ 7,519,814	\$ 7,519,279	\$ 7,271,733
8.60%	8.60%	8.60%	8.60%
\$ -	\$ -	\$ -	\$ -
-	-	-	-
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
N/A	N/A	N/A	N/A
\$ 673,998	\$ 652,703	\$ 716,202	\$ 695,024
673,998	652,703	716,202	695,024
\$ -	\$ -	\$ -	\$ -
\$ 5,616,650	\$ 5,439,192	\$ 5,968,350	\$ 5,791,867
12.00%	12.00%	12.00%	12.00%

CITY OF CASPER

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

Notes to Required Supplementary Information

(1) Budgets and Budgetary Accounting

The City's budgets and related appropriations are prepared on the modified accrual basis of accounting with the exception and exclusion of noncash items; the City's financial statements are prepared in accordance accounting standards generally accepted in the United States (US GAAP). The adjustments necessary to convert the budgetary basis revenues and expenditures to the US GAAP basis revenues and expenditures are as follows:

Revenues:

Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$59,151,880
Differences, Budgetary Basis to US GAAP:	
Market adjustment on investments is a noncash item	<u>(2,101,525)</u>

Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	<u>\$57,050,335</u>
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Expenditures:

Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$54,780,954
Differences, Budgetary Basis to US GAAP:	
Recording of Bad Debt is a noncash item	<u>(45,321)</u>

Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	<u>\$54,735,633</u>
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The budgetary comparison schedule - general fund presents a comparison of the legally adopted budget with actual data. The City prepares its budget on a combination of a modified accrual/cash basis. Under this basis, amount for noncash items, including depreciation, market adjustment on investments, and bad debt, are not budgeted as revenues or expenditures. All budget amendments are approved by City Council and are presented within the final budget figures.

Wyoming State Statues require the presentation of the annual budget to provide documentation that all sources and uses of City resources are properly planned, budgeted, and approved. The budget, upon adoption, is the legal document which places restrictions and limitations on the purposes and amounts for which City monies may be expended.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Operational budgets are submitted to the head of each department in February of each year.
2. From March through May 1, the budgets are reviewed and refined by the head of each department and City Manager.
3. The City Manager submits the proposed budget to the City Council the first week of May. The overall budget includes proposed expenditures and the means of financing them.
4. A public hearing is conducted at City Hall to obtain taxpayer comments in June.
5. Prior to June 30, the budget is legally enacted through passage of a resolution for the fiscal year beginning July
6. The City Manager is authorized to transfer budgeted amounts between expenditure classifications of an individual cost center; however, any revisions that alter the total expenditures of any fund or department must be approved by the City Council. Expenditures cannot exceed appropriations on an individual department level and any unexpected or unencumbered appropriations lapse at year end.

CITY OF CASPER

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2022**

(1) Budgets and Budgetary Accounting (Continued)

7. Formal legally adopted budgets are prepared as a management control device during the year for all City funds. Budgets for these funds are adopted on a modified accrual basis, except for noncash items. Such basis is not consistent with generally accepted accounting principles generally accepted in the United States (US GAAP).
8. The financial statements prepared in conformity with US GAAP applied within the context of the modified cash basis of accounting present capital outlay expenditure information in a separate category of expenditures. Under the budgetary basis of accounting, capital outlay expenditures are reported within the function to which they relate. For example, the purchase of a new fire truck would be reported as a capital outlay expenditure on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances, however in the Budgetary RSI Schedule, the purchase of a fire truck would be reported as an expenditure of the Public Safety/Fire Department function of government, along with all other current Fire Department related expenditures.

Excess of Expenditures over Appropriations:

For the year ended June 30, 2022, there were no funds, departments, or cost centers of the City with expenditures in excess of budgeted appropriations. As a result, the City is in compliance with Wyoming State Statute 16-4-108.

(2) Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of Pension Contributions

Changes in Benefit Terms: There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2021 measurement date.

Changes in assumptions: Investment rates of return and salary increases were adjusted to more closely reflect actual experience. Annuity Mortality Tables were updated from the use of the RP-2014 Scale to the MP-2020 Ultimate Scale for the Public Employee Pension Plan, Paid Fire Pension Plan B, and Law Enforcement Pension Plan and to Scale MP-2017 for the Paid Fire Pension Plan A.

OTHER SUPPLEMENTARY INFORMATION

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CITY OF CASPER

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Weed & Pest Fund	Special Fire Assistance Fund	Police Grants Fund	Public Transit Fund
Assets				
Cash and Cash Equivalents	\$ 364,955	\$ 20,993	\$ -	\$ 400
Investments	568,183	-	-	-
Property Tax Receivable	109,240	-	-	-
Accounts Receivable, Net	-	-	5,740	4,605
Special Assessments Receivable	-	-	-	-
Notes Receivable, Net	-	-	-	-
Other Receivable	-	-	-	-
Due from Other Governments	-	235	175,701	1,176,194
Prepaid Expenses	-	-	-	-
Total Assets	\$ 1,042,378	\$ 21,228	\$ 181,441	\$ 1,181,199
Liabilities, Deferred Inflows of Resources and Fund Balances				
<i>Liabilities</i>				
Accounts Payable	\$ 7,851	\$ -	\$ 929	\$ 28,490
Accrued Wages Payable	10,812	-	3,364	62,161
Due to Other Funds	36	-	180,834	2,036,176
Total Liabilities	18,699	-	185,127	2,126,827
<i>Deferred Inflows of Resources</i>				
Unavailable Grant Revenue	-	-	-	4,008
Unavailable Revenue - Special Assessments	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	4,008
<i>Fund Balances</i>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	1,023,679	21,228	-	-
Unassigned (Deficit)	-	-	(3,686)	(949,636)
Total Fund Balances	1,023,679	21,228	(3,686)	(949,636)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,042,378	\$ 21,228	\$ 181,441	\$ 1,181,199

Metropolitan Planning Fund	Public Safety Communications Fund	Redevelopment Loan Fund	Debt Service Fund	Total Nonmajor Governmental Funds
\$ 236,286	\$ 629,810	\$ 100,937	\$ 283,154	\$ 1,636,535
-	-	-	461,164	1,029,347
-	-	-	-	109,240
-	85,073	-	5,406	100,824
-	-	-	107,730	107,730
-	-	164,000	-	164,000
-	-	-	9,024	9,024
90,809	103,480	-	-	1,546,419
36,833	19,552	-	-	56,385
\$ 363,928	\$ 837,915	\$ 264,937	\$ 866,478	\$ 4,759,504

\$ 41,795	\$ 89,430	\$ -	\$ -	\$ 168,495
12,907	74,689	-	-	163,933
6,713	-	-	-	2,223,759
61,415	164,119	-	-	2,556,187

-	-	-	-	4,008
-	-	-	116,164	116,164
-	-	-	116,164	120,172

36,833	19,552	-	-	56,385
-	-	264,937	-	264,937
265,680	654,244	-	750,314	2,715,145
-	-	-	-	(953,322)
302,513	673,796	264,937	750,314	2,083,145

\$ 363,928	\$ 837,915	\$ 264,937	\$ 866,478	\$ 4,759,504
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CITY OF CASPER

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Weed & Pest Fund	CDBG Fund	Special Fire Assistance Fund	Police Grants Fund
Revenue:				
Taxes and Special Assessments	\$ 811,966	\$ -	\$ -	\$ -
Intergovernmental Revenue	-	-	41,643	385,388
Charges for Goods and Services	-	-	-	-
Earnings (Losses) on Deposits and Investments	(18,221)	-	-	-
Contributions and Donations - Private Sources	-	-	-	1,604
Other	-	-	-	-
Total Revenue	793,745	-	41,643	386,992
Expenditures:				
Current:				
General Government	-	-	-	-
Public Safety	-	-	50,400	383,056
Public Works	-	-	-	-
Health and Welfare	449,806	-	-	-
Debt Service	-	-	-	-
Capital Outlay	32,221	-	-	-
Total Expenditures	482,027	-	50,400	383,056
Excess (Deficiency) of Revenue Over (Under) Expenditures	311,718	-	(8,757)	3,936
Other Financing Sources:				
Transfers In	-	-	-	-
Transfers Out	-	(21,223)	-	-
Total Other Financing Sources	-	(21,223)	-	-
Net Change in Fund Balances	311,718	(21,223)	(8,757)	3,936
Fund Balances (Deficit), June 30, 2021	711,961	21,223	29,985	(7,622)
Fund Balances (Deficit), June 30, 2022	\$ 1,023,679	\$ -	\$ 21,228	\$ (3,686)

Public Transit Fund	Metropolitan Planning Fund	Public Safety Communications Fund	Redevelopment Loan Fund	Debt Service Fund	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 810,592	\$ -	\$ 3,427	\$ 1,625,985
1,640,296	888,343	-	-	-	2,955,670
103,099	-	680,649	-	-	783,748
-	-	-	9,581	(5,391)	(14,031)
-	19,325	-	-	-	20,929
1,484	-	-	-	963	2,447
1,744,879	907,668	1,491,241	9,581	(1,001)	5,374,748
-	788,492	-	-	22,321	810,813
-	-	-	-	-	433,456
-	-	2,586,697	-	-	2,586,697
2,447,778	-	-	-	-	2,897,584
-	-	-	65,280	-	65,280
82,214	-	12,150	-	-	126,585
2,529,992	788,492	2,598,847	65,280	22,321	6,920,415
(785,113)	119,176	(1,107,606)	(55,699)	(23,322)	(1,545,667)
94,336	120,000	1,214,268	-	-	1,428,604
-	-	-	-	-	(21,223)
94,336	120,000	1,214,268	-	-	1,407,381
(690,777)	239,176	106,662	(55,699)	(23,322)	(138,286)
(258,859)	63,337	567,134	320,636	773,636	2,221,431
\$ (949,636)	\$ 302,513	\$ 673,796	\$ 264,937	\$ 750,314	\$ 2,083,145

CITY OF CASPER

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	General Internal Services Fund	Employee Health Insurance Fund	Total Internal Service Funds
Assets			
<i>Current Assets</i>			
Cash and Cash Equivalents	\$ 1,134,688	\$ 174,016	\$ 1,308,704
Investments	-	3,253,430	3,253,430
Accounts Receivable, Net	29,548	-	29,548
Due from Other Funds	156,056	-	156,056
Prepaid Expenses	41,370	-	41,370
Inventory	81,623	-	81,623
Total Current Assets	1,443,285	3,427,446	4,870,731
<i>Capital Assets</i>			
Machinery and Equipment	789,292	-	789,292
Accumulated Depreciation	(778,342)	-	(778,342)
Total Capital Assets, Net	10,950	-	10,950
Total Assets	\$ 1,454,235	\$ 3,427,446	\$ 4,881,681
Liabilities and Net Position			
<i>Current Liabilities</i>			
Accounts Payable	\$ 326,579	\$ 53,255	\$ 379,834
Accrued Wages Payable and Compensated Absences	151,601	-	151,601
Total Current Liabilities	478,180	53,255	531,435
<i>Noncurrent Liabilities</i>			
Net Pension Liability	913,456	-	913,456
Total Noncurrent Liabilities	913,456	-	913,456
Total Liabilities	1,391,636	53,255	1,444,891
<i>Deferred Inflows of Resources</i>			
Pension Related Deferred Inflows	461,416	-	461,416
Total Liabilities and Deferred Inflows of Resources	1,853,052	53,255	1,906,307
Net Position			
Net Investment in Capital Assets	10,950	-	10,950
Unrestricted Net Position (Deficit)	(409,767)	3,374,191	2,964,424
Total Net Position	(398,817)	3,374,191	2,975,374
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 1,454,235	\$ 3,427,446	\$ 4,881,681

CITY OF CASPER

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Internal Services Fund	Employee Health Insurance Fund	Total Internal Service Funds
Operating Revenue			
Charges for Goods and Services	\$ 7,026,273	\$ -	\$ 7,026,273
Operating Expenses			
Personal Services	1,582,107	-	1,582,107
Other Current Expenses	4,975,517	301,473	5,276,990
Depreciation	16,396	-	16,396
Total Operating Expenses	6,574,020	301,473	6,875,493
Operating Income (Loss)	452,253	(301,473)	150,780
Non-Operating Income (Expense)			
Earnings (Loss) on Deposits and Investments	(14,163)	(81,017)	(95,180)
Loss on Disposition of Assets	(168,688)	-	(168,688)
Total Non-Operating Income (Expense)	(182,851)	(81,017)	(263,868)
Income (Loss) Before Transfers	269,402	(382,490)	(113,088)
Other Financing Sources (Uses)			
Capital Transfers Out	(84,420)	-	(84,420)
Net Income (Loss)	184,982	(382,490)	(197,508)
Net Position (Deficit) - June 30, 2021,			
as previously stated	(777,009)	3,756,681	2,979,672
Prior Period Adjustment	193,210	-	193,210
Net Position - beginning of year, as restated	(583,799)	3,756,681	3,172,882
Net Position - June 30, 2022	\$ (398,817)	\$ 3,374,191	\$ 2,975,374

SINGLE AUDIT SECTION

CITY OF CASPER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

	Identifying Number	Assistance Listing Number	Amount
U.S. Department of Housing and Urban Development			
<i>Direct Federal Funding</i>			
<u>CDBG Entitlement Grants Cluster</u>			
Section 108 Loan Guarantees (Note 3)	N/A	14.248	\$ 214,000
U.S. National Parks Service			
<i>Pass-Through the Wyoming Historic Preservation Office</i>			
Historic Preservation Grant	N/A	15.904	6,600
U.S. Department of Justice			
<i>Pass-Through the Wyoming Division of Victim Services - Attorney Generals Office Crime Victim Assistance</i>			
Violence Against Women Formula Grant	20-WF-AX-0049	16.588	27,340
U.S. Department of Transportation			
<i>Pass-Through the Wyoming Department of Transportation</i>			
<u>Highway Planning and Construction Cluster</u>			
Highway Planning and Construction	FT19047	20.205	6,777
Highway Planning and Construction	FT20047	20.205	65,503
Highway Planning and Construction	FT21047	20.205	264,584
Highway Planning and Construction	FT22047	20.205	409,975
Highway Planning and Construction	CD19205	20.205	110,373
Highway Planning and Construction	CD16205	20.205	159,783
Highway Planning and Construction	CD21202	20.205	626
Total Highway Planning and Construction Cluster			1,017,621
<i>Pass-Through the Wyoming Department of Transportation</i>			
<u>Federal Transit Cluster</u>			
Federal Transit Formula Grant	WY-2019-004-00	20.507	207,397
Federal Transit Formula Grant	WY-2020-007-00	20.507	709,324
Federal Transit Formula Grant (COVID-19)	WY-2020-007-00	20.507	29,508
Federal Transit Formula Grant (COVID-19)	WY-2020-003-00	20.507	224,140
Federal Transit Formula Grant (COVID-19)	WY-2022-005-00	20.507	145,015
Federal Transit Formula Grant	WY-2022-006-00	20.507	147,796
Total Federal Transit Cluster			1,463,180
<i>Pass-Through the Wyoming Department of Transportation</i>			
Alcohol Open Container Requirements	FY21 DUI-450D	20.607	23,165
Alcohol Open Container Requirements	FY22 DUI-450D	20.607	19,740
			42,905
<i>Pass-Through the Wyoming Department of Transportation</i>			
<u>Highway Safety Cluster</u>			
National Priority Safety Programs	FY21 OP HVE 405B	20.616	19,528
National Priority Safety Programs	FY22 OP HVE 405B	20.616	26,000
Total Highway Safety Cluster			45,528
Total U.S. Department of Transportation			2,569,234

CITY OF CASPER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022

	Identifying Number	Assistance Listing Number	Amount
U.S. Department of Treasury			
<i>Direct Federal Funding</i>			
Conoravirus State and Local Fiscal Recovery Fund (COVID)	ARPA	21.027	7,999,894
U.S. Environmental Protection Agency			
<i>Pass-Through the Office of State Land and Investment Board</i>			
<u>Clean Water State Revolving Fund Cluster</u>			
Capitalization Grants for Clean Water State Revolving Funds	CW180	66.458	247,081
<i>Direct Federal Funding</i>			
Brownsfield Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	N/A	66.818	26,482
Total U.S. Environmental Protection Agency			273,563
U.S. Department of Homeland Security			
<i>Pass-Through Wyoming Office of Homeland Security</i>			
Homeland Security Grant Program	21-SHSP-CAS-MU-CYB3	97.067	16,000
Homeland Security Grant Program	20-SHSP-CAS-HEM20	97.067	158,480
Homeland Security Grant Program	21-SHSP-RR2-RR-AET2	97.067	235
Total U.S. Department of Homeland Security			174,715
Total Federal Expenditures			\$ 11,265,346

See Notes to the Schedule of Expenditures of Federal Awards.

CITY OF CASPER

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2022**

Note 1: Basis of Presentation and Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Casper (the City) under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

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

Note 2 – Indirect Cost Rate

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

Note 3 – Loans Outstanding

The City has the following loan balance under federally guaranteed loan programs outstanding at June 30, 2022:

<u>Program Title</u>	<u>Assistance Listing Number</u>	<u>Amount as of June 30, 2022</u>
U.S. Department of Housing and Urban Development Community Development Block Grants - Section 108 Loan Guarantees	14.248	\$ 164,000



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

City Council
City of Casper
Casper, Wyoming

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of the **CITY OF CASPER** (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 30, 2022.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying Schedule of Findings as #2022-001 and #2022-002 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying Schedule of Findings as #2022-003 to be a significant deficiency.

Report on Compliance and Other Matters

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

City's Response to Findings

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

Purpose of this Report

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



KETEL THORSTENSON, LLP
Certified Public Accountants

December 30, 2022



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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City Council
City of Casper
Casper, Wyoming

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the **CITY OF CASPER's** (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

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

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

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



KETEL THORSTENSON, LLP
Certified Public Accountants

CITY OF CASPER

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

A. SUMMARY OF AUDIT FINDINGS

1. The Independent Auditor's Report expresses an unmodified opinion on the financial statements of the City.
2. Material weaknesses and a significant deficiency were disclosed during the audit of the financial statements and are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City were disclosed during the audit.
4. No material weaknesses or significant deficiencies were disclosed during the audit of the major federal award program are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award program for the City expresses an unmodified opinion.
6. No audit findings relative to the major federal award program for the City are reported in Part C of this schedule.
7. The programs tested as a major program for 2022 were the Federal Transit Cluster (ALN #20.507) and the Coronavirus State and Local Fiscal Recovery Funds (ALN #21.027).
8. The threshold for distinguishing type A and B programs was \$750,000.
9. The City was not determined to be a low risk auditee.

CITY OF CASPER

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

B. FINDINGS – FINANCIAL STATEMENT AUDIT

Material Weaknesses

2022-001 FINDING: Audit Adjustments

Federal Program Affected: None

Compliance Requirement: Not Applicable

Questioned Costs: None

Condition and Cause: During the course of our engagement, we proposed material audit adjustments that were approved and recorded. Additionally, we posted several reclassification entries with no effect on net income. Other entries were proposed as part of the audit, but were not recorded due to the overall insignificance on the financial statements.

Criteria and Effect: The City's financial statements are provided to numerous granting agencies and lenders. The City does not have adequate internal controls to ensure the identification and accurate recording of all year-end balances.

Repeat Finding from Prior Year: Yes, prior year finding 2021-002.

Recommendation: We recommend the City post all year-end adjustments prior to audit fieldwork.

Response/Corrective Action Plan: The City agrees with the above finding. See Corrective Action Plan.

2022-002 FINDING: Financial Statement Preparation

Federal Program Affected: None

Compliance Requirement: Not Applicable

Questioned Costs: None

Condition and Cause: We were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Auditing standards require auditors to communicate this situation to the City Council as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of the City's statements and footnotes, and the responsibility of the auditor to determine the fairness and presentation of those statements. From a practical standpoint, we do both for the City at the same time in connection with our audit. This is not unusual for municipalities of your size.

Criteria and Effect: It is our responsibility to inform the City Council that this deficiency could result in a misstatement to the financial statements that would not have been prevented or detected by the City's management.

Repeat Finding from Prior Year: Yes, prior year finding 2021-001.

Recommendation: We have instructed management to review a draft of the auditor-prepared financials in detail for their accuracy; we have answered any questions they might have, and have encouraged research of any accounting guidance in connection with the adequacy and appropriateness of classification and disclosure in the City's statements. We are satisfied that the appropriate steps have been taken to provide the City with the completed financial statements. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Response/Corrective Action Plan: The City agrees with the above finding. See Corrective Action Plan.

CITY OF CASPER

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONCLUDED)
FOR THE YEAR ENDED JUNE 30, 2022**

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

Significant Deficiency

2022-003 FINDING: Internal Controls and Segregation of Duties

Federal Program Affected: None

Compliance Requirement: Not Applicable

Questioned Costs: None

Condition and Cause: The City has a lack of adequate internal controls in the following areas:

- a. Various departments within the City apply for and are awarded federal grants, but the City lacks a formal or consistent process to identify federal expenditures.
- b. The City lacks a consistent process to appropriately identify, track, and record capital assets.
- c. The accounts payable technician has access to post invoices, access to check stock, and access to the accounts payable key fob to print checks.

Criteria and Effect:

- a. A lack of proper identification of federal expenditures could result in improper timing of federal grant revenue and receivable recognition and improper reporting on the schedule of expenditures of federal awards.
- b. The City has formal capitalization thresholds for various types of assets. Individual department heads are charged with identifying and coding expenditures to appropriate general ledger accounts. The misidentification, or lack of identification in addition to misclassification in the general ledger may lead understating capital assets in the government-wide statements and proprietary fund statements.
- c. Internal controls should be segregated so those with access and custody of cash do not also have access to the general ledger. This may create opportunity for misappropriation of assets.

Repeat Finding from Prior Year: No.

Recommendation:

- a. We recommend the City develop a consistent process to timely identify federal expenditures across all City departments. Additionally, tracking of grant expenditures should be centralized in the finance office rather than with various departments.
- b. We recommend the City provide additional training to those charged with identifying and classifying expenditures as capital assets. In order to identify expenditures that will be capitalized, we recommend all purchases are coded to “capital outlay” expenditure object codes. This will allow management to assess current expenditures along with facilitate the identification of assets that will be capitalized.
- c. We recommend removing access to the blank check stock from the accounts payable technician.

C. FINDINGS – MAJOR FEDERAL PROGRAM AUDIT

None.

MANAGEMENT RESPONSE



**STATUS OF PRIOR YEAR FINDINGS
JUNE 30, 2022**

The City respectfully submits the following summary schedule of prior audit findings from June 30, 2021, Schedule of Findings. The findings are numbered consistently with the numbers assigned in the 2021 Schedule of Findings.

2021-001 FINDING: Financial Statement Preparation

Status: It is more cost effective for the City to hire a public accounting firm, to prepare the full disclosure financial statements as a part of the annual audit process. The City has designated members of management to review the draft financial statements and accompanying notes to the financial statements.

Initial Year Report: Originally issued years ago.

Reasons for Recurrence and Corrective Action Plan: As the City has accepted the risk associated with the auditor's preparing of the financial statements, it will be repeated in 2022, see Corrective Action Plan.

2021-002 FINDING: Audit Adjustments

Status: The City made efforts to record all year-end entries, but material adjustments and reclassifications were required to correctly reflect the accuracy and completeness of account balances and transactions.

Initial Year Report: Originally issued years ago.

Reasons for Recurrence and Corrective Action Plan: The Finance Office agrees that both material and immaterial audit adjustments were subsequently recorded in order to accurately report account balances and transactions. The Finance Office will attempt to post all year end adjustments prior to providing a trial balance to the auditors in future years.

2021-003 FINDING: Schedule of Expenditures of Federal Awards Presentation

Status: The City properly prepared the Schedule of Expenditures of Federal Awards for the year ended June 30, 2022.

Initial Year Report: June 30, 2020

Reasons for Recurrence and Corrective Action Plan: This finding is not repeated.

2021-004 FINDING: Procurement, Suspension, and Debarment

Status: The City implemented policies to determine whether vendors are suspended and debarred.

Initial Year Report: June 30, 2021

Reasons for Recurrence and Corrective Action Plan: This finding is not repeated.

2021-005 FINDING: Allowable Costs/Costs Principles

Status: There were no duplicate expenditures identified in the current year audit.

Initial Year Report: June 30, 2021

Reasons for Recurrence and Corrective Action Plan: This finding is not repeated.



**CORRECTIVE ACTION PLAN
JUNE 30, 2022**

The City respectfully submits the following corrective action plan regarding findings from the June 30, 2022 Schedule of Findings. The findings are numbered consistently with the numbers assigned in the Schedule of Findings.

2022-001 FINDING: Audit Adjustments

Responsible Officials: Nicholas Gassman, Accounting Supervisor

Corrective Action Plan: The City is reviewing our processes to ensure that all client entries are completed prior to the start of the audit. Additionally, the City will develop a year end review process that includes reviewing our trial balance for accuracy.

Anticipated Completion Date: June 30, 2023

2022-002 FINDING: Financial Statement Preparation

Responsible Officials: Nicholas Gassman, Accounting Supervisor

Corrective Action Plan: The City has accepted the risk associated with Finding #2022-002 regarding the preparation of the financial statements. We have been provided adequate time to review the financial statements for accuracy. The City also understands the importance of proper financial statement preparation and is developing processes to fully develop the financial statements in-house. We are working on purchasing report building software to develop the FY23 report in-house.

Anticipated Completion Date: June 30, 2023

2022-003 FINDING: Internal Controls and Segregation of Duties

Responsible Officials: Nicholas Gassman, Accounting Supervisor

Corrective Action Plan:

- a. In late Fiscal Year 2022, the city hired a grant specialist to help oversee all grants the city is receiving and help assist the various departments. This grants specialist will be preparing monthly reconciliations to identify issues within the grants in a timely manner.
- b. City staff will implement a monthly reconciliation of all expenditures over the City's capitalization threshold testing each expenditure to verify no capital assets are missed throughout the fiscal year.
- c. The key fob to print checks will be kept by an individual without access to print checks and in a locked cabinet. This individual will insert the key fob into the printer when approved checks are printed, which will create dual control.

Anticipated Completion Date: December 31, 2022

BUDGET & ACCOUNTING DEPARTMENT

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