

CAMPBELL COUNTY CEMETERY DISTRICT

FINANCIAL REPORT

**FOR THE FISCAL
YEAR ENDED JUNE 30, 2018**

CAMPBELL COUNTY CEMETERY DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Governing Board
Campbell County Cemetery District
Gillette, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of **Campbell County Cemetery District (District)**, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the **District's** basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the **District's** internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the **Campbell County Cemetery District**, as of June 30, 2018, and the respective changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 8, the Schedule of the **Campbell County Cemetery District's** Proportionate Share of the Net Pension Liability - Public Employees' Pension Plan, and the Schedule of **Campbell County Cemetery District's** Contributions - Public Employees' Pension Plan and the Notes to Required Supplementary Information on pages 27 and 28 be presented to supplement the basic financial statements. Such information, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2018, on our consideration of the **Campbell County Cemetery District'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 **District'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 **Campbell County Cemetery District's** internal control over financial reporting and compliance.

Bennett, Weber & Hermsstad, LLP

Gillette, Wyoming
December 3, 2018

Management of Campbell County Cemetery District (the District) provides this Management Discussion and Analysis of the District's annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2018.

2018 FINANCIAL HIGHLIGHTS

- The District had an increase in net position of \$1,174,333, or 4%. This was mostly due to the District's increase in its investments. The District anticipates future expenditures in capital projects.

USING THIS ANNUAL REPORT

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the District's financial activities.

The basic financial statements consist of the Governmental Fund Balance Sheet/Statement of Net Position and the Statement of Governmental Revenues, Expenditures and Changes in Fund Balance/Statement of Activities. These statements provide information about the activities of the District, on a comparative basis, including resources held by the District but restricted for specific purposes by creditors, contributors, grantors or enabling legislation.

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information further explains and supports the financial statements with a comparison of the District's budget for the year and schedules of the District's share of the net pension liability and the District's contributions to the pension plan.

Government-Wide Statements (The Statement of Net Position and Statement of Activities)

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. These statements provide both long-term and short-term information about the District's overall financial status. 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 District's net position and how it has changed. Net position, the difference between the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is one way to measure the District's financial health or position.

- Increases or decreases in the District's net position are indicators of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional non-financial factors such as changes in the District's property tax base.

The government-wide financial statements of the District are reported in the following category:

- Governmental Activities - This category includes the District's basic cemetery services. Property taxes, donations, and interest earnings finance most of these activities.

Fund Financial Statement

The fund financial statement provides more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes. The District has only one fund, the General Fund, which is a governmental fund as explained below.

- Governmental Funds - All of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund 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 District's programs. This information does not encompass the additional long-term focus of the government-wide statements. Therefore, reconciliation is shown on the statements.

REPORTING THE CAMPBELL COUNTY CEMETERY DISTRICT FINANCIAL ACTIVITIES

The Governmental Fund Balance Sheet/Statement of Net Position and Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities.

One of the most important questions asked about the District's finances is "Is Campbell County Cemetery District as a whole better or worse off as a result of the year's activities?" The financial statements report information about District resources and its activities in a way that helps answer this question. These statements include all assets (restricted and unrestricted) and all liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These statements report the District's net position, which is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, as one way to measure financial position. Over time, increases or decreases in net position are indicators of whether the financial position is improving or deteriorating. Additional factors, such as changes in the quality of services provided to its customers and local economic conditions, are also important in making this determination.

FINANCIAL ANALYSIS OF THE DISTRICT

The following schedule shows the assets, liabilities and net position for the District:

Assets, Liabilities and Net Position

	<u>2017</u>	<u>2018</u>
Current Assets	\$24,886,254	\$26,911,389
Capital assets net of depreciation	<u>11,623,690</u>	<u>11,387,754</u>
Total assets	<u>36,509,944</u>	<u>38,299,143</u>
Deferred Outflows of Resources		
Pension Plans	<u>93,928</u>	<u>111,220</u>
Total deferred outflows of resources	<u>93,928</u>	<u>111,220</u>
Current Liabilities	134,085	174,785
Long-term liabilities	<u>426,080</u>	<u>440,227</u>
Total liabilities	<u>560,165</u>	<u>615,012</u>
Deferred Inflows of Resources		
Pensions	31,205	51,127
Property taxes levied for future periods	<u>2,626,542</u>	<u>3,183,931</u>
Total deferred inflows of resources	<u>2,657,747</u>	<u>3,235,058</u>
Net Position		
Net investment in capital assets	11,606,896	11,387,754
Unrestricted	<u>21,779,064</u>	<u>23,172,539</u>
Total net position	<u>\$33,385,960</u>	<u>\$34,560,293</u>

As noted earlier, net position may serve over time as a useful indicator of financial position. The District's net position increased by \$1,174,333 during the year ended June 30, 2018.

The following shows the changes in net position for the District during the years ended June 30, 2018 and 2017.

Revenues, Expenses, and Changes in Net Position

	2017	2018
Revenues		
Program revenues		
Charges for services	\$57,350	\$55,998
Operating grants and contributions	-	-
General revenues		
Taxes, primarily property	4,115,349	2,663,257
Investment income	60,437	242,037
Miscellaneous income	4,107	10,248
	4,237,243	2,971,540
Expenses		
Cemetery	1,623,241	1,797,207
Loss on sale of capital assets	0	-
	2,614,002	1,174,333
Increase in Net Position	2,614,002	1,174,333
Beginning Net Position	30,771,958	33,385,960
Ending Net Position	\$33,385,960	\$34,560,293

FINANCIAL ANALYSIS OF THE DISTRICT'S FUND

The General Fund had an increase in fund balance this year of \$1,522,166. This was mostly due to the District spending less than the mill levy brought in. The additional funds were used to increase committed fund balances for future projects by \$980,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

There were no significant changes to this fiscal year overall. One positive element was that the actual expenditures were less than budgeted expenditures by \$145,706. This positive variance was mostly attributed to projected capital outlay projects and repairs that went under budget. The District also was able to keep expenses under budget in several other areas. Another was that investment income was higher than budget by \$141,437.

Campbell County Cemetery District
Management's Discussion and Analysis
June 30, 2018

CAPITAL ASSET ADMINISTRATION

During the year ended June 30, 2009, the District began a construction project at Mount Nebo Cemetery. As of June 30, 2018, the District incurred approximately \$2,261,000 in construction costs including engineering fees, of which approximately \$813,000 remains in construction in progress. The remaining amounts were all capitalized in prior years. The Mount Nebo project is expected to continue for several years and be capitalized in phases as work is completed. This project is funded with reserves.

	Balance June 30, 2017	Additions	Deletions/ Transfers	Balance June 30, 2018
Non-depreciable Capital Assets				
Art Work	\$ 9,000	\$ 108,000	\$ -	\$ 117,000
Construction in progress (Note 3)	665,561	173,696	(26,563)	812,694
Land	782,824			782,824
Intangible Asset		26,563		26,563
Total Non-depreciable Capital Assets	1,457,385	308,259	(26,563)	1,739,081
Capital Assets being Depreciated				
Buildings	2,952,723	-	-	2,952,723
Equipment and vehicles	773,456	104,759		878,215
Land improvements	10,687,107	12,466		10,699,573
Total Capital Assets	14,413,286	117,225	-	14,530,511
Less Accumulated Depreciation				
Buildings	(860,551)	(66,927)		(927,478)
Equipment and vehicles	(596,248)	(56,320)		(652,568)
Land improvements	(2,790,182)	(511,610)		(3,301,792)
Total Accumulated Depreciation	(4,246,981)	(634,857)		(4,881,838)
Depreciable Capital Assets, Net	10,166,305	(517,632)	-	9,648,673
Total Capital Assets, Net	<u>\$ 11,623,690</u>	<u>\$ (209,373)</u>	<u>\$ (26,563)</u>	<u>\$ 11,387,754</u>

LONG-TERM DEBT

Net pension liability increased in the current year due to increases in pay rates for employees.

	Liabilities Payable June 30,			Liabilities Payable June 30,		Due Within One Year
	2017	Issued	Retired	2018		Year
Compensated Absences	\$26,707	\$-	\$(26,707)	\$-		\$-
Net Pension Liability	<u>399,373</u>	<u>113,065</u>	<u>(72,211)</u>	<u>440,227</u>		<u>-</u>
	\$426,080	\$113,065	\$(98,918)	\$440,227		\$-

ECONOMIC FACTORS

The District's financial position improved during the year ended June 30, 2018 due to tax receipts being more than expenses. The District's financial condition fluctuates from year to year based on the number of mills assessed for property taxes. The District has increased the property tax levy to \$3,183,931 for 2018 taxes. Taxes will be used for future projects and to build reserves for the District.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District Business Office at 804 Emerson, Gillette, Wyoming 82716.

CAMPBELL COUNTY CEMETERY DISTRICT

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

June 30, 2018

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash	\$ 548,904	\$ -	\$ 548,904
Investments	22,755,180	-	22,755,180
Taxes receivable, net of allowance for uncollectibles	3,534,341	-	3,534,341
Accrued interest receivable	54,872	-	54,872
Prepaid expenses	18,092	-	18,092
Nondepreciable capital assets	-	1,739,081	1,739,081
Depreciable capital assets, net	-	9,648,673	9,648,673
Total Assets	\$ 26,911,389	\$ 11,387,754	\$ 38,299,143
DEFERRED OUTFLOWS OF RESOURCES			
Relating to pensions	\$ -	\$ 111,220	\$ 111,220
LIABILITIES			
Accounts payable	\$ 114,953	\$ -	\$ 114,953
Accrued compensation	59,832	-	59,832
Noncurrent liabilities:			
Due within more than one year	-	440,227	440,227
Total Liabilities	\$ 174,785	\$ 440,227	\$ 615,012
DEFERRED INFLOWS OF RESOURCES			
Taxes levied for subsequent years	\$ 3,183,931	\$ -	\$ 3,183,931
Taxes, unavailable	296,515	(296,515)	-
Relating to pensions	-	51,127	51,127
Total Deferred Inflows of Resources	\$ 3,480,446	\$ (245,388)	\$ 3,235,058
FUND BALANCE/NET POSITION			
Fund Balance:			
Nonspendable	\$ 18,092	\$ (18,092)	\$ -
Committed:			
For Mt. Nebo future development	13,225,000	(13,225,000)	-
For water project	3,723,370	(3,723,370)	-
For cemetery beautification	910,000	(910,000)	-
Unassigned	5,379,696	(5,379,696)	-
Total Fund Balance	\$ 23,256,158	\$ (23,256,158)	\$ -
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 26,911,389		
Net Position:			
Net investment in capital assets		\$ 11,387,754	\$ 11,387,754
Unrestricted		23,172,539	23,172,539
Total Net Position		\$ 34,560,293	\$ 34,560,293

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY CEMETERY DISTRICT

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

June 30, 2018

Total Governmental Fund Balance	\$	23,256,158
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.		
Non-depreciable capital assets	\$	1,739,081
Depreciable capital assets		14,530,511
Less: accumulated depreciation		<u>(4,881,838)</u>
Total capital assets		11,387,754
Taxes are not available to pay for current period expenditures and, therefore are deferred in the governmental funds.		296,515
Net pension liability is not due and payable in the current period and, therefore is not reported in the governmental funds.		(440,227)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore are not reported in the funds.		
Deferred outflows of resources related to pensions	\$	111,220
Deferred inflows of resources related to pensions		<u>(51,127)</u>
		60,093
Net position of governmental activities		\$ 34,560,293

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY CEMETERY DISTRICT

**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES,
EXPENDITURES AND CHANGE IN FUND BALANCE**

Year Ended **June 30, 2018**

	General Fund	Adjustments	Statement of Activities
Expenditures/Expenses:			
Cemetery operations	\$ 1,145,573	\$ 651,634	\$ 1,797,207
Capital outlay	398,921	(398,921)	-
Total expenditures/expenses	\$ 1,544,494	\$ 252,713	\$ 1,797,207
Program Revenues:			
Charges for services	\$ 55,998	\$ -	\$ 55,998
General Revenues:			
Taxes	\$ 2,758,377	\$ (95,120)	\$ 2,663,257
Investment income	242,037	-	242,037
Miscellaneous income	10,248	-	10,248
Total general revenues	\$ 3,010,662	\$ (95,120)	\$ 2,915,542
Excess of revenues over expenditures/expenses	\$ 1,522,166	\$ (1,522,166)	\$ -
Change in net position	-	1,174,333	1,174,333
Fund Balance/Net Position:			
Beginning, July 1	21,733,992	11,651,968	33,385,960
Ending, June 30	\$ 23,256,158	\$ 11,304,135	\$ 34,560,293

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY CEMETERY DISTRICT

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

Year Ended **June 30, 2018**

Net Change in Fund Balance - Total Governmental Fund		\$ 1,522,166
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds do not reflect the change in long-term liabilities, but the change is reflected in the accrual through expenses in the Statement of Activities.		26,707
Timing differences for the recognition of property and production tax revenues between revenues reported in the governmental fund and revenues reported in the statement of activities.		(95,120)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlays	\$ 398,921	
Depreciation	(634,857)	
		(235,936)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.		
District pension contributions	\$ 28,727	
Cost of benefits earned net of employee contributions	(72,211)	
		(43,484)
Change in Net Position of Governmental Activities		\$ 1,174,333

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY CEMETERY DISTRICT

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

Year Ended **June 30, 2018**

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	\$ 2,776,542	\$ 2,776,542	\$ 2,758,377	\$ (18,165)
Charges for services	66,000	66,000	55,998	(10,002)
Investment income	100,600	100,600	242,037	141,437
Miscellaneous income	6,000	6,000	10,248	4,248
Total revenues	\$ 2,949,142	\$ 2,949,142	\$ 3,066,660	\$ 117,518
Expenditures:				
Current:				
Administrative:				
Board expenses	\$ 9,500	\$ 9,500	\$ 5,965	\$ 3,535
Employee training and assistance	7,500	7,500	5,500	2,000
Legal and accounting	64,000	64,000	48,349	15,651
Office supplies	38,500	58,500	41,290	17,210
Salaries	139,000	139,000	165,133	(26,133)
Telephone communications	7,600	7,600	7,074	526
Capital outlay	311,000	441,000	398,921	42,079
Operations and indirect:				
Insurance	144,000	144,000	155,631	(11,631)
Payroll expenses	90,500	90,500	85,052	5,448
Repairs	143,000	143,000	69,708	73,292
Safety	4,000	4,000	2,307	1,693
Salaries	290,000	290,000	305,108	(15,108)
Shop supplies	19,000	19,000	10,901	8,099
Supplies	8,100	8,100	3,310	4,790
Travel	3,000	3,000	861	2,139
Program services:				
Beautification	40,000	40,000	59,915	(19,915)
Sales commissions	4,000	4,000	-	4,000
Grounds maintenance	57,500	57,500	40,696	16,804
Monument setting	5,000	5,000	1,754	3,246
Oil and gas	28,000	28,000	24,369	3,631
Professional fees	50,000	50,000	47,438	2,562
Utilities	77,000	77,000	65,212	11,788
Total expenditures	\$ 1,540,200	\$ 1,690,200	\$ 1,544,494	\$ 145,706
Excess of revenues over expenditures	\$ 1,408,942	\$ 1,258,942	\$ 1,522,166	\$ 263,224
Fund balance, beginning of the year	21,733,992	21,733,992	21,733,992	-
Fund balance, end of the year	\$23,142,934	\$22,992,934	\$23,256,158	\$ 263,224

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY CEMETERY DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

Campbell County Cemetery District (the “District”) is a political subdivision of the State of Wyoming. It was created on December 15, 1964 and is governed by a board of six elected trustees. The District maintains and operates two cemeteries in the City of Gillette and seven rural cemeteries in Campbell County, Wyoming.

In conformity with Governmental Accounting and Financial Reporting Standards, Campbell County Cemetery District is the reporting entity for financial reporting purposes. The District is not included in any other governmental reporting entity because the District’s Board is elected by the District’s members, is empowered to adopt a budget, to expend District revenues, to significantly influence operations, and is primarily accountable for fiscal matters. The financial statements of the District include all funds that are controlled by or dependent upon the elected Board. Control by or dependence on the elected Board is determined on the basis of budget adoption, taxing authority, outstanding debt which may be secured by general obligation of the District, and the responsibility of the District to finance debt. Based on these criteria, there are no agencies or entities which should be combined with the financial statements of the District.

B. Government-Wide and Fund Financial Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major fund).

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District.

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the related liability is incurred, as under accrual accounting. However, compensated absences are recognized as expenditures only when payment is due.

Property and production taxes, investment income and charges for services associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

The District reports the following major governmental fund:

The *General Fund* is the District's primary operating fund and is always classified as a major fund. It accounts for all financial resources and transactions of the District.

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

1. Cash and Investments

The District's cash is considered to be cash on hand and demand deposit accounts.

The District is authorized and limited by its governing board to invest in those types of securities as allowed by Wyoming State Statutes. Investments of the District are reported at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

2. Property and Production Taxes Receivable

Tax revenues represent property and production taxes for 2017 and prior years which were collected during the year ended June 30, 2018. Property is annually valued and assessed January 1. Property and production taxes are levied by the first Monday of August and payable in two installments on September 1 and March 1. These installments become delinquent and thus payable, on November 10 and May 10. The taxpayer may elect, without penalty, to pay the entire balance by December 31. If not paid, property and production taxes attach as an enforceable lien on property as of May 11. Property and production tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period on the financial statements. Property and production taxes which are not current receivables are offset by deferred inflows of resources. Property and production taxes are collected by the County Treasurer and remitted to the District in the month following collection.

3. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses and are accounted for on the consumption method.

4. Capital Assets

Capital assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Buildings and land improvements with an individual cost of less than \$50,000, vehicles with an individual cost of less than \$10,000, equipment less than \$5,000, intangible assets less than \$5,000 and art work less than \$7,500 are not capitalized. Donated capital assets are recorded at their acquisition value at date of receipt. Donated capital assets acquired prior to July 1, 2015 are stated at fair value as of the date of donation. The District does not possess any infrastructure. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

All reported capital assets except land, construction in progress, art work and intangible assets with indefinite useful lives are depreciated. Depreciation is calculated using the straight-line method over the following estimated useful lives:

	Years
Buildings	33-40 years
Equipment and vehicles	3-15 years
Land improvements	10-20 years

5. Compensated Absences

Benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means, such as payment for unused accrued annual leave upon termination of services. The District records a liability for accumulated unused annual leave when earned for all eligible employees.

Sick leave is accumulated at a rate of four hours each pay period. There is no limit on the number of hours an employee may accumulate. Sick leave is not paid upon termination of employment, but sick leave of approximately \$52,000 was available for use at June 30, 2018.

6. Program Revenues

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

- a. Charges for services - These arise from charges to customers or others who purchase, use, or directly benefit from the services or privileges provided or are otherwise directly affected by the services.
- b. Operating contributions - These arise from voluntary non-exchange transactions with organizations or individuals and are to be used for operations of the District.

7. Defined Benefit Pensions

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

8. Fund Balance

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Restricted fund balances - Those balances representing amounts that are externally restricted by creditors, grantors, contributors, or laws or regulations of other governments. Restrictions can also be imposed through law, constitutional provisions, or enabling legislation. The District had no restricted fund balances as of June 30, 2018.

Committed fund balances - Those balances representing amounts that can only be used for specified purposes as imposed by formal actions of the District's Governing Board. Those committed amounts cannot be used for any other purpose unless the District's Governing Board removes or changes the specified use through the same formal action.

Assigned fund balances - Those balances representing amounts that are constrained by the District to be used for a specified purpose. These amounts are neither restricted nor committed. The authority for making or changing an assignment of fund balance is required to be made by the District's Governing Board as are committed fund balances. Assigned fund balances are not classified as nonspendable and are neither restricted or committed.

Unassigned fund balances - Those fund balances representing the remaining classification for the general fund. This balance represents the fund balance of the general fund that has not been restricted, committed, or assigned to specific purposes in the general fund. If expenditures incurred for specified purposes exceed the amounts restricted, committed, or assigned for those purposes, a negative unassigned fund balance may be reported.

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

9. Net Position

Net position represents the residual of all other elements presented in the statement of net position which equals assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District had no restrictions of net position as of June 30, 2018.

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

10. Estimates

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 2. Stewardship, Compliance and Accountability

Budgetary Data

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

Before May 15, management prepares the budget for the following fiscal year and presents it to the District's Governing Board for review. The District's Governing Board holds public hearings not later than five days after the third Thursday in July; the final budget is then prepared and adopted at a Board meeting no later than July 30. Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established at the fund level while management control is exercised at the budgetary line item level. The District may amend its budget after it is approved using the same procedures necessary to approve the original budget. The District amended its budget once over the course of the year ended June 30, 2018. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect appropriation in the first complete appropriated budget and the final appropriation amounts, including all supplemental appropriations.

Note 3. Detailed Notes on the Financial Statements

A. Deposits and Investments

Deposits - Custodial Credit Risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. The District's policy requires that all acceptable securities pledged as collateral have a fair market value equal to or exceeding 102 percent of total deposits, including any accrued interest, less the amount of Federal Deposit Corporation Insurance (FDIC). The District's deposits as of June 30, 2018 were covered, in their entirety, either by federal depository insurance or collateralized with securities held by the pledging financial institution in the District's name.

Investments - The District is authorized by State Statute to invest public funds in obligations of the United States government, its agents and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the District's governing board, and commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record.

Investments of the District are reported at fair value or at cost, as applicable. The Wyoming State Treasurer Asset Reserve (WYO-STAR) and Wyoming Government Investment Fund (WGIF) operate in accordance with applicable laws and regulations. The WYO-STAR and WGIF investment portfolios administer the short-term cash deposits made by local entities. The investments are administered to provide liquid cash reserves, placing the majority portion in cash portfolio and the rest in an extended cash portfolio. Specified State of Wyoming elected officials are responsible for regulatory oversight of WYO-STAR. The weighted average maturity of WYO-STAR is 216 days, but the weighted average maturity of this fund for the District is 1 day at June 30, 2018. WGIF is sponsored by the Wyoming Association of Municipalities and the Wyoming School Board Association and is governed by a board elected by the depositors. The weighted average maturity of WGIF liquid asset series is 31 days, but the weighted average maturity of this fund for the District is 1 day at June 30, 2018.

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on the Financial Statements (Continued)

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

The District has the following recurring fair value measurements as of June 30, 2018:

	June 30, 2018	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
WYO-STAR	\$ 14,947,450	\$ -	\$ 14,947,450	\$ -
Wyoming Government Investment Fund Certificates of Deposit	5,880,000	-	5,880,000	-
Total investments measured by fair value level	\$ 20,827,450	\$ -	\$ 20,827,450	\$ -
Investments Measured at Net Asset Value (NAV)				
Wyoming Government Investment Fund Liquid Asset Series	\$ 1,927,730			
Total investments	\$ 22,755,180			

Investments classified in Level 2 are valued using the following approaches:

WYO-STAR funds are valued, by applying the June 30, 2018 fair value factor, by the Wyoming State Treasurer's office and represent the District's interest in the pool based on the District's cash balance as a percentage of the total cash balance of the pool (Level 2 input). The Fund is comprised of short-term bonds and cash only, and the District is eligible to redeem these funds at any time, with no redemption notice period required.

Investments valued using the net asset value (NAV) per share (or its equivalent) are assets being reported according to GASB No. 79 requirements following amortized cost by the Wyoming Government Investment Fund. Entities are eligible to redeem the funds in the Liquid Asset Series at any time, with no redemption notice period required.

Certificates of deposit are investments in nonparticipating interest earning contracts and therefore are valued at cost. Certificates of deposit are redeemable at any time with no redemption notice period required, but would be subject to early withdrawal penalties equal to one month's interest on the amount withdrawn.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. Currently there are no restrictions on when the District can withdraw or contribute money to its current investments. WYO-STAR is permitted to purchase asset-backed securities, repurchase agreements, government securities and US currency, which are all allowed under State Statutes.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from the concentration of credit risk requirements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on the Financial Statements (Continued)

As of June 30, 2018 the District had the following investments:

Investment Type	Fair Value or NAV	Credit Quality Ratings ⁽¹⁾	Weighted Average Maturity (Days)	Specific Identification Maturity
WYO-STAR Local Government Investment Pool	\$ 14,947,450	N/A	1	-
Wyoming Government Investment Fund - Liquid Asset Series	1,927,730	AAAm	1	-
Wyoming Government Investment Fund - Certificates of Deposit	2,946,000	-	-	10/11/18
Wyoming Government Investment Fund - Certificates of Deposit	2,934,000	-	-	2/26/19
Total Investments	\$ 22,755,180			

⁽¹⁾ Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable.

Custodial Credit Risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investing is performed in accordance with investing policies adopted by the District complying with Wyoming State Statutes. Investments in external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form entry, and therefore, the District is not exposed to custodial credit risk related to this type of investment.

B. Taxes Receivable

Taxes receivable, including the applicable allowance for uncollectible accounts are as follows:

Taxes receivable for 2017 and prior years	\$ 416,718
Estimated taxes receivable for 2018	3,183,931
Less: Allowance for uncollectibles	(66,308)
Taxes Receivable, Net	\$ 3,534,341

Net taxes receivable of \$3,534,341 includes 2018 property taxes of \$3,183,931. This amount represents estimated taxes based on the 2018 assessed valuation. 2018 taxes are not levied until the first Monday of August, however the District has an enforceable legal claim as of the lien date, defined as the January 1 preceding the start of the fiscal year for which the taxes are levied. These 2018 taxes are included in deferred inflows of resources both on the statement of net position and in the fund statements.

The District reports deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current year. As of June 30, 2018, the various components of deferred inflows of resources reported by the District were as follows:

Unavailable taxes, 2017 and prior years	\$ 296,515
Unavailable taxes, 2018	3,183,931
Total deferred inflows of resources	\$ 3,480,446

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on the Financial Statements (Continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance, June 30, 2017	Additions	Deductions	Balance, June 30, 2018
Nondepreciable Capital Assets:				
Art work	\$ 9,000	\$ 108,000	\$ -	\$ 117,000
Construction in progress	665,561	173,696	(26,563)	812,694
Land	782,824	-	-	782,824
Intangible asset	-	26,563	-	26,563
Total Nondepreciable Capital Assets	\$ 1,457,385	\$ 308,259	\$ (26,563)	\$ 1,739,081
Depreciable Capital Assets:				
Buildings	\$ 2,952,723	\$ -	\$ -	\$ 2,952,723
Equipment and vehicles	773,456	104,759	-	878,215
Land improvements	10,687,107	12,466	-	10,699,573
Total Depreciable Capital Assets	\$14,413,286	\$ 117,225	\$ -	\$14,530,511
Less Accumulated Depreciation For:				
Buildings	\$ (860,551)	\$ (66,927)	\$ -	\$ (927,478)
Equipment and vehicles	(596,248)	(56,320)	-	(652,568)
Land improvements	(2,790,182)	(511,610)	-	(3,301,792)
Total Accumulated Depreciation	\$(4,246,981)	\$ (634,857)	\$ -	\$(4,881,838)
Total Depreciable Capital Assets, Net	\$10,166,305	\$ (517,632)	\$ -	\$ 9,648,673
Capital Assets, Net	\$11,623,690	\$ (209,373)	\$ (26,563)	\$11,387,754

Total depreciation expense for the year ended June 30, 2018 was \$634,857.

During the year ended June 30, 2009, the District began a construction project at Mount Nebo Cemetery. As of June 30, 2018, the District has incurred approximately \$2,261,000 in construction costs including engineering fees, of which approximately \$813,000 remains in construction in progress. The remaining amounts were all capitalized in prior years. The Mount Nebo project is expected to continue for several years and be capitalized in phases as work is completed. This project is being funded with reserves.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on the Financial Statements (Continued)

D. Compensated Absences

Employees are allowed to accumulate annual leave, which includes vacation. The rate of accumulation depends on years of service for the District and ranges from two to four weeks per year. Any accumulation beyond 40 hours on December 31 is lost. Accrued annual leave is paid to the employee upon termination of employment, provided that the employee has completed three months of employment. The District's employees have vested annual leave of approximately \$25,300 at June 30, 2018, which has been recorded as a liability.

E. Long-Term Debt

Long-term liability activity for the year ended June 30, 2018 was as follows:

	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 26,707	\$ -	\$ (26,707)	\$ -	\$ -
Pension Liability	399,373	113,065	(72,211)	440,227	-
	\$ 426,080	\$ 113,065	\$ (98,918)	\$ 440,227	\$ -

Note 4. Other Information

A. Risk Management

The District 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. The District participates in a joint powers agreement with other governmental entities around the State of Wyoming for participating in the Local Government Liability Pool (LGLP), a public entity risk pool currently operating as a common risk management and insurance program. The LGLP constitutes a separate corporate, political and legal entity from the other governmental entities it represents. For insured programs there have been no significant reductions in insurance coverage, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years. As of May 10, 2018 the District elected to drop its inland marine policy, choosing instead to self-insure its equipment and tools.

The annual pooling contribution is payment for coverage provided by LGLP to each member of the Pool. All funds held by LGLP are funds received from its members. The funds and accounts are maintained by LGLP in accordance with Generally Accepted Accounting Principles, the Uniform Municipal Fiscal Procedures Act (W.S. §16-4-101) and Governmental Accounting Standards Board Statement #10 requirements. Books and records of the Pool shall be open to inspection during regular business hours at the Local Government Liability Pool offices, 6844 Yellowtail Road, Cheyenne, WY 82009 or by calling (307) 638-1911.

Pooled risk insurance coverages provided to the participating members is as follows:

Covered claims subject to the Wyoming Governmental Claims Act (W.S. 1-39-101 et seq.)	\$250,000 per claimant, but not more than \$500,000 per occurrence for all claimants
Federal and Out-Of-State Claims	\$1,500,000 per occurrence for all claimants, \$5,000,000 annual aggregate
Member Deductible	\$5,000 per occurrence

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

B. Pension Obligations

Plan Description

Substantially all employees of the District are provided with pensions through the Wyoming Retirement System Public Employees' Pension Plan (Plan) - a statewide cost-sharing multiple-employer defined benefit pension plan administered by the Wyoming Retirement System (WRS). The authority to establish and amend benefits and contributions rates rests with the Legislature of the State of Wyoming. WRS is granted the authority to administer the Plan by Wyoming State Statutes 9-3-401 through 432. WRS issues a publicly available financial report that can be obtained at <http://retirement.state.wy.us/home/index.html>.

Employee membership data related to the Plan, as of June 30, 2018 was as follows:

The three classes of covered employees in the Plan include: retirees and beneficiaries currently receiving benefits, terminated employees entitled to but not yet receiving benefits, and active plan members.

Benefits provided

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

Service Retirement 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. Formula for retirement equals 2.125% times the number of years of service times the three years' highest average salary for the first fifteen years and 2.25% times the number of years of service times the three year highest average over fifteen years.

Service Retirement Tier 2: Full retirement at age 65 or qualifies for Rule of 85. Early retirement is permitted at age 55 or 25 years of service. Formula for retirement equals 2% times the number of years of service times the five year 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/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/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 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.

For the year ended June 30, 2018, the District's total payroll for all employees was approximately \$443,000. Total covered payroll was approximately \$345,500. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Contributions

Per Title 9-3-412 and 413 of Wyoming State Statutes, for the year ended June 30, 2018, member contributions were required to be 8.25% of compensation and employer contributions were required to be 8.37% of compensation. In accordance with Title 9-3-412 (c)(ii) of State Statutes, the District has elected to pay 4.25% of the members' contribution in addition to the employer's contribution. Total contributions to the pension plan from the District were approximately \$43,600 for the year ended June 30, 2018.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

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

As of June 30, 2018 the District reported a liability of approximately \$440,000 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The District's proportion of the net pension liability was based on the relationship of the District's total contributions to the plan for the year ended December 31, 2017 to the contributions of all participating employers for the same period. As of December 31, 2017, the District's proportion was 0.0193%, which was an increase of 0.0028% from its proportion of 0.0165% measured as of December 31, 2016.

For the year ended June 30, 2018, the District recognized pension expense of approximately \$72,000. As of June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ -	\$ 14,546
Net difference between projected and actual earnings on Plan investments	-	21,233
Change in proportion and differences between employer contributions and proportionate share of contributions	54,137	15,348
Change in assumption	42,775	-
District contributions subsequent to the measurement date	14,308	-
Total	\$ 111,220	\$ 51,127

The \$14,308 of deferred outflows of resources resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30,

2019	\$ 25,258
2020	\$ 23,157
2021	\$ 10,095
2022	\$ (12,725)

Actuarial Assumptions

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.50% - 6.00%, including inflation
Payroll growth rate	2.50%
Investment rate of return	7.00%, net of Plan investment expense

Mortality rates were based on the RP-2000 Combined Mortality Table for males, or females, as appropriate, with adjustments for mortality improvements based on Scale BB.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

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 returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Fixed Income	20.00%	1.77%
Equity	45.00%	6.88%
Market Alternatives	17.50%	3.30%
Private Markets	17.50%	7.11%
Cash	0.00%	0.40%
Total	100.00%	

Experience Analysis

An experience study was conducted on behalf of all WRS' plans covering the five-year period ended December 31, 2016. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination and disability) and proposed assumptions consistent with the findings.

Discount Rate

The discount rate used to measure the total pension liability decreased to 7.00% as of December 31, 2017 from 7.75% as of December 31, 2016. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	Discount Rate	District's Proportionate Share of Net Pension Liability
1% decrease	6.00%	\$ 665,355
Current discount rate	7.00%	\$ 440,227
1% increase	8.00%	\$ 252,474

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the Pension Plan's fiduciary net position is available in the separately issued WRS financial report available from the Wyoming Retirement System, 6101 Yellowstone Road, Cheyenne, Wyoming 82002, or at <http://retirement.state.wy.us/home/index.html>.

C. Tax Revenue

Approximately 81% of the tax revenue for the year ended June 30, 2018 represents production tax based on the value of minerals extracted, which may vary from year to year.

D. Impact of Recently Issued Accounting Principles

Recently Issued Accounting Pronouncements:

In June, 2017 the GASB issued GASB Statement No. 87, *Leases*. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required 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, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement is effective for reporting periods beginning after December 15, 2019, and earlier application is encouraged. Management is currently evaluating the impact of the adoption of this statement on the District's financial statements.

CAMPBELL COUNTY CEMETERY DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CAMPBELL COUNTY CEMETERY DISTRICT'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' PENSION PLAN***

	District's Percentage Of Net Pension Liability	District's Proportionate Share Of Net Pension Liability	District's Covered Payroll	District's Proportionate Share of Net Pension Liability as A Percentage Of Covered Payroll	Plan's Fiduciary Net Position As A Percentage Of Net Pension Liability
2013	.017475800%	\$ 265,702	\$ 302,600	87.81%	N/A
2014	.017690668%	\$ 312,186	\$ 310,000	100.71%	79.08%
2015	.017613983%	\$ 410,291	\$ 320,100	128.18%	73.40%
2016	.016520100%	\$ 399,373	\$ 300,400	132.95%	73.42%
2017	.019313800%	\$ 440,227	\$ 339,400	129.71%	76.35%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full ten-year trend is compiled, the District will present information for those years for which information is available. Years presented are as of the measurement date of December 31.

**SCHEDULE OF CAMPBELL COUNTY CEMETERY DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES' PENSION PLAN***

Fiscal Year Ended June 30,	Statutorily Required Contributions	District's Contributions Related to Statutory Contributions	Difference Between Statutorily Required And Actual Contributions	District's Covered Payroll	Statutorily Required District's Contributions As a Percentage of District's Covered Payroll
2014	\$ 21,600	\$ 21,600	\$ -	\$ 304,000	7.12%
2015	\$ 23,600	\$ 23,600	\$ -	\$ 307,200	7.62%
2016	\$ 27,000	\$ 27,000	\$ -	\$ 322,600	8.37%
2017	\$ 26,100	\$ 26,100	\$ -	\$ 312,100	8.37%
2018	\$ 28,900	\$ 28,900	\$ -	\$ 345,500	8.37%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full ten-year trend is compiled, the District will present information for those years for which information is available. Years presented are as of the contribution date of June 30.

See Notes to Required Supplementary Information.

**CAMPBELL COUNTY CEMETERY DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

Changes in benefit terms

There were no changes in benefit terms between the December 31, 2016 measurement date and the December 31, 2017 measurement date.

Changes in assumptions

There were economic and demographic changes in assumptions between the December 31, 2016 measurement date and the December 31, 2017 measurement date.

BENNETT, WEBER & HERMSTAD, LLP

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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*

To the Governing Board
Campbell County Cemetery District
Gillette, 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 and the major fund of the **Campbell County Cemetery District, (District)** as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the **District's** basic financial statements and have issued our report thereon dated December 3, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Bennett, Weber & Hermstad, LLP

Gillette, Wyoming
December 3, 2018

**CAMPBELL COUNTY CEMETERY DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

Year Ended **June 30, 2018**

Prior Year Findings:

There were no prior year findings.
