TOWN OF MOORCROFT, WYOMING

Financial Statements

June 30, 2026

CASEY · PETERSON

Town of Moorcroft, Wyoming
Town Officials
June 30, 2026

MAYOR

Ben Glenn (prior to February 2026)
Dale Petersen (beginning February 2026)

GOVERNING BOARD

Dan Blakeman
Heidi Humpal
Austin Smith
Robert Stewart

ATTORNEY

Pat Carpenter

Town of Moorcroft, Wyoming
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June 30, 2026

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CASEY • PETERSON
CPAs & FINANCIAL ADVISORS

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*

Honorable Mayor and Town Board
Town of Moorcroft, 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 (*Government Auditing Standards*), the modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Moorcroft, Wyoming (the Town) as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise Town of Moorcroft, Wyoming's basic financial statements and have issued our report thereon dated October 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town'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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Management's Response as item 2026-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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*.

Town of Moorcroft, Wyoming's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Management's Response. The Town'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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Casey Peterson, LTD

Casey Peterson, LTD

Rapid City, South Dakota
October 23, 2026

Town of Moorcroft, Wyoming
Schedule of Findings and Management's Response (Unaudited)
June 30, 2026

FINDINGS AND QUESTION COSTS - FINANCIAL STATEMENTS AUDIT

Material Weakness
Internal Control over Financial Reporting
Drafting the Financial Statements and Related Notes

2026-001 *Condition:* The Town requests its auditor to draft the year-end financial statements and related notes. The auditor proposed several adjusting journal entries for the preparation of the financial statements and prepared the financial statements based on underlying accounting documents.

Criteria: Establishing internal controls over the preparation of the financial statements and drafting the financial statements are the responsibility of management. The Town should have a system of internal control in place related to the preparation of the financial statements.

Cause: The Town does not have a system of internal control in place to prepare the financial statements, which is common for a Town of this size due to the limited number of staff.

Effect: The Town engages its auditor to draft the financial statements and related notes. There is a risk that errors may occur and not be detected.

Repeat of Prior Year Finding: This finding was reported in the prior year as finding 2025-002.

Auditor's Recommendation: It is the responsibility of management and those charged with governance to decide whether to accept the degree of risk associated with the Town's auditor drafting the financial statements because of cost or other considerations. If the Town chooses not to accept this risk, a third-party accountant should be engaged to prepare the draft financial statements and related notes.

View of Management: - The Town requests its auditor to draft the financial statements, related notes, and Schedule of Expenditures of Federal Awards due to cost. The Town provides support for the preparation of the audit to the auditor but it is not financially feasible for the Town to hire another CPA firm to prepare the financial statements on behalf of the Town.

CASEY • PETERSON
CPAs & FINANCIAL ADVISORS

Independent Auditor's Report

Honorable Mayor and Town Board
Town of Moorcroft, Wyoming

Report on the Audit of Financial Statements

Opinions

We have audited the modified cash basis financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Moorcroft, Wyoming (the Town), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, and each major fund of the Town, as of June 30, 2026, and the respective changes in financial position - modified cash basis thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary comparison schedules and Notes to the Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules and Notes to the Supplementary Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules and Notes to the Supplementary Information are fairly stated, in all material respects, in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2026 on our consideration of the Town'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 Town'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 Town's internal control over financial reporting and compliance.

Casey Peterson, LTD

Casey Peterson, LTD

Rapid City, South Dakota
October 23, 2026

BASIC FINANCIAL STATEMENTS

Town of Moorcroft, Wyoming
Statement of Net Position - Modified Cash Basis
June 30, 2026

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,289,360	$ 809,499	$ 2,098,859
Investments	809,324	557,878	1,367,202
TOTAL ASSETS	$ 2,098,684	$ 1,367,377	$ 3,466,061
NET POSITION			
Restricted:			
For Repairs and Maintenance	$ 1,087,660	$ 71,640	$ 1,159,300
For Parks and Recreation	18,749	-	18,749
For Debt Service	-	88,592	88,592
For Customer Deposits	-	85,332	85,332
For Closure and Post Closure	-	332,260	332,260
Unrestricted	992,275	789,553	1,781,828
TOTAL NET POSITION	$ 2,098,684	$ 1,367,377	$ 3,466,061

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Statement of Activities - Modified Cash Basis
For the Year Ended June 30, 2026

Functions/Programs	Cash Disbursements	Program Cash Receipts: Charges for Services	Program Cash Receipts: Operating Grants and Contributions	Program Cash Receipts: Capital Grants and Contributions	Net (Disbursements) Receipts and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	$ 207,811	$ 80,569	$ -	$ -	$ (127,242)	$ -	$ (127,242)
Public Safety	700,101	133,232	5,000	-	(561,869)	-	(561,869)
Public Works	432,763	-	-	657,555	224,792	-	224,792
Culture and Recreation	561,700	60,981	7,075	343,911	(149,733)	-	(149,733)
Cemetery	15,098	3,350	-	-	(11,748)	-	(11,748)
Total Governmental Activities	1,917,473	278,132	12,075	1,001,466	(625,800)	-	(625,800)
Business-type Activities:							
Water	608,877	471,349	-	-	-	(137,528)	(137,528)
Sanitation	268,506	260,110	4,000	117,175	-	112,779	112,779
Sewer	418,644	315,730	-	-	-	(102,914)	(102,914)
Total Business-type Activities	1,296,027	1,047,189	4,000	117,175	-	(127,663)	(127,663)
Total Primary Government	$ 3,213,500	$ 1,325,321	$ 16,075	$ 1,118,641	(625,800)	(127,663)	(753,463)
		GENERAL CASH RECEIPTS					
		Taxes:					
		General Property Taxes			63,020	-	63,020
		General Sales Taxes			710,208	-	710,208
		Other Taxes			410,289	-	410,289
		Intergovernmental Receipts Not Restricted to Specific Programs			276,735	-	276,735
		Unrestricted Investment Earnings			43,730	-	43,730
		Long-term Debt Proceeds			-	20,678	20,678
		Gain on Sale of Property			434,870	-	434,870
		Total General Cash Receipts			1,938,852	20,678	1,959,530
		CHANGE IN NET POSITION			1,313,052	(106,985)	1,206,067
		NET POSITION - BEGINNING			785,632	1,474,362	2,259,994
		NET POSITION - ENDING			$ 2,098,684	$ 1,367,377	$ 3,466,061

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Balance Sheet - Modified Cash Basis - Governmental Funds
For the Year Ended June 30, 2026

	General Fund	Specific Purpose Tax Fund	Powder River Water Project Fund	Splash Park Project Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	$ 749,070	$ 1,087,660	$ (229,278)	$ (318,092)	$ 1,289,360
Investments	809,324	-	-	-	809,324
TOTAL ASSETS	$ 1,558,394	$ 1,087,660	$ (229,278)	$ (318,092)	$ 2,098,684
FUND BALANCES					
Restricted:					
For Repairs and Maintenance	$ -	$ 1,087,660	$ -	$ -	$ 1,087,660
For Parks and Recreation	18,749	-	-	-	18,749
Assigned:					
For Capital Purposes	161,708	-	-	-	161,708
For Community Protection	3	-	-	-	3
For Cemetery	20,132	-	-	-	20,132
For Landfill	218,643	-	-	-	218,643
Unassigned	1,139,159	-	(229,278)	(318,092)	591,789
TOTAL FUND BALANCES	$ 1,558,394	$ 1,087,660	$ (229,278)	$ (318,092)	$ 2,098,684

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Statement of Receipts, Disbursements, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds
For the Year Ended June 30, 2026

	General Fund	Specific Purpose Tax Fund	Powder River Water Project Fund	Splash Park Project Fund	Total Governmental Funds
RECEIPTS					
Taxes:					
General Property Taxes	$ 63,020	$ -	$ -	$ -	$ 63,020
General Sales and Use Taxes	710,208	-	-	-	710,208
Other Taxes	155,181	255,108	-	-	410,289
Licenses and Permits	53,995	-	-	-	53,995
Intergovernmental Receipts	276,735	-	-	-	276,735
Charges for Services	141,932	-	-	-	141,932
Court Fines and Fees	82,205	-	-	-	82,205
Investment Earnings	43,730	-	-	-	43,730
Grant Receipts	234,102	-	586,339	186,025	1,006,466
Contribution Receipts	7,075	-	-	-	7,075
Total Receipts	1,768,183	255,108	586,339	186,025	2,795,655
DISBURSEMENTS					
General Government:					
Council	41,099	-	-	-	41,099
Court	26,724	-	-	-	26,724
Mayor	51,884	-	-	-	51,884
Clerk/Treasurer	88,104	-	-	-	88,104
Public Safety:					
Police	501,538	-	-	-	501,538
Fire	125,963	-	-	-	125,963
Public Works:					
Public Works	62,828	-	-	-	62,828
Streets and Alleys	128,734	-	-	-	128,734
Culture and Recreation:					
Parks and Recreation	54,059	-	-	-	54,059
Town Center	136,906	-	-	-	136,906
Cemetery	15,098	-	-	-	15,098
Capital Outlay	228,959	159,072	241,201	55,304	684,536
Total Disbursements	1,461,896	159,072	241,201	55,304	1,917,473

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Statement of Receipts, Disbursements, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds (Continued)
For the Year Ended June 30, 2026

	General Fund	Specific Purpose Tax Fund	Powder River Water Project Fund	Splash Park Project Fund	Total Governmental Funds
EXCESS OF RECEIPTS OVER DISBURSEMENTS	306,287	96,036	345,138	130,721	878,182
OTHER FINANCING SOURCES (USES)					
Gain on Sale of Property	434,870	-	-	-	434,870
Transfers In (Out)	(408,519)	332,395	76,124	-	-
Net Other Financing Sources (Uses)	26,351	332,395	76,124	-	434,870
NET CHANGE IN FUND BALANCE	332,638	428,431	421,262	130,721	1,313,052
FUND BALANCE - BEGINNING	1,225,756	659,229	(650,540)	(448,813)	785,632
FUND BALANCE - ENDING	$ 1,558,394	$ 1,087,660	$ (229,278)	$ (318,092)	$ 2,098,684

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Statement of Net Position - Modified Cash Basis - Proprietary Funds
June 30, 2026

	Water Fund	Sanitation Fund	Sewer Fund	Total Proprietary Funds
ASSETS				
Cash and Cash Equivalents	$ 440,816	$ 332,260	$ 36,423	$ 809,499
Investments	238,396	-	184,065	422,461
Restricted Investments	63,777	-	71,640	135,417
TOTAL ASSETS	$ 742,989	$ 332,260	$ 292,128	$ 1,367,377
NET POSITION				
Restricted:				
For Debt Service	$ 88,592	$ -	$ -	$ 88,592
For Repairs and Maintenance	-	-	71,640	71,640
For Customer Deposits	85,332	-	-	85,332
For Closure and Post Closure	-	332,260	-	332,260
Unrestricted	569,065	-	220,488	789,553
TOTAL NET POSITION	$ 742,989	$ 332,260	$ 292,128	$ 1,367,377

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Statement of Receipts, Disbursements and Changes in Fund Net Postition - Modified Cash Basis - Proprietary Funds
For the Year Ended June 30, 2026

	Water Fund	Sanitation Fund	Sewer Fund	Total Proprietary Funds
OPERATING CASH RECEIPTS				
Receipts Dedicated to Servicing Debt	$ 471,349	$ -	$ 315,730	$ 787,079
Charges for Goods and Services	-	260,110	-	260,110
Total Operating Cash Receipts	471,349	260,110	315,730	1,047,189
OPERATING CASH DISBURSEMENTS				
Personnel	187,651	20,176	84,621	292,448
Materials and Supplies	53,076	9,461	11,390	73,927
Other Operating Expenses	85,040	238,869	37,871	361,780
Total Operating Cash Disbursements	325,767	268,506	133,882	728,155
Operating Income (Loss)	145,582	(8,396)	181,848	319,034
NONCAPITAL SUBSIDIES				
Grant Receipts	-	121,175	-	121,175
Total Operating Income and Noncapital Subsidies	145,582	112,779	181,848	440,209
NONOPERATING CASH RECEIPTS (DISBURSEMENTS)				
Long-term Debt Proceeds	-	20,678	-	20,678
Capital Outlay	(190,481)	-	-	(190,481)
Debt Service	(92,629)	-	(284,762)	(377,391)
Net Nonoperating Cash Receipts (Disbursements)	(283,110)	20,678	(284,762)	(547,194)
CHANGE IN NET POSITION	(137,528)	133,457	(102,914)	(106,985)
NET POSITION - BEGINNING	880,517	198,803	395,042	1,474,362
NET POSITION - ENDING	$ 742,989	$ 332,260	$ 292,128	$ 1,367,377

The accompanying notes are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 1.C., these financial statements are presented on the modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America (GAAP). Generally accepted accounting principles include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. FINANCIAL REPORTING ENTITY

The reporting entity of the Town of Moorcroft, Wyoming, (the Town) 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.

B. BASIS OF PRESENTATION

Government-wide Financial Statements:

The Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis display information about the reporting entity as a whole. These statements include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental receipts, and other non-exchange receipts. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities - Modified Cash Basis presents a comparison between direct disbursements and program receipts for each segment of the business-type activities of the Town and for each function of the Town's governmental activities. Direct disbursements are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program receipts 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. Receipts that are not classified as program receipts, including all taxes, are presented as general receipts.

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, receipts, and disbursements. The funds of the Town 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 Town or if it meets the following criteria:

1. Total assets, receipts, or disbursements of the individual governmental or enterprise fund are at least ten percent of the corresponding total for all funds of that category or type, and
2. Total assets, receipts, or disbursements of the individual governmental or enterprise fund are at least five percent of the corresponding total for all governmental and enterprise funds combined, or

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Town are described below:

Governmental Funds

General Fund - The General Fund is the general operating fund of the Town. 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.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditures for specified purposes.

Specific Purpose Tax Fund - To account for the collection of a one percent (1%) tax on retail sales of tangible personal property, admissions, and services, and an excise tax at the rate of one percent (1%) upon sales and storage, use, and consumption of tangible personal property for the purpose of improving streets, the replacement, extension, enlargement, and improvement of water and sewer systems, and for other infrastructure improvements, including design and engineering for each purpose. This is a major fund.

Capital Project Funds - Capital project funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds or trust funds for individuals, private organizations, or other governments).

Powder River Water Project Fund - To account for all financial resources to be used for the construction of the aerated lagoon project. Activities are financed through grant funding. This is a major fund.

Splash Park Project Fund - To account for all financial resources to be used for the construction of a splash park feature and improvement of existing areas of Florance Noonan Park. Activities are partially financed through a Land and Water Conservation Fund Grant and partially financed by the Town's General Fund. This is a major fund.

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 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.

Water Fund - Financed primarily by user charges, this fund accounts for the construction and operation of the municipal waterworks system and related facilities. This is a major fund.

Sanitation Fund - Financed primarily by user charges, this fund accounts for the operation of sanitary waste collection. This is a major fund.

Sewer Fund - Financed primarily by user charges, this fund accounts for the construction and operation of the municipal sanitary sewer system and related facilities. This is a major fund.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary Funds

Fiduciary funds are never considered to be major funds and are used to account for resources held by the Town in a purely custodial capacity. Fiduciary reporting focuses on net position and changes in net position. The Town did not have fiduciary funds as of June 30, 2026.

C. 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” receipts and disbursements are recognized in the accounts and reported in the financial statements, regardless of the measurement focus.

The Town’s basis of accounting is the modified cash basis, which is a basis of accounting other than U.S. GAAP. Under U.S. GAAP, transactions are recorded in the accounts when revenues are earned and liabilities are incurred. Under the modified cash basis, transactions are recorded when cash is received or disbursed.

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 within the limitations of the modified cash basis of accounting as defined below.

Fund Financial Statements:

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used and applied within the limitations of the modified cash basis of accounting.

Basis of Accounting

In the government-wide Statement of Net Position - Modified Cash Basis and Statement of Activities - Modified Cash Basis and the fund financial statements, governmental, and business-type activities are presented using the modified cash basis of accounting.

The modified cash basis of accounting involves the measurement of cash and cash equivalents and changes in cash and cash equivalents resulting from cash receipt and disbursement transactions. Under the modified cash basis of accounting, the balance sheet reports only cash and cash equivalents (those investments with terms to maturity of 90 days or less at the date of acquisition). Under the modified cash basis of accounting, transactions are recorded in the accounts when cash and/or cash equivalents are received or disbursed, and assets and liabilities are recognized to the extent that cash has been received or disbursed. The acceptable modification to the cash basis of accounting implemented by the Town in these financial statements is:

> Recording certificates of deposit and investments (those with original maturities of more than 90 days from the date of acquisition) acquired with cash assets at cost.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenue (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If the Town applied accounting principles generally accepted in the United States, the fund financial statements for governmental funds would use the modified accrual basis of accounting, while the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

D. DEPOSITS AND INVESTMENTS

For the purpose of financial reporting, “cash and cash equivalents” includes all demand and savings accounts and certificates of deposit or short-term investments with a term to maturity at the date of acquisition of three months or less.

As a result of the Town reporting under the modified cash basis of accounting, at times, the funds may report negative cash. Negative balances represent the amount these funds have overdrawn on their portion of pooled cash and subsequently borrowed from other funds. Negative balances are a result of cost reimbursement grant programs. It is expected that these amounts will be collected subsequent to year-end.

Investments classified in the financial statements consist entirely of those held in the WYO-STAR Investment Pool and/or those types of investments authorized by W.S. 9-3-831.

E. BUDGETARY PROCESS

Annual appropriated budgets are adopted for the general, special revenue, and enterprise funds using the cash basis of accounting. All unencumbered appropriations lapse following the close of the budget year to the extent they are not expended. Encumbered appropriations are generally reappropriated in the ensuing year’s budget.

Legal spending control for the Town monies is designated by department for each individual fund. The Town Council may amend the budget after it is approved using the same procedures necessary to approve the original budget. Management monitors disbursements at budgetary department levels within each fund to enhance the accounting control system and may amend the budget at this level as long as the fund level budget is maintained.

F. CAPITAL ASSETS

Under the modified cash basis of accounting, capital assets are expensed when the cash transaction occurs. Therefore, they are not shown as assets in either the fund financial statements or the government-wide financial statements. They are shown as a cost of the program for which they were acquired, for the amount paid in cash.

Under the modified cash basis of accounting, cash payments for lease activities are a cost of the program for which they were acquired for the amount paid in cash in both the government-wide and fund financial statements.

G. LONG-TERM LIABILITIES

Under the modified cash basis of accounting, cash proceeds from long-term debt issuances are recorded as a receipt, while payments to creditors to reduce long-term debts are recorded as a cost of the program that benefits from the financing. Allocations are made where appropriate.

Under the modified cash basis of accounting, cash payments for lease activities are recorded as expenditures in the function benefiting from the use of the leased asset. Allocations are made where appropriate.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. PROGRAM RECEIPTS

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

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.

Program-specific Operating Grants and Contributions - These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program.

Program-specific Capital Grants and Contributions - These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for the acquisition of capital assets for use in a particular program.

I. PROPRIETARY FUNDS RECEIPT AND DISBURSEMENT CLASSIFICATIONS

In the proprietary fund's Statement of Receipts, Disbursements, and Changes in Fund Net Position, receipts and disbursements are classified as operating or non-operating receipts and disbursements. Operating receipts and disbursements directly relate to the purpose of the fund.

J. EQUITY CLASSIFICATIONS

Government-wide Financial Statements:

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

Restricted Net Position - Consists of net assets 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) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net assets that do not meet the definition of "restricted".

Fund Financial Statements:

Governmental fund equity is classified as fund balance and is distinguished between Nonspendable, Restricted, Committed, Assigned, or Unassigned components. Proprietary fund equity is classified the same as in the government-wide financial statements.

K. APPLICATION OF NET POSITION

It is the City's policy to first use restricted net position prior to the use of unrestricted net position when a disbursement is made for purposes for which both restricted and unrestricted net position are available.

L. FUND BALANCE CLASSIFICATION POLICIES AND PROCEDURES

The Town classifies governmental fund balances as follows:

Nonspendable - Includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted - Constraints are placed on the use of resources by either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by resolutions of the Town Board.

Assigned - Amounts that are constrained by the Town management and are intended to be used for specific purposes but are neither restricted nor committed. The Town Board has given management the authority to create assignments of fund equity.

Unassigned - Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned.

The Town uses restricted amounts first when both restricted and unrestricted fund balances are available, unless there are legal documents or contracts that prohibit doing this, such as a grant agreement requiring dollar-for-dollar spending. Additionally, the Town would first use committed, then assigned, and lastly, unassigned amounts of unrestricted fund balance when expenditures are made.

The Town does not have a formal minimum fund balance policy.

M. IMPLEMENTATION OF NEW ACCOUNTING STANDARD

The Town implemented Governmental Accounting Standards Board (GASB) Statement No. 103, *Financial Reporting Model Improvements* (GASB 103), for the year ended June 30, 2026. GASB 103 is intended to improve key components of the financial reporting model to provide information that is more useful for decision-making and assessing government accountability.

The adoption of GASB 103 resulted in the reclassification of certain items in the Statement of Receipts, Disbursements and Changes in Fund Net Position - Modified Cash Basis - Proprietary Funds and changes in presentation and disclosure in the budgetary comparison schedules and related Notes to the Supplementary Information. The implementation did not have a material effect on the beginning net position or fund balance of the Town.

NOTE 2 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK, AND INTEREST RATE RISK

The Town follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by statutes. These restrictions are summarized below:

Deposits

The Town's cash deposits are made in qualified public depositories as defined by Title 9 Chapter 4 Article 8 of the Wyoming State Statutes and may be in the form of demand or time deposits. Qualified depositories are required by W.S. 9-4-808 to maintain at all times, segregated from their other assets, eligible collateral having a value equal to at least 100 percent of the public deposit accounts that exceed deposit insurance, such as the FDIC and NCUA. In lieu of a pledge of assets securing an interest-bearing deposit, a selected bank shall arrange for the deposit of the public funds in interest-bearing deposits in one (1) or more banks or savings and loan associations or federal savings banks wherever located in the United States, for the account of the public funds depositor. At the same time the public funds are deposited, the selected bank shall receive an amount of deposits from customers of other financial institutions equal to the amount of the public funds initially placed by the public funds depositor, each interest-bearing deposit shall be insured by the Federal Deposit Insurance Corporation, and the selected bank shall act as custodian for the public funds depositor with respect to the interest-bearing deposits placed in the public funds depositor's account.

NOTE 2 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK, AND INTEREST RATE RISK (CONTINUED)

Investments

In general, W.S. 9-4-831 permits Town funds to be invested only in (a) securities of the United States and securities guaranteed by the United States Government either directly or indirectly; or, (b) repurchase agreements fully collateralized by securities described in (a) above; or in shares of an open-end, no-load fund administered by an investment company whose investments are in securities described in (a) above and repurchase agreements described in (b) above.

The WYO-STAR and WYCLASS Investment Pools are external investment pools created for Wyoming local government investing purposes.

Investments in the Investment Pools, which are administered by the Wyoming State Treasurer and PTMA Financial Solutions, respectively, consist of short-term investments, which are valued at fair market value. In accordance with the rules for the operation of the pool, all investments conform to Wyoming statutes. Earnings are credited to each account on a monthly basis.

Fair Value Measurement

The Town 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.

NAV Investments are valued using pricing inputs that are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation. The Town uses net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate fair values of assets held by community foundations, which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy. As of June 30, 2026, one investment was valued using NAV.

The Town has the following recurring fair value measurements as of June 30, 2026:

Investment	Credit Rating	Fair Value	Maturities			Valuation Level
			<1 Year	1 - 5 Years	> 5 Years	
WYO-STAR	AAA	$ 2,303	$ 2,303	$ -	$ -	1
WYCLASS	AAAm	1,364,899	1,364,899	-	-	NAV
		$ 1,367,202	$ 1,367,202	$ -	$ -	

Restricted investments held by the Town are restricted for debt covenants and can only be used for debt service and replacement reserve. Restricted investments total $137,417 and are reported as restricted investments in the Statement of Net Position - Modified Cash Basis - Proprietary Funds.

Credit Risk

Investing is performed in accordance with investing policies adopted by the governing board complying with state statutes. The Town has no investment policy that would further limit its investment choices.

NOTE 2 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK, AND INTEREST RATE RISK (CONTINUED)

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town's deposits may not be returned, or the Town will not be able to recover collateral securities in the possession of an outside party. The Town's policy requires that all acceptable securities pledged as collateral have a fair market value equal to or exceeding 100 percent of total deposits. As of June 30, 2026, the Town's cash balances were either insured by the FDIC or fully collateralized with securities held by the pledging financial institution in the Town's name.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the Town will not be able to recover the value of an investment or securities that are in the possession of an outside party. The investment in the Investment Pools are not exposed to custodial credit risk because the Town's investment is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. 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. The Town places no limit on the amount that may be deposited with any one financial institution or the amount that may be invested in any one issuer.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increased interest rates. The WYO-STAR Investment Pool only invests in U.S. Treasuries with a maturity of one day which are bought and resold on the same day. The dollar-weighted average days to maturity (WAM) of WYCLASS at June 30, 2026, was 44 days and the weighted average life (WAL) was 72 days.

Assignment of Investment Income

State law allows income from deposits and investments to be credited to either the General Fund or the fund making the investment. The Town's policy is to credit all income from investments to the fund making the investment.

NOTE 3 - PROPERTY TAXES

Property taxes are levied, billed, and collected by Crook County on behalf of the Town. Taxes are levied on or about August 1 and are payable in two installments on September 1 and March 1. The installments are considered delinquent if not paid by November 10 and May 10, respectively. If the taxpayer fails to pay the first installment by November 10, the taxpayer may pay the entire liability by December 31 to avoid an interest charge. If taxes are not paid in accordance with the prescribed delinquent dates, a tax lien attaches to the property on August 1.

The Town is permitted by several state statutes to levy varying amounts of taxes per $1,000 of taxable valuation on taxable real property in the Town.

NOTE 4 - LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

State and Federal laws and regulations require the Town 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.

The current operating costs of the landfill are accounted for within the Sanitation Fund of the Town using the modified cash basis of accounting. The existing landfill was closed to all municipal waste as of July 1, 2022 and accepted yard waste and animal carcasses until all services were closed on September 8, 2025. The closure care liability is estimated at $2,600,000 and the post-closure care liability is estimated at $788,192 for a total liability of $3,388,192, which represents the cumulative amount estimated to date based on the use of 100% of the estimated capacity of the existing landfill site. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. As additional post-closure care requirements are determined, these costs may need to be covered by charges to future landfill users or from future tax revenue. During the year ended June 30, 2024, the Town was approved for a grant and loan through the State of Wyoming to cover up to 85% and 15%, respectively, of the landfill closure and post-closure costs. As of June 30, 2026, the grant for 85% of the landfill closure and post-closure costs will cover $2,210,000 and the loan for 15% of the landfill closure costs will cover $390,000. The Town also has an assigned fund balance of $218,643 in the General Fund and a restricted fund balance of $332,260 in the Sanitation Fund for landfill closure and post-closure costs. The estimated remaining unfunded closure and post-closure costs total $237,289, in addition to the repayment of the $390,000 loan obtained to cover the closure costs. As discussed in Note 9, $20,678 was drawn on the loan during the year ended June 30, 2026.

NOTE 5 - RESTRICTED NET POSITION

Restricted net position for the year ended June 30, 2026, was as follows:

Purpose	Restricted By	Amount
Governmental Activities:		
For Repairs and Maintenance	State Law	$ 1,087,660
For Parks and Recreation	Donor	18,749
		$ 1,106,409
Business-type Activities:		
For Debt Service	Debt Agreement	$ 88,592
For Repairs and Maintenance	Debt Agreement	71,640
For Customer Deposits	Contract Restrictions	85,332
For Closure and Post Closure	State and Federal Law	332,260
		$ 577,824

NOTE 6 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2026 were as follows:

	Transfers To:	
Transfers From:	Powder River Water Project Fund	Specific Purpose Tax Fund
Specific Purpose Tax Fund	$ 76,124	$ -
General Fund	$ -	$ 408,519

The transfer from the Specific Purpose Tax Fund to the Powder River Water Project Fund was made to fund project costs in excess of grant proceeds.

The transfer from the General Fund to the Specific Purpose Tax Fund was made to reimburse the Specific Purpose Tax Fund for Town Center remodel costs.

NOTE 7 - PENSION PLAN

Wyoming Retirement System

The Town participates in the Wyoming Retirement System (the System), a defined benefit statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all Town full-time employees are eligible to participate. The System provides retirement, disability, and death benefits according to predetermined formulas. Benefits are established by Title 9, Chapter 3 of the Wyoming State Statutes. The System issues a publicly available financial report which includes audited financial statements and required supplementary information for the System. The report may be obtained by writing to the Wyoming Retirement System, 2515 Warren Avenue, Suite 450, Cheyenne, Wyoming 82022.

Plan members are required to contribute 9.25% of their annual covered salary and the Town is required to contribute 9.37% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employee's contribution in addition to the matching contribution. The Town has elected to pay both the member and Town contribution to the plan in the amount of 18.62%. Contribution rates are established by Title 9, Chapter 3 of the Wyoming State Statutes.

As of December 31, 2025, the Wyoming Retirement System was 91.08% funded and accordingly had a liability of $1,092,784,248. The proportionate share of the component of the net pension liability for the Town as of December 31, 2025 was $150,217, which represents 0.0137463% of the total Plan liability.

Wyoming Law Enforcement Retirement Plan

The Town participates in the Wyoming Law Enforcement Retirement Plan (the Plan), a statewide, cost-sharing, multiple-employer public employee retirement plan administered by the State of Wyoming Retirement System Board (the Board). The Plan is a defined benefit, contributory plan covering any county sheriff, deputy county sheriff, municipal police officer, Wyoming correctional officer, Wyoming law enforcement academy instructor, University of Wyoming campus police officer, detention officer, or dispatcher for law enforcement agencies, and certain investigators of the Wyoming Livestock Board. The Plan statutorily provides retirement, disability, and death benefits according to predetermined amounts primarily determined by salary, age, and years of service of the participant.

NOTE 7 - PENSION PLAN (CONTINUED)

The Plan also statutorily provides for a percentage increase in the benefit amounts beginning July 1, after two full years of retirement by 2% each year. State statutes provide for future annual percentage increases in the benefit amount to be the greater of the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary, up to 2% each year. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest. The Plan issues a publicly available financial report which includes audited financial statements and required supplementary information for the Plan. The report may be obtained by writing to the Wyoming Retirement System, 2515 Warren Avenue, Suite 450, Cheyenne, Wyoming 82002.

The Plan is funded by amounts withheld from participating employees' salaries and by contributions from the Town. These contributions are determined by state statutes and as of June 30, 2026, the percentages to be contributed on compensation were 10.40% for the employees and the same for the Town. The Town pays the entire contribution of 20.80%.

As of December 31, 2025, the Plan was 96.16% funded and accordingly had a liability of $45,268,936. The proportionate share of the components of the net pension liability for the Town as of December 31, 2025 was $51,632, which represents 0.1140562% of the total Plan liability.

Wyoming Volunteer Firefighter and EMT Retirement Plan

Fire and ambulance department volunteers are also eligible to participate in a program in the System. The Town provides an $18.75 contribution each month for each participating volunteer.

The Town's total retirement payments for the years ended June 30, 2026, 2025, and 2024 were $106,903, $104,174, and $110,034, respectively.

NOTE 8 - RELATED-PARTY TRANSACTIONS

During the year ended June 30, 2026, the Town contracted with Glenn Construction, LLC for several construction projects totaling $418,883. Glenn Construction, LLC is owned by the Mayor. During the year, the Mayor abstained from voting on any contract entered into with Glenn Construction, LLC.

NOTE 9 - COMMITMENTS

Long-term commitments of the Town at June 30, 2026 were comprised of the following:

	Balance 6/30/25	Additions	Payments	Balance 6/30/26
DWSRF #075	$ 272,734	$ -	$ (39,369)	$ 233,365
DWSRF #191	589,454	-	(24,917)	564,537
CWSRF #163	166,494	-	(166,494)	-
DWSRF #224	280,881	-	(11,565)	269,316
MWL 23001	-	20,678	-	20,678
Series 2021A	1,909,366	-	(37,176)	1,872,190
Series 2021B	1,192,762	-	(23,224)	1,169,538
	$ 4,411,691	$ 20,678	$ (302,745)	$ 4,129,624

DWSRF #075 - The Town signed a loan agreement for a pipeline improvement project with the Wyoming State Loan & Investment Board. Yearly payments of $43,493, including interest at a rate of 1.5%, began in March 2014. The final maturity is March 2032. Interest expense related to this agreement was $4,125 for the year ended June 30, 2026. Payments are made out of the Water Fund.

NOTE 9 - COMMITMENTS (CONTINUED)

DWSRF #191 - The Town signed a loan agreement for a water project with the Drinking Water State Revolving Loan Fund. Annual payments of $33,670 began in 2021, including interest of 1.5% for a term of thirty years. Interest expense related to this agreement was $8,753 for the year ended June 30, 2026. Payments are made out of the Water Fund.

CWSRF #163 - The Town signed a loan agreement for a water project with the Clean Water State Revolving Loan Fund. Annual payments of $9,497 began in 2021, including interest of 1.5% for a term of thirty years. Interest expense related to this agreement was $3,903 for the year ended June 30, 2026. Payments are made out of the Sewer Fund.

DWSRF #224 - The Town signed a loan agreement for a water project with the Drinking Water State Revolving Loan Fund. Annual payments of $15,466 began in 2021, including interest of 1.5% for a term of thirty years. Interest expense related to this agreement was $3,638 for the year ended June 30, 2026. Payments are made out of the Water Fund.

MWL 23001 - The Town signed a loan agreement for the closure of the landfill with the Municipal Solid Waste Facilities Cease and Transfer Program. The loan is approved for a total of $390,000, with $20,678 drawn on the loan during the year ended June 30, 2026. Repayment will begin within one year of substantial completion of the landfill closure project. The loan has a twenty-year term at 0% interest. Payments will be made out of the Solid Waste Fund.

Wastewater Treatment Plant Bonds - The Town signed bond agreements Series 2021A and Series 2021B with USDA Rural Development for a wastewater treatment project. Annual payments of $70,555 and $44,075, respectively, began in 2023, including interest of 1.75% for a term of forty years. Interest expense related to this agreement was $54,227 for the year ended June 30, 2026. Payments are made out of the Sewer Fund.

Annual debt service requirements to maturity for all long-term debt outstanding as of June 30, 2026 are as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 154,831	$ 71,928	$ 226,759
2028	139,068	69,369	208,437
2029	140,359	66,900	207,259
2030	143,157	64,103	207,260
2031	145,870	61,390	207,260
2032 - 2036	585,017	271,107	856,124
2037 - 2041	595,730	223,100	818,830
2042 - 2046	634,006	171,885	805,891
2047 - 2051	453,956	123,537	577,493
2052 - 2056	490,410	82,740	573,150
2057 - 2061	534,858	38,292	573,150
2062	112,362	1,969	114,331
	$ 4,129,624	$ 1,246,320	$ 5,375,944

NOTE 10 - RISK ASSESSMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2026, the Town managed risks as follows:

Liability Insurance

The Town purchases liability insurance for risks related to torts, theft or damage to property, and errors and omissions of public officials from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Employee Health Insurance

The Town purchases health insurance for its employees from a commercial insurance carrier. Settled claims resulting from these risks have not exceeded the liability coverage during the past three years.

Worker's Compensation

Wyoming Statute 27-14-101 created the Wyoming Workers' Compensation Act, which is administered as an enterprise fund by the State of Wyoming. All employers within the State of Wyoming are participants in this plan unless the employer elects not to be covered under the plan. This Act requires the Town to obtain liability coverage for payments 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 Town. The Town makes monthly payments to the Department of Employment, State of Wyoming. This amount is based on salaries and a split rate between hazardous and non-hazardous positions. The amount paid by the Town to the State for worker's compensation for the year ended June 30, 2026 was $21,841. During the year ended June 30, 2026, $1,002 in worker's compensation claims have been paid.

Unemployment Benefits

Wyoming Statute 27-3-101 created the Unemployment Compensation Act. This Act requires the Town to pay the cost of actual claims incurred.

During the year ended June 30, 2026, no claims were filed for unemployment benefits.

NOTE 11 - SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2026, the Town entered into a 36-month service agreement with the United States Department of Homeland Security, U.S. Immigration and Customs Enforcement for the purpose of receiving stipends and/or reimbursable costs incurred by providing resources for the operations of the approved Memorandums of Agreement (MOAs). The Town received $115,000 of initial stipend and is expected to receive an additional $15,000 stipend per task force officer per fiscal quarter. As of the date of the independent auditor's report, the Town has approved $67,452 for the purchase and upfit of a new police vehicle using these funds.

Additionally, subsequent to the year ended June 30, 2026, the Town has entered into a grant agreement with the State of Wyoming Office of State Lands and Investments (SLIB) for the completion of a sewer replacement project. The grant shall not exceed $232,500 and requires a 25% Town match. No costs have been incurred on this project as of the date of the independent auditor's report.

Subsequent events have been evaluated through the date of the independent auditor's report, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Town of Moorcroft, Wyoming
Budgetary Comparison Schedule - Budgetary Basis - General Fund
For the Year Ended June 30, 2026

	Original Budget	Final Budget	Variance Increase (Decrease) Original to Final Budget	Actual	Variance Positive (Negative) Actual to Final Budget
RECEIPTS					
Taxes:					
General Property Taxes	$ 49,700	$ 65,200	$ 15,500	$ 63,020	$ (2,180)
General Sales and Use Taxes	682,750	714,750	32,000	710,208	(4,542)
Other Taxes	147,550	166,550	19,000	155,181	(11,369)
Licenses and Permits	53,000	57,300	4,300	53,995	(3,305)
Intergovernmental Receipts	261,300	283,300	22,000	276,735	(6,565)
Court Fines and Fees	65,000	83,400	18,400	82,205	(1,195)
Charges for Services	101,600	152,233	50,633	141,932	(10,301)
Investment Earnings	1,500	3,500	2,000	43,730	40,230
Grant Receipts	5,000	237,110	232,110	234,102	(3,008)
Contribution Receipts	4,400	7,400	3,000	7,075	(325)
Total Receipts	1,371,800	1,770,743	398,943	1,768,183	(2,560)
DISBURSEMENTS					
General Government:					
Council	43,950	43,950	-	41,099	2,851
Court	30,680	30,680.00	-	26,724	3,956
Mayor	55,200	55,200	-	51,884	3,316
Clerk/Treasurer	92,380	92,380	-	88,104	4,276
Public Safety:					
Police	521,065	521,065	-	501,538	19,527
Fire	132,100	206,867	74,767	198,563	8,304
Public Works:					
Public Works	89,520	89,520	-	62,828	26,692
Streets and Alleys	148,650	148,650	-	128,734	19,916
Culture and Recreation:					
Parks and Recreation	105,960	243,965	138,005	210,418	33,547
Town Center	166,230	166,230	-	136,906	29,324
Cemetery	50,480	50,480	-	15,098	35,382
Total Disbursements	1,436,215	1,648,987	212,772	1,461,896	187,091

See independent auditor's report and notes to the supplementary information.

Town of Moorcroft, Wyoming
Budgetary Comparison Schedule - Budgetary Basis - General Fund
(Continued)
For the Year Ended June 30, 2026

	Original Budget	Final Budget	Variance Increase (Decrease) Original to Final Budget	Actual	Variance Positive (Negative) Actual to Final Budget
EXCESS OF RECEIPTS OVER (UNDER) DISBURSEMENTS	(64,415)	121,756	186,171	306,287	184,531
OTHER FINANCING SOURCES (USES)					
Gain on Sale of Property	-	28,800	28,800	434,870	406,070
Transfers In (Out)	-	(407,019)	407,019	(408,519)	(1,500)
Net Other Financing Sources (Uses)	-	(378,219)	435,819	26,351	404,570
NET CHANGE IN FUND BALANCE	(64,415)	(256,463)	621,990	332,638	589,101
FUND BALANCE - BEGINNING	1,225,756	1,225,756	-	1,225,756	-
FUND BALANCE - ENDING	$ 1,161,341	$ 969,293	$ 621,990	$ 1,558,394	$ 589,101

See independent auditor's report and notes to the supplementary information.

Town of Moorcroft, Wyoming
Budgetary Comparison Schedule - Budgetary Basis -
Specific Purpose Tax Fund
For the Year Ended June 30, 2026

	Original Budget	Final Budget	Variance Increase (Decrease) Original to Final Budget	Actual	Variance Positive (Negative) Actual to Final Budget
RECEIPTS					
Taxes:					
Other Taxes	$ -	$ 256,608	$ 256,608	$ 255,108	$ (1,500)
DISBURSEMENTS					
Culture and Recreation:					
Town Center	-	159,072	159,072	159,072	-
EXCESS OF RECEIPTS OVER DISBURSEMENTS	-	97,536	97,536	96,036	(1,500)
OTHER FINANCING SOURCES					
Net Transfers	-	407,019	407,019	332,395	(74,624)
NET CHANGE IN FUND BALANCE	-	504,555	504,555	428,431	(76,124)
FUND BALANCE - BEGINNING	659,229	659,229	-	659,229	-
FUND BALANCE - ENDING	$ 659,229	$ 1,163,784	$ 504,555	$ 1,087,660	$ (76,124)

See independent auditor's report and notes to the supplementary information.

Town of Moorcroft, Wyoming
Notes to the Supplementary Information
June 30, 2026

NOTE 1 - BASIS OF PRESENTATION

The Budgetary Comparison Schedules have been prepared on the modified cash basis of accounting and present capital outlay and debt service disbursements within each function, similar to the Statement of Activities - Modified Cash Basis.

NOTE 2 - BUDGETS AND BUDGETARY ACCOUNTING

The Town follows these procedures in establishing the budgetary data reflected in the required supplementary information:

1. At the regular Board meeting in June each year, the governing board introduces the annual appropriations ordinance for the ensuing fiscal year.
2. After adoption by the governing board, the operating budget is legally binding, and actual disbursements for each purpose cannot exceed the amounts budgeted, except as indicated in number 4.
3. A line item for contingencies may be included in the annual budget. Such line item may not exceed 5% of the total Town budget and may be transferred by resolution of the governing board to any other budget category that is deemed insufficient during the year.
4. If it is determined during the year that sufficient amounts have not been budgeted, state statute allows the adoption of supplemental budgets.
5. Unexpended appropriations lapse at year-end unless encumbered by resolution of the governing board. The Town did not encumber any amounts at June 30, 2026.
6. The budgets for the General and Special Revenue Funds are adopted on a basis consistent with that which is presented in the financial statements.

NOTE 3 - ACTUAL BUDGET RESULTS

	General Fund	Specific Purpose Tax Fund
BUDGETARY RECEIPTS		
Differences - Original Budget to Final Budget:		
Budget was amended for unanticipated sales and use tax receipts	$ 32,000	$ -
Budget was amended for unanticipated receipts for service charges	50,633	-
Budget was amended for new grant receipts for projects	232,110	-
Budget was amended for unanticipated receipt from vehicle sale	28,800	-
Budget was amended for unanticipated tax receipts and grant receipts for projects	-	256,608
Budget was amended for transfer from another fund	-	407,019

NOTE 3 - ACTUAL BUDGET RESULTS (CONTINUED)

	General Fund	Specific Purpose Tax Fund
BUDGETARY DISBURSEMENTS		
Differences - Original Budget to Final Budget:		
Budget was amended for the purchase of a new fire truck in the Fire function	74,767	-
Budget was amended for disbursements related to new projects in the Parks and Recreation function	138,005	-
Budget was amended for transfer to another fund	407,019	-
Budget was amended for disbursements related to new projects in the Town Center function	-	159,072
BUDGETARY RECEIPTS		
Differences - Final Budget to Actual:		
The Town did not budget for investment interest, resulting in interest receipts greater than budgeted	40,230	-
The Town did not budget for receipts from the sale of property, resulting in gain on sale of property receipts greater than budgeted	406,070	-
The Town did not budget for the transfer out, resulting in net transfers being over-budgeted	-	(74,624)
BUDGETARY DISBURSEMENTS		
Differences - Final Budget to Actual:		
Actual disbursements were less than budgeted due to lower salaries and maintenance costs than anticipated in the Public Works function	26,692	-
Actual disbursements were less than budgeted due to lower salaries, supply costs, and capital purchases than anticipated in the Parks and Recreation function	33,547	-
Actual disbursements were less than budgeted due to lower insurance and utility costs than anticipated in the Town Center function	29,324	-
Actual disbursements were less than budgeted due to no budgeted capital assets being purchased in the Cemetery function	35,382	-