

TOWN OF MOORCROFT, WYOMING

Financial Statements

June 30, 2022

Town of Moorcroft, Wyoming
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Independent Auditor's Report

Honorable Mayor and Town Board
Town of Moorcroft, Wyoming

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Moorcroft, Wyoming (the Town) as of and for the year ended June 30, 2022 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 financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Moorcroft, Wyoming, as of June 30, 2022, and the respective changes in modified cash basis financial position 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*, 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 opinion is 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 as described in Note 1; this includes 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole that collectively comprise the Town of Moorcroft, Wyoming's basic financial statements. The budgetary comparison schedules, Schedule of Expenditures of Federal Awards, and schedule of Town Officials are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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, based on our audit and the procedures performed as described above, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The budgetary comparison information, Corrective Action Plan, and list of Town Officials, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2022 on our consideration of the Town of Moorcroft, Wyoming'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 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 of Moorcroft, Wyoming's internal control over financial reporting and compliance.

Casey Peterson, LTD

Casey Peterson, LTD
Rapid City, South Dakota
December 27, 2022

BASIC FINANCIAL STATEMENTS

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Town of Moorcroft, Wyoming
Statement of Net Position - Modified Cash Basis
June 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 468,847	\$ 576,183	\$ 1,045,030
Investments	<u>782,356</u>	<u>105,550</u>	<u>887,906</u>
TOTAL ASSETS	<u>1,251,203</u>	<u>681,733</u>	<u>1,932,936</u>
NET POSITION			
Restricted:			
For Repairs and Maintenance	96,178	-	96,178
For Parks and Recreation	16,095	-	16,095
Unrestricted	<u>1,138,930</u>	<u>681,733</u>	<u>1,820,663</u>
TOTAL NET POSITION	<u>\$ 1,251,203</u>	<u>\$ 681,733</u>	<u>\$ 1,932,936</u>

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, 2022

Functions/Programs	Cash Disbursements
PRIMARY GOVERNMENT	
Governmental Activities:	
General Government	\$ 513,006
Public Safety	495,766
Public Works	2,996,257
Culture and Recreation	322,279
Cemetery	<u>12,644</u>
Total Governmental Activities	<u>4,339,952</u>
Business-type Activities:	
Water	356,990
Sanitation	447,929
Sewer	<u>274,377</u>
Total Business-type Activities	<u>1,079,296</u>
Total Primary Government	<u><u>\$ 5,419,248</u></u>

The accompanying notes are an integral part of this statement.

Program Cash Receipts			Net (Disbursements) Receipts and Changes in Net Position		
Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
			Governmental Activities	Business-type Activities	Total
\$ 54,310	\$ -	\$ -	\$ (458,696)	\$ -	\$ (458,696)
159,431	-	-	(336,335)	-	(336,335)
-	-	3,085,590	89,333	-	89,333
23,601	48,690	-	(249,988)	-	(249,988)
<u>3,813</u>	<u>250</u>	<u>-</u>	<u>(8,581)</u>	<u>-</u>	<u>(8,581)</u>
<u>241,155</u>	<u>48,940</u>	<u>3,085,590</u>	<u>(964,267)</u>	<u>-</u>	<u>(964,267)</u>
417,008	-	-	-	60,018	60,018
508,493	-	-	-	60,564	60,564
<u>285,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,189</u>	<u>11,189</u>
<u>1,211,067</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,771</u>	<u>131,771</u>
<u>\$ 1,452,222</u>	<u>\$ 48,940</u>	<u>\$ 3,085,590</u>	<u>(964,267)</u>	<u>131,771</u>	<u>(832,496)</u>
GENERAL CASH RECEIPTS					
Taxes:					
General Property Taxes			54,624	-	54,624
General Sales Taxes			560,480	-	560,480
Other Taxes			512,786	-	512,786
Intergovernmental Receipts Not Restricted to Specific Programs			426,135	-	426,135
Unrestricted Investment Earnings			3,127	-	3,127
Miscellaneous Receipts			<u>14,888</u>	<u>-</u>	<u>14,888</u>
Total General Cash Receipts			<u>1,572,040</u>	<u>-</u>	<u>1,572,040</u>
CHANGE IN NET POSITION			607,773	131,771	739,544
NET POSITION - BEGINNING			<u>643,430</u>	<u>549,962</u>	<u>1,193,392</u>
NET POSITION - ENDING			<u>\$ 1,251,203</u>	<u>\$ 681,733</u>	<u>\$ 1,932,936</u>

The accompanying notes are an integral part of this statement.

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Town of Moorcroft, Wyoming
Balance Sheet - Modified Cash Basis - Governmental Funds
For the Year Ended June 30, 2022

	General Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 458,745	\$ 10,102	\$ 468,847
Investments	782,356	-	782,356
TOTAL ASSETS	<u>\$ 1,241,101</u>	<u>\$ 10,102</u>	<u>\$ 1,251,203</u>
FUND BALANCES			
Restricted:			
For Repairs and Maintenance	\$ 86,076	\$ 10,102	\$ 96,178
For Parks and Recreation	16,095	-	16,095
Assigned:			
For Capital Purposes	71,692	-	71,692
For Community Protection	257,050	-	257,050
For Cemetery	17,282	-	17,282
For Landfill	106,439	-	106,439
Unassigned	686,467	-	686,467
TOTAL FUND BALANCES	<u>\$ 1,241,101</u>	<u>\$ 10,102</u>	<u>\$ 1,251,203</u>

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, 2022

	General Fund	Wastewater Treatment Plant Project Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
RECEIPTS				
Taxes:				
General Property Taxes	\$ 54,624	\$ -	\$ -	\$ 54,624
General Sales and Use Taxes	560,480	-	-	560,480
Other Taxes	512,786	-	-	512,786
Licenses and Permits	46,279	-	-	46,279
Intergovernmental Receipts	468,640	-	-	468,640
Court Fees	120,641	-	-	120,641
Charges for Services	92,511	-	-	92,511
Investment Earnings	3,127	-	-	3,127
Capital Grants and Loan Proceeds	98,622	2,939,256	26,903	3,064,781
Miscellaneous Receipts	23,856	-	-	23,856
	<u>1,981,566</u>	<u>2,939,256</u>	<u>26,903</u>	<u>4,947,725</u>
DISBURSEMENTS				
Current:				
General Government:				
Council	45,805	-	-	45,805
Court	27,961	-	-	27,961
Mayor	36,458	-	-	36,458
Administrator	150,922	-	-	150,922
Clerk/Treasurer	251,860	-	-	251,860
Public Safety:				
Police	392,939	-	-	392,939
Fire	32,687	-	-	32,687
Ambulance	27,937	-	-	27,937
Public Works:				
Streets and Alleys	98,060	-	-	98,060
Culture and Recreation:				
Parks and Recreation	32,202	-	-	32,202
Town Center	110,278	-	-	110,278
Cemetery	12,644	-	-	12,644
Debt Service	6,690	-	-	6,690
Capital Outlays	232,549	2,863,852	17,108	3,113,509
	<u>1,458,992</u>	<u>2,863,852</u>	<u>17,108</u>	<u>4,339,952</u>

The accompanying notes are an integral part of this statement.

	<u>General Fund</u>	<u>Wastewater Treatment Plant Project Fund</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	522,574	75,404	9,795	607,773
FUND BALANCE - BEGINNING	<u>718,527</u>	<u>(75,404)</u>	<u>307</u>	<u>643,430</u>
FUND BALANCE - ENDING	<u>\$ 1,241,101</u>	<u>\$ -</u>	<u>\$ 10,102</u>	<u>\$ 1,251,203</u>

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, 2022

	<u>Water Fund</u>	<u>Sanitation Fund</u>	<u>Sewer Fund</u>	<u>Total Proprietary Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 219,361	\$ 185,159	\$ 171,663	\$ 576,183
Investments	<u>27,885</u>	<u>-</u>	<u>77,665</u>	<u>105,550</u>
TOTAL ASSETS	<u>247,246</u>	<u>185,159</u>	<u>249,328</u>	<u>681,733</u>
NET POSITION				
Unrestricted	<u>247,246</u>	<u>185,159</u>	<u>249,328</u>	<u>681,733</u>
TOTAL NET POSITION	<u>\$ 247,246</u>	<u>\$ 185,159</u>	<u>\$ 249,328</u>	<u>\$ 681,733</u>

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Statement of Receipts, Disbursements and Changes in Fund Net Position -
Modified Cash Basis - Proprietary Funds
For the Year Ended June 30, 2022

	Water Fund	Sanitation Fund	Sewer Fund	Total Proprietary Funds
OPERATING CASH RECEIPTS				
Receipts Dedicated to				
Servicing Debt	\$ 417,008	\$ -	\$ 285,566	\$ 702,574
Charges for Goods and Services	-	504,493	-	504,493
Miscellaneous	-	4,000	-	4,000
Total Operating Cash Receipts	<u>417,008</u>	<u>508,493</u>	<u>285,566</u>	<u>1,211,067</u>
OPERATING CASH DISBURSEMENTS				
Personnel	119,063	118,390	101,599	339,052
Materials and Supplies	56,117	80,122	19,345	155,584
Other Operating Expenses	71,455	229,357	54,422	355,234
Total Operating Cash Disbursements	<u>246,635</u>	<u>427,869</u>	<u>175,366</u>	<u>849,870</u>
Operating Income	<u>170,373</u>	<u>80,624</u>	<u>110,200</u>	<u>361,197</u>
NONOPERATING CASH DISBURSEMENTS				
Debt Service	<u>110,355</u>	<u>20,060</u>	<u>99,011</u>	<u>229,426</u>
Total Nonoperating Cash Disbursements	<u>110,355</u>	<u>20,060</u>	<u>99,011</u>	<u>229,426</u>
NET INCOME	60,018	60,564	11,189	131,771
NET POSITION - BEGINNING	<u>187,228</u>	<u>124,595</u>	<u>238,139</u>	<u>549,962</u>
NET POSITION - ENDING	<u>\$ 247,246</u>	<u>\$ 185,159</u>	<u>\$ 249,328</u>	<u>\$ 681,733</u>

The accompanying notes are an integral part of this statement.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

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

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 an MRG grant. This is not a major fund.

Wastewater Treatment Plant Project Fund - To account for all financial resources to be used for the construction of the Wastewater Treatment Plant project. Activities are financed through USDA loans and grant funding. 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. The Water Fund is a major fund.

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

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.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 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 statement of financial position 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 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.

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. 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.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. 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:

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

F. PROPRIETARY FUNDS RECEIPT AND DISBURSEMENT CLASSIFICATIONS

Operating receipts and disbursements for proprietary funds result from providing services and producing and delivering goods and services. They also include all receipts and disbursements not related to capital and related financing, noncapital financing, or investing activities.

H. 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.

I. 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 which benefits from the financing. Allocations are made where appropriate.

J. EQUITY CLASSIFICATIONS

Government-wide Financial Statements:

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

1. 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.
2. 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, which is distinguished between the following classifications:

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.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

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 balance is 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.

Proprietary fund equity is classified the same as in the government-wide financial statements.

NOTE 2 - 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 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 3 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK

Deposits

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. 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 which exceed deposit insurance such as the FDIC and NCUA. In lieu of pledging eligible securities, a qualified public depository may furnish irrevocable standby letters of credit issued by Federal Home Loan Banks accompanied by written evidence of that bank's public debt rating which may not be less than "AA," or a qualified public depository may furnish a corporate surety bond of a corporation authorized to do business in Wyoming.

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.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 3 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK (CONTINUED)

As of June 30, 2022, the Town had investments in the WYO-STAR Investment Pool, which is unrated. The WYO-STAR Investment Pool is an external investment pool created for Wyoming local government investing purposes. Investments in the WYO-STAR Investment Pool, which is administered by the Wyoming State Treasurer, consist of short-term investments with a one-day maturity, 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.

The Town's total investments at June 30, 2022 were as follows:

	Credit Rating	Cost Basis	Maturity Less than 1 Year
WYO-STAR	Unrated	\$ 660,184	\$ 660,184
Money Market Fund	Unrated	227,722	227,722
Totals		\$ 887,906	\$ 887,906

Investments for the Town are reported at cost. WYO-STAR Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Fair Value Measurement - As explained in Note 1, the Town reports investments at the cost at acquisition. Adjustments to fair market value are not reflected in these statements.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investing is performed in accordance with investing policies adopted by the governing board complying with state statutes.

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, 2022, 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 WYO-STAR Investment Pool is not exposed to custodial credit risk because the Town's investment is not evidenced by securities that exist in physical or book entry form.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 3 - DEPOSITS AND INVESTMENTS CREDIT RISK, CONCENTRATIONS OF CREDIT RISK AND INTEREST RATE RISK (CONTINUED)

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.

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.

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.

NOTE 4 - COMMITMENTS

Long-term obligations of the Town at June 30, 2022 were comprised of the following:

	Balance 6/30/21	Loan Advances	Loan Payments	Transfers	Balance 6/30/22
Madison Pipeline Loan	\$ 413,034	\$ -	\$ (32,970)	\$ -	\$ 380,064
Water Improvements 1	92,885	-	(14,010)	-	78,875
JPA - 15583	314,740	-	(314,740)	-	-
Sewer Improvements	87,212	-	(87,212)	-	-
CWSRF #151	241,140	-	(241,140)	-	-
DWSRF #191	688,426	-	(16,695)	-	671,731
CWSRF #163	194,172	-	(11,082)	-	183,090
CWSRF #170	188,185	-	(188,185)	-	-
DWSRF #224	316,228	-	(8,793)	-	307,435
Series 2021A	2,017,000	-	-	-	2,017,000
Series 2021B	362,463	897,537	-	-	1,260,000
Equipment Lease	21,117	-	(8,500)	-	12,617
Doosan Loader Loan	25,577	-	(25,577)	-	-
	<u>\$ 4,962,179</u>	<u>\$ 897,537</u>	<u>\$ (948,904)</u>	<u>\$ -</u>	<u>\$ 4,910,812</u>

Madison Pipeline Loan - 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 2.5%, began in March 2014. The final maturity is March 2032. Interest expense related to this agreement was \$10,523 for the year ended June 30, 2022. The payments are made out of the Water Fund.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 4 - COMMITMENTS (CONTINUED)

Water Improvements 1 - The Town signed a loan agreement for a water supply project with the State of Wyoming Water Development Commission. Yearly payments of \$17,725, including interest at a rate of 4.0%, began December 1, 1997. The final payment of \$17,685 is due November 2026. The payments are made out of the Water Fund. Interest expense related to this agreement was \$3,715. All revenues generated from the water system user fees have been pledged and assigned to pay this debt.

JPA - 15583 - The Town signed a loan agreement for a waterline project with the Joint Powers Act. Yearly payments of \$26,772, including interest at a rate of 4.62%, began in December 2015. The final maturity is December 2045. The payments are made out of the General Fund. Interest expense related to this agreement was \$0. During the year ended June 30, 2022, the Town refinanced this loan.

Sewer Improvements - The Town signed a loan agreement for a sewer improvement project with the Clean Water State Revolving Loan Fund. Yearly payments of \$13,745, including interest at a rate of 2.5% began July 15, 2008. The payments are made out of the Water Fund. Interest expense related to this agreement was \$2,301. This loan was paid in full during the year ended June 30, 2022. All revenues generated from the sewer system user fees have been pledged and assigned to pay this debt.

CWSRF #151 - The Town signed a loan agreement for an aerated lagoon project with the Clean Water State Revolving Loan Fund. Annual payments of \$16,834 began in 2020 including interest of 2.5% for a term of twenty years. Payments are made out of the Sewer Fund. Interest expense related to this agreement was \$0. During the year ended June 30, 2022, the Town refinanced this loan.

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 2.5% for a term of thirty years. Payments are made out of the Water Fund. Interest expense related to this agreement was \$16,975.

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 2.5% for a term of thirty years. Payments are made out of the Sewer Fund. Interest expense related to this agreement was \$0.

CWSRF #170 - The Town signed a loan agreement for a water project with the Clean Water State Revolving Loan Fund. Annual payments of \$9,521 began in 2021 including interest of 2.5% for a term of thirty years. Payments are made out of the Sewer Fund. Interest expense related to this agreement was \$0. During the year ended June 30, 2022, the Town transferred \$183,422 to refinance this loan.

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 2.5% for a term of thirty years. Payments are made out of the Sewer Fund. Interest expense related to this agreement was \$6,673.

Wastewater Treatment Plant Loans - The Town signed loan agreements Series 2021A and Series 2021B with USDA Rural Development. The project was completed during the current year. The entire loan amounts were drawn for \$2,017,000 and \$1,260,000, respectively, with an interest rate of 1.75% and a term of forty years upon completion of the project. Total project costs were over \$6.4 million, and the Town will use USDA Rural Development grant funds to cover the additional costs. Loan repayment will commence in the next fiscal year and payments will be made out of the Sewer Fund.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 4 - COMMITMENTS (CONTINUED)

Equipment Lease - The Town signed a financing agreement for ambulance equipment with a bank in the amount of \$37,340. Yearly payments of \$4,223, including interest at a rate of 0.00%, began in 2020. The final maturity is March 2026. The payments are made out of the General Fund and the debt is secured by the ambulance.

Doosan Loader Loan - The Town signed a loan agreement for a Doosan Loader. Yearly payments of \$27,106, including interest at a rate of 5.00%, began in December 2017. The final maturity is December 2021. The payments were made out of the Sanitation Fund and General Fund. Interest expense related to this agreement was \$1,529. This loan was repaid during the year ended June 30, 2022.

NOTE 5 - RETIREMENT PLANS

Wyoming Retirement System

The Town participates in the Wyoming Retirement System (the System), a 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, First Floor East, Herschler Building, 122 West 25th Street, Cheyenne, Wyoming 82022.

Plan members are required to contribute 9.12% of their annual covered salary and the Town is required to contribute 9.0% 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 18.12%. Contribution rates are established by Title 9, Chapter 3 of the Wyoming State Statutes.

As of December 31, 2021, the Wyoming Retirement System was 86.03% funded and accordingly had a liability of \$1,524,721,500. The proportionate share of the component of the net pension liability for the Town as of December 31, 2021 was \$344,599 which represents 0.0226% of the total Plan liability.

Wyoming Law Enforcement Retirement Plan

The Town participates in the Wyoming Law Enforcement Retirement Plan (the Plan), a state-wide, 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. 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, Fifth Floor West, 6101 Yellowstone Road, Cheyenne, Wyoming 82002.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 5 - RETIREMENT PLANS (CONTINUED)

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, 2022, the percentages to be contributed on compensation were 8.60% for the employees and the same for the Town. The Town pays the entire contribution of 17.2%.

As of December 31, 2021, the Plan was 75.62% funded and accordingly had a liability of \$284,538,585. The proportionate share of the components of the net pension liability for the Town as of December 31, 2021 was \$295,043 which represents 0.1037% of the total Plan liability.

Wyoming Volunteer Firefighter & 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, 2022, 2021, and 2020 were \$109,883, \$108,401, and \$104,586 respectively.

NOTE 6 - RESTRICTED NET POSITION

Assets restricted for use for a specific purpose through segregation of balances in separate accounts are as follows:

Purpose	Amount
Governmental Activities:	
For Repairs and Maintenance	\$ 96,178
Restricted Contributions	16,095
Total Governmental	\$ 112,273

NOTE 7 - 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, 2022, 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.

Town of Moorcroft, Wyoming
Notes to the Financial Statements
June 30, 2022

NOTE 7 - RISK ASSESSMENT (CONTINUED)

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 of 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, 2022 was \$30,711. During the year ended June 30, 2022, Worker's Compensation paid out \$204 in claims.

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. The Town had no claims paid or outstanding during the year ended June 30, 2022.

NOTE 8 - RELATED PARTY TRANSACTIONS

During the year ended June 30, 2022, the Town contracted with Glenn Construction, LLC for several construction projects totaling \$8,422. 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 - INTERFUND TRANSFERS

During the year ended June 30, 2022, the Town did not make any interfund transfers.

NOTE 10 - 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 is nearing capacity. The closure and post-closure care liability is estimated at \$1,879,749, 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. The Town has the option to apply for a grant through the State of Wyoming to cover up to 75% of the landfill closure costs, dependent on available funding. As of June 30, 2022, a grant for 75% of the landfill closure costs would cover \$818,668 of the total cost. The Town also has \$10,492 set aside in the State Guarantee and an assigned fund balance of \$106,049 for landfill closure costs in the General Fund. The estimated remaining unfunded closure and post-closure costs total \$944,540. The Town has not set aside sufficient funds to cover this cost.

NOTE 11 - SUBSEQUENT EVENTS

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, 2022

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original Budget	Final Budget		
RECEIPTS				
Taxes:				
General Property Taxes	\$ 48,000	\$ 48,000	\$ 54,624	\$ 6,624
General Sales and Use Taxes	485,600	485,600	560,480	74,880
Other Taxes	344,460	344,460	512,786	168,326
Licenses and Permits	43,000	43,000	46,279	3,279
Intergovernmental Receipts	219,000	407,239	468,640	61,401
Fines and Forfeits	50,000	50,000	120,641	70,641
Charges for Services	80,975	80,975	92,511	11,536
Investment Earnings	1,200	1,200	3,127	1,927
Capital Grants and Loan Proceeds	3,500	44,751	98,622	53,871
Miscellaneous Receipts	14,700	14,700	23,856	9,156
Total Receipts	<u>1,290,435</u>	<u>1,519,925</u>	<u>1,981,566</u>	<u>461,641</u>
DISBURSEMENTS				
Current:				
General Government				
Council	96,400	96,400	45,805	50,595
Court	30,310	30,310	27,961	2,349
Mayor	40,200	40,200	36,458	3,742
Administrator	131,750	150,922	150,922	-
Clerk/Treasurer	238,860	280,253	251,860	28,393
Public Safety				
Police	414,610	414,610	398,411	16,199
Fire	38,100	60,918	60,918	-
Ambulance	50,750	47,660	36,437	11,223
Public Works				
Streets and Alleys	345,200	363,395	115,297	248,098
Culture and Recreation				
Parks and Recreation	102,800	112,372	40,144	72,228
Town Center	118,200	282,135	282,135	-
Cemetery	34,440	34,440	12,644	21,796
Total Disbursements	<u>1,641,620</u>	<u>1,913,615</u>	<u>1,458,992</u>	<u>454,623</u>
NET CHANGE IN FUND BALANCE	(351,185)	(393,690)	522,574	916,264
FUND BALANCE - BEGINNING	<u>718,527</u>	<u>718,527</u>	<u>718,527</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 367,342</u>	<u>\$ 324,837</u>	<u>\$ 1,241,101</u>	<u>\$ 916,264</u>

See independent auditor's report.

Town of Moorcroft, Wyoming
Notes to the Supplementary Information
June 30, 2022

NOTE 1 - BASIS OF PRESENTATION

The Budgetary Comparison Schedules have been prepared on the modified cash basis of accounting.

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 expenditures 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 percent of the total municipal 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, 2022.
6. The budget for the General Fund is adopted on a basis consistent with that which is presented in the financial statements.

See independent auditor's report.

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SINGLE AUDIT INFORMATION

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, the modified cash basis financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Moorcroft, Wyoming, as of and for the year ended June 30, 2022, 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 December 27, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Moorcroft, Wyoming'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 Town of Moorcroft, Wyoming's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Moorcroft, Wyoming'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 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 and, therefore, material weaknesses may exist that have not been identified. We identified the deficiencies in internal control described in the accompanying Schedule of Findings and Questioned Costs as items 2022-001, 2022-002, and 2022-003 that we consider to be material weaknesses.

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307.682.4795

FAITH

127 MAIN ST. S.
FAITH, SD 57626
605.791.3142

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Moorcroft, Wyoming'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 an instance of noncompliance which is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2022-003.

Town of Moorcroft's Response to Findings

The Town of Moorcroft's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Town's response was not subject to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

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.

Casey Peterson, LTD

Casey Peterson, LTD

Rapid City, South Dakota

December 27, 2022

Independent Auditor's Report on Compliance for
Each Major Program and Report on Internal Control
Over Compliance Required by the Uniform Guidance

Honorable Mayor and Town Board
Town of Moorcroft, Wyoming

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Moorcroft, Wyoming's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Moorcroft, Wyoming's major federal programs for the year ended June 30, 2022. The Town of Moorcroft, Wyoming's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Management's Responsibility

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

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307.682.4795

FAITH

127 MAIN ST. S.
FAITH, SD 57626
605.791.3142

Auditor's Responsibility

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

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2022-004. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on the Town's response to the noncompliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-004 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

Government Auditing Standards require the auditor to perform limited procedures on the Town's response to the internal control over compliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Casey Peterson, LTD

Casey Peterson, LTD

Rapid City, South Dakota

December 27, 2022

Town of Moorcroft, Wyoming
Schedule of Findings and Questioned Costs
June 30, 2022

SUMMARY OF THE INDEPENDENT AUDITOR'S RESULTS

- a. The Independent Auditor's Report expresses an unmodified opinion on the financial statements of the Town of Moorcroft, Wyoming (the Town).
- b. Instances of noncompliance material to the financial statements, which would be required to be reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* were noted during the audit.
- c. An instance of noncompliance material to the financial statements, which would be required to be reported in accordance with *Government Auditing Standards* was noted during the audit.
- d. The Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance for the Town expressed an unmodified opinion on all major programs.
- e. A material weakness in internal control related to the major federal program was reported in the Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance.
- f. Audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) are reported in this schedule.
- g. The federal award tested as a major program was:
 - Assistance Listing #10.760 Water and Waste Disposal Systems for Rural Communities
- h. The dollar threshold used to distinguish between Type A and Type B federal award programs was \$750,000.
- i. The Town of Moorcroft, Wyoming did not qualify as a low-risk entity.

FINDINGS - FINANCIAL STATEMENT AUDIT

Material Weakness

Internal Control over Financial Reporting

Drafting the Financial Statements, Related Notes, and Schedule of Expenditures of Federal Awards

2022-001 *Condition:* The Town requests its auditor to draft the year-end financial statements, related notes, and Schedule of Expenditures of Federal Awards. The auditor proposed several adjusting journal entries for the preparation of the financial statements.

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 Finding: This finding was reported in the prior year as 2021-001 and 2021-004.

Town of Moorcroft, Wyoming
Schedule of Findings and Questioned Costs
June 30, 2022

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: Management agrees with the finding. A response can be found in the Corrective Action Plan.

Material Weakness
Internal Control over Financial Reporting
Lack of Segregation of Duties

2022-002 *Condition:* There is a lack of segregation of duties and monitoring related to various accounting functions. Staff are performing incompatible functions with little oversight or review.

Criteria: Duties should be properly segregated between staff to ensure custody of assets and accounting for assets are not performed by the same person.

Cause: This condition exists due to the small staff size within the finance function of the Town. These issues are common in a town of this size.

Effect: The Business Office staff perform closing entries and reconciliations with limited oversight. The possibility of fraud or errors occurring and not being detected or corrected is present.

Repeat of Prior Finding: This finding was reported in the prior year as 2021-002.

Auditor's Recommendation: We recommend management assign responsibilities to staff to ensure accounting and custody of assets are segregated. In addition, management should improve the process for oversight of reconciliations and journal entries to ensure those items are reviewed and approved by qualified personnel.

View of Management: Management agrees with the finding. A response can be found in the Corrective Action Plan.

Material Weakness
Internal Control over Financial Reporting
Statutory Noncompliance

2022-003 *Condition:* During our review of statutory compliance, we noted the Town had over-expended the budget in the General Fund and did not prepare a budget for the Powder River Water Project Fund, which caused the Town to be non-compliant with State statute W.S. 16-4-108.

Criteria: Management and the Town Board should monitor budget-to-actual expenses by fund and department to ensure compliance with the approved budget. Amendments to the budget should be created when new funding sources, such as grants or loans, are identified.

Cause: The Town did not appropriately budget for current year expenses.

Effect: The Town is not in Compliance with Wyoming state statutes.

Repeat of Prior Finding: This finding was reported in the prior year as 2021-003.

Town of Moorcroft, Wyoming
Schedule of Findings and Questioned Costs
June 30, 2022

Auditor's Recommendation: We recommend Town management review State statutes regarding budgeting and revise the method for preparing the annual budget to include funds and departments. The budget should be monitored monthly and amended for large grants and loans received.

View of Management: Management agrees with the finding. A response can be found in the Corrective Action Plan.

FINDINGS - MAJOR FEDERAL PROGRAM AUDIT

U.S. Department of Agriculture
Water and Waste Disposal Systems for Rural Communities, AL #10.760

Material Weakness
Internal Control over Financial Reporting
Lack of Proper Review and Approval of Draw Requests

2022-004 *Condition:* During our testing of the major program, we noted numerous errors on draw requests. In addition, accounting for construction costs and federal grant and loan proceeds under this program were difficult to identify in the records.

Criteria: Draw requests should be reviewed to ensure proper management of grant funding.

Cause: Town management relied on the engineer and USDA staff to aggregate and monitor costs.

Effect: Records related to grant and loan draws were incomplete.

Repeat of Prior Finding: No. This is a new finding in the current year.

Auditor's Recommendation: We recommend Town work with engineers to review and approve the draw requests for all grant funding. Each draw request should agree with the Town's underlying accounting records.

View of Management: Management agrees with the finding. A response can be found in the Corrective Action Plan.



TOWN OF MOORCROFT

104 North Big Horn Avenue
PO Box 70
Moorcroft, WY 82721

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS

FINDINGS - FINANCIAL STATEMENT AUDIT

Material Weakness

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

2021-001 *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.

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.

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.

Current Status: This finding is reported in the current year as 2022-001.

Material Weakness

Internal Control over Financial Reporting
Lack of Segregation of Duties

2021-002 *Condition:* There is a lack of segregation of duties and monitoring related to various accounting functions. Staff are performing incompatible functions with little oversight or review.

Criteria: Duties should be properly segregated between staff to ensure custody of assets and accounting for assets are not performed by the same person.

Auditor's Recommendation: We recommend management assign responsibilities to staff to ensure accounting and custody of assets are segregated. In addition, management should improve the process for oversight of reconciliations and journal entries to ensure those items are reviewed and approved by qualified personnel.

Current Status: This finding is reported in the current year as 2022-002.



TOWN OF MOORCROFT

104 North Big Horn Avenue
PO Box 70
Moorcroft, WY 82721

SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS (CONTINUED)

Material Weakness
Internal Control over Financial Reporting
Statutory Noncompliance

2021-003 *Condition:* During our review of statutory compliance, we noted the Town did not prepare a budget for the Powder River Water Project Fund, which caused the Town to be non-compliant with State statute W.S. 16-4-108.

Criteria: The Town should monitor budget-to-actual expenses by fund and department to ensure compliance with the approved budget. Amendments to the budget should be created when new funding sources such as grants or loans are identified.

Auditor's Recommendation: We recommend Town staff familiarize themselves with State statutes regarding budgeting and revise the method for preparing the annual budget to include funds and departments. The budget should be monitored monthly and amended for large grants and loans received.

Current Status: This finding is reported in the current year as 2022-003.

FINDINGS - MAJOR FEDERAL PROGRAM AUDIT

U.S. Department of Agriculture
Water and Waste Disposal Systems for Rural Communities, AL #10.760

Material Weakness
Internal Control over Compliance and Noncompliance
Drafting the Financial Statements and Related Notes and Schedule of Expenditure of Federal Awards

2021-004 See Finding 2021-001 for a description of the condition, criteria, auditor's recommendation, and current status.



TOWN OF MOORCROFT

104 North Big Horn Avenue
PO Box 70
Moorcroft, WY 82721

CORRECTIVE ACTION PLAN (UNAUDITED)

The Town of Moorcroft, Wyoming respectfully submits the following corrective action plan for the year ended June 30, 2022.

Name and address of independent public accounting firm:

Casey Peterson, LTD
909 Saint Joseph Street, Ste 101
Rapid City, SD 57701

The findings from the June 30, 2022 Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in that schedule. Cheryl Schneider, Clerk/Treasurer, is responsible for the findings and corrective actions disclosed within this document.

FINDINGS - FINANCIAL STATEMENT AUDIT

Material Weakness

Internal Control over Financial Reporting

Drafting the Financial Statements and Related Notes

2022-001 *Condition:* The Town requests its auditor to draft the year-end financial statements, related notes, and Schedule of Expenditures of Federal Awards. The auditor proposed several adjusting journal entries for the preparation of the financial statements

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.

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.

Management's Response: Management will prepare the schedules and provide the documentation needed for the preparation of the financial statements and related disclosures before audit fieldwork. Cheryl Schneider, Clerk/Treasurer, is responsible for this corrective action which will be implemented before the Town's audit for the fiscal year ending June 30, 2023.

Phone: (307) 756-3526 • Fax: (307) 756-3472 • Email: clerktreas@townofmoorcroft.com

The Town of Moorcroft is an equal opportunity provider and employer



TOWN OF MOORCROFT

104 North Big Horn Avenue
PO Box 70
Moorcroft, WY 82721

CORRECTIVE ACTION PLAN (UNAUDITED) (CONTINUED)

Material Weakness

Internal Control over Financial Reporting

Lack of Segregation of Duties

2022-002 *Condition:* There is a lack of segregation of duties and monitoring related to various accounting functions. Staff are performing incompatible functions with little oversight or review.

Criteria: Duties should be properly segregated between staff to ensure custody of assets and accounting for assets are not performed by the same person.

Auditor's Recommendation: We recommend management assign responsibilities to staff to ensure accounting and custody of assets are segregated. In addition, management should improve the process for oversight of reconciliations and journal entries to ensure those items are reviewed and approved by qualified personnel.

Management's Response: Management will cross-train all staff and reassign duties so proper review and oversight can be accomplished. Management will train Town Board members to review supporting documentation of transactions to improve oversight. Cheryl Schneider, Town Clerk, is responsible for this corrective action which will be implemented during the fiscal year ending June 30, 2023.

Material Weakness

Internal Control over Financial Reporting

Statutory Noncompliance

2022-003 *Condition:* During our review of statutory compliance, we noted the Town did not prepare a budget for the Powder River Water Project Fund, which caused the Town to be non-compliant with State statute W.S. 16-4-108.

Criteria: Management and the Town Board should monitor budget-to-actual expenses by fund and department to ensure compliance with the approved budget. Amendments to the budget should be created when new funding sources, such as grants or loans, are identified.

Auditor's Recommendation: We recommend Town management review State statutes regarding budgeting and revise the method for preparing the annual budget to include funds and departments. The budget should be monitored monthly and amended for large grants and loans received.

Management's Response: Management includes departments and objects within internal reports for monitoring. Management will amend the budget as necessary based on new funding awarded. Management and the Town Board will monitor the collection of revenues and adjust spending accordingly if revenues are not at expected levels. Budgets will be adopted for all funds as required by statutes. Cheryl Schneider, Clerk/Treasurer, is responsible for this corrective action which will be implemented during the fiscal year ending June 30, 2023.

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TOWN OF MOORCROFT

104 North Big Horn Avenue
PO Box 70
Moorcroft, WY 82721

CORRECTIVE ACTION PLAN (UNAUDITED) (CONTINUED)

FINDINGS - MAJOR FEDERAL PROGRAM AUDIT

U.S. Department of Agriculture
Water and Waste Disposal Systems for Rural Communities, AL #10.760

Material Weakness
Internal Control over Financial Reporting
Lack of Proper Review and Approval of Draw Requests

2022-004 *Condition:* During our testing of the major program, we noted numerous errors on draw requests. In addition, accounting for construction costs and federal grant and loan proceeds under this program were difficult to identify in the records.

Criteria: Draw requests should be reviewed to ensure proper management of grant funding.

Auditor's Recommendation: We recommend Town work with engineers to review and approve the draw requests for all grant funding. Each draw request should agree with the Town's underlying accounting records.

Management's Response: Management will hold meetings at least quarterly with contractors, the project engineer, and the state or other funding sources to review construction claims and draw requests. Regular reviews of large-scale projects being paid with federal funding will ensure that costs and activities are properly captured and submitted for reimbursement. Cheryl Schneider, Clerk/Treasurer, is responsible for this corrective action and it will be implemented with all grant draws starting in January 2023.

If there are any questions regarding this Corrective Action Plan, please contact Cheryl Schneider at (307) 756-3526.

Sincerely,

Cheryl Schneider
Clerk/Treasurer
Town of Moorcroft, Wyoming

Town of Moorcroft, Wyoming
Schedule of Expenditures of Federal Awards
June 30, 2022

Assistance Listing Numbers	Direct Award	Major Program	Cluster/Program Name	Description	Pass-through Entity	Pass-through Entity Identifying Number	Amount
<u>U.S. Department of Agriculture</u>							
10 .760	Y	Y	Water and Waste Disposal Systems for Rural Communities (Note 3)	Loans	N/A	N/A	\$ 897,537
10 .760	Y	Y	Water and Waste Disposal Systems for Rural Communities (Note 3)	Grants	N/A	N/A	<u>2,041,720</u>
Total U.S. Department of Agriculture							<u>2,939,257</u>
<u>U.S. Department of Transportation</u>							
20 .600	N	N	State and Community Highway Safety	N/A	Wyoming Department of Transportation	HS40221	310
20 .616	N	N	National Priority Safety Programs	N/A	Wyoming Department of Transportation	HS4D522, HS4B522	<u>1,493</u>
Total U.S. Department of Transportation							<u>1,803</u>
<u>U.S. Department of Treasury</u>							
21 .027	N	N	Coronavirus State and Local Fiscal Recovery Funds	N/A	Wyoming Office of Homeland Security	N/A	<u>188,238</u>
Total U.S. Department of Treasury							<u>188,238</u>
Total Expenditures of Federal Awards							<u>\$ 3,129,298</u>

NOTE 1: The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Town of Moorcroft under programs of the federal government for the year ended June 30, 2022. Expenditures reported on the Schedule are reported on the modified cash basis of accounting. Such expenditures are recognized following the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2: The Town of Moorcroft has not elected to use the 10% de minimis cost rate.

NOTE 3: The Town is eligible to draw \$6,178,913 from the Water and Waste Disposal Systems for Rural Communities loans and grants. The Town is eligible to draw \$3,277,000 in loan funds. The beginning loan balance for the year ended June 30, 2022 was \$2,379,463. During the year ended June 30, 2022, the Town drew the remaining \$897,537 on the loan. The loan balance at June 30, 2022 was \$3,277,000. The Town is eligible to draw \$2,901,913 in grant funds. The beginning grant balance for the year ended June 30, 2022 was \$0. During the year ended June 30, 2022, the Town drew \$2,041,720 from the grant. The grant balance at June 30, 2022 was \$2,041,720. Unused grant funds were de-obligated and returned to USDA Rural Development.

See independent auditor's report.

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OTHER INFORMATION

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**Town of Moorcroft, Wyoming
Town Officials
June 30, 2022**

MAYOR

Ben Glenn

GOVERNING BOARD

Austin Smith
Paul Smoot
Dale Peterson
Dusty Petz

CLERK/TREASURER

Cheryl Schneider

DEPUTY CLERK

Jodi Clark

ATTORNEY

Pat Carpenter

See independent auditor's report.