

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT OF  
CITY OF GILLETTE, WYOMING**

For the fiscal year ended  
June 30, 2023

Prepared by:  
Finance Department

# CITY OF GILLETTE, WYOMING

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# CITY OF GILLETTE, WYOMING

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# INTRODUCTORY SECTION



# CITY OF GILLETTE

## Finance Division

201 E. 5th Street • Gillette, Wyoming 82716

Phone 307.686.5208

[www.gillettewy.gov](http://www.gillettewy.gov)

December 19, 2023

To the Honorable Mayor Lundvall, Members of the Governing Council, and Citizens of the City of Gillette:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ending June 30, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable assurance, which is a high level of assurance but not absolute assurance, that the financial statements are free of any material misstatements.

Bennett, Weber and Hermstad, LLP, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the City of Gillette’s financial statements for the fiscal year ended June 30, 2023. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is a complement to this letter of transmittal and should be read in conjunction with it.

### *Profile of the Government*

The City of Gillette, incorporated in 1891, is located in the center of Campbell County and is in the northeast corner of the State of Wyoming. Though the volatility of the energy sector has historically caused sudden fluctuations in population estimates, the city’s population has gradually increased since a low in 2016, with the last three years remaining relatively stagnant based on the most recent census data. The city currently occupies 23.20 square miles and serves an estimated population of 33,309. The City of Gillette is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The City of Gillette has operated under the council-manager form of government since 1980. Policy-making and legislative authority are vested in a governing council (Council) consisting of a mayor and six other members. The Mayor is elected at large on a non-partisan basis and the six other members represent the three wards established for the City of Gillette. Each ward elects two Council members and all Council members serve four-year terms. The Council appoints the government’s manager (City Administrator), who in turn appoints the heads of seven departments.

The City of Gillette provides a full range of services, including police protection; the construction and maintenance of highways, streets, and other infrastructure; power, water, sewer, solid waste and other sanitation services; and recreational and cultural activities.

The Council is required to adopt a final budget for the upcoming year by no later than the close of the current fiscal year. This annual budget serves as the foundation for the City of Gillette’s financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads may transfer resources within a division as they see fit. Transfers between divisions, however, need special approval from the governing council.

## *Local Economy*

Major industries contributing to the local economy include coal, oil, and gas production. The mining sector perseveres as a significant economic player and a major revenue contributor. Coal production experienced steady growth from 1975 until the latter half of 2015, when federal regulations triggered production to decline substantially through the first quarter of 2017. The new administration at that time initiated the process of eliminating, rescinding or changing many of the federal regulations negatively affecting coal production and use, causing the industry to experience a noticeable rebound. These changes in policy and regulations initially contributed to a stronger-looking future for the coal industry. Production levels were sustainable, and there were other signs of renewed growth in the oil and gas industry. However, as the COVID-19 pandemic affected the world economy, reduced travel and manufacturing at the national and global levels caused the demand for local mineral production to fall to near-historic lows, creating a dismal outlook for the local economy. But after a strong post-pandemic rebound and increased coal demand from the turmoil caused by Russia's invasion of Ukraine, coal markets returned to more predictable patterns over the last year. Though the immediate coal future is positive, the long-term outlook for coal remains uncertain, with national and state economists continuing to predict a bleak future for the energy industry. As such, the City of Gillette remains cautious when considering how this industry contributes to the future of the community.

As seen throughout the United States, the City's unemployment rate skyrocketed at the start of the pandemic in April 2020, reaching a high of 9.6%. With the economy recovering, the City has returned to pre-pandemic, and even historically low, unemployment levels with the latest estimates at 2.9%. Per capita personal income has risen steadily over the last few years, even through the pandemic, and over the course of the last year increased slightly to the highest level in the last 20 years. The most recent figures indicate stability in our local economy, with City-issued building permits and completed building inspections remaining relatively flat year-over-year. The City's population stabilized and grew after the significant loss in 2016, with the most recent census data indicating a 9.3% increase in the last eight years.

Sales tax collections throughout the last decade have been volatile, enduring large positive and negative swings indicative of the "boom and bust" cycles experienced in the energy industry. Illustrating this fact is the nearly 45% reduction in sales tax collections from a peak in fiscal year 2015 to a 12-year low in fiscal year 2017, representing over a \$24M decline. The energy sector experienced a sizeable rebound in the years following the low in 2017, causing sales tax collections to also see a positive trend during that time. The City of Gillette's share of sales tax revenues increased from \$36.5M in 2010 to \$43.1M in 2020, an 18% increase. However, nearly 88% of the FY2020 revenues were collected in the first ten months of the year; thereafter, sales tax revenues declined sharply due to the pandemic, falling 28% in one month, and they remained at a consistently low level for the entirety of FY2021. FY2022 experienced a significant resurgence, with sales tax collections coming in 37% higher than the year before, and FY2023's collections were 33% higher than FY2022, setting an all-time record in sales tax revenues. As discussed earlier, increased mineral production has contributed to the increase in sales tax revenue. The first five months of FY2024 have followed suit, realizing a 5.5% increase over the same time frame in FY2023.

The long-term local economic outlook will, to a great extent, be determined by the fate of the energy industries. The City of Gillette is known as the Energy Capital of the Nation because of its proximity to vast reserves of coal, oil, and gas. Government regulations, technology breakthroughs, and the ability to expand markets will be key components to maintaining a robust economy in Gillette.

## *Long-term Financial Planning*

The City of Gillette has aggressively pursued measures to assure financial stability now and well into the future. Among those measures was the fiscal year 2012 passage of a Resolution by Council adopting a comprehensive financial operating policy to serve as a guide for both financial planning and internal financial management of the City. The policy provided for the establishment of 120 days of operating reserves in the General Fund, as well as 90 days of operating reserves and a capital reserve requirement in each of the Enterprise Funds (Power, Water, Sewer, and Solid Waste). It also required a minimum annual review of utility rates and the provision that one-time revenues are only used toward one-time expenses. Other provisions of the policy addressed financial reporting, change orders, recapture,

budget, and establishment of a Finance Committee. This financial operating policy was amended in September 2018, to increase the General Fund operating reserves to 150 days.

In accordance with the City's Financial Operating Policies, the annual performance evaluation of the Enterprise Funds was conducted. Though City staff typically performs this analysis in-house, the City engaged FCS Group to conduct a comprehensive rate study to analyze the financial trajectory of the City's utility funds. Historically, utility rates are analyzed each year and adjusted accordingly if necessary. FCS Group recommended that the City adopt three years' worth of increases at once, with the understanding that the City would still perform the annual analysis to ensure the proposed future rates were sufficient. Through this review, it was determined that additional revenues would be required for each of the next three years in the Sewer Fund, the Power Fund and the Water Fund in order to cover costs in each of those funds. Accordingly, rates were adjusted in the Power Fund by 5% for FY2024 and 2.5% for both FY2025 and FY2026; in the Water Fund by 10% for FY2024 and FY2025 and 3.5% for FY2026, with all increases being applied to the City's distribution rate; and in the Sewer Fund by 10% per year for fiscal years 2024-2026. The Water Fund is analyzed separately for the transmission function, which will not require an increase over the next three years. The net position of the Solid Waste Fund was adequate to meet its reserve standards so these rates remained unchanged. However, the long-term forecast for the Solid Waste Fund predicts small annual rate increases beginning in FY2027 to offset expected increasing operational and tipping fee costs.

On November 8, 2022, the citizens of Gillette voted for the continuation of the optional 1% sales tax which was first passed in 1976. This tax, which is subject to voter approval every four years, generates between \$16M-\$18M annually and is used to fund capital projects undertaken by the City as well as contributions to the fire department and local service agencies. Passage of the optional 1% sales tax is critical for continuation of high-level services currently provided to this community and is highly promoted within the community. The measure will be brought up for vote again in 2026.

Our investment decisions are also part of our long-term financial planning. The City of Gillette utilizes an Investment Advisory Committee which includes representatives from the energy industry, as well as from the banking and investment industries. With their input, investment decisions are made based on market conditions and future cash needs. The City entered into an agreement for investment advisory services with a registered investment advisor in November 2019. The City chose to diversify its portfolio in an attempt to maximize yield while maintaining safety and liquidity. Furthermore, the City has participated in a local government investment pool for many years, and in July 2022, joined an additional pool to expand our cash management options.

### *Major Initiatives*

The City of Gillette is located in a semi-arid region with a limited potable water supply. For many years the water system consisted of 26 ground wells drawing from three different aquifers with a total maximum supply capacity of 12,000 gallons per minute. As Gillette and the surrounding areas grew, the demand for water neared (and at times exceeded) capacity, therefore necessitating implementation of water conservation measures. Population projections for Gillette and the surrounding area call for continued growth with estimates in excess of 50,000 residents. In order to meet current and future demands, the State of Wyoming partnered with the City of Gillette in 2009 to finance the design, permitting, right-of-way acquisition, and construction of the Gillette Regional Water Supply System (also known as the Gillette Madison Pipeline Project), which included drilling five additional wells into the Madison Formation; additional storage and pumping capacity; and construction of a 50-mile, 36-in and 42-in diameter, transmission pipeline capable of producing an additional 16,000 gpm at full capacity. Two of the additional wells were substantially completed in October 2019, which increased the City's total maximum supply capacity to 15,000 gallons per minute. The entire project has an estimated cost of \$217.6M, with the State contributing \$145.8M in the form of grant funding, and \$44.3M financed through the State in the form of a loan to the City of Gillette. Loan payments are due when the Wyoming Water Development Commission determines that benefits accrue to the City, which was determined to be August 2020. Since three of the five wells still need to come online, the City compromised and repaid \$40M of the \$44.3M loan in September 2020. In lieu of issuing debt to repay the note, voters approved an additional 1% "Capital Facilities Tax" in May 2011, the proceeds of which would be used to retire the debt. The \$40M partial repayment came from the \$95M collected from the tax, the remainder of which will be used to pay the rest of the debt (currently scheduled for 2024), and to fund future water system extension projects.



Over the last two fiscal years, the City has made a significant investment in an upgrade to its Wastewater Treatment Facility. The City secured a \$20,000,000 Capital Construction Loan from the State of Wyoming in FY2022 for the design and construction of the first phase of the upgrade project, with another \$15,000,000 loan anticipated for the second phase of the project. These loans will be repaid from wastewater user fees, which, as discussed earlier, are being increased accordingly.

In an effort to take advantage of opportunities that exist within the sports tourism industry, the City purchased 320 acres of State land in 2011 with the intent of building a sports complex, encompassing multiple pods for baseball/softball fields, numerous multipurpose fields, a water park, a walking path, and areas for various other recreational activities. To date, investment has been made in a pod of four turf fastpitch softball fields, a walking path around the perimeter of the complex, three regulation-sized turf multipurpose fields, a splash pad and an ADA-compliant playground, along with landscaping, parking and shelters. There are preliminary discussions regarding additional buildout over the next five years to potentially include another pod of baseball/softball fields, additional multipurpose fields, an outdoor fitness center and further expansion of parking and landscaping.

In December 2014, the City of Gillette partnered with the Northern Wyoming Community College District/Gillette College for the construction of a dormitory to complement the existing student housing buildings for the Gillette College. Through the issuance of Certificates of Participation \$11,650,000 was secured as the major source of funding for this \$12,650,000 project. This obligation will be fully repaid in FY2025. Gillette College, through a ballot initiative, took steps in FY2023 to become a stand-alone tax district, therefore separating from the Northern Wyoming Community College District. The City has committed to transfer land in the upcoming year to the newly-formed community college district to assist with further development of programs and facilities at the college.

#### *Awards and Acknowledgements*

The Government Finance Officers Association (GFOA) last awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Gillette for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, the government has to publish an easily readable and efficiently organized ACFR that satisfies both generally accepted accounting principles and applicable legal requirements.

The City of Gillette understands that a Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance department. I wish to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. It should be noted that staff from other departments provided great assistance in the preparation of the report and their work is also appreciated. Credit also must be given to City administration, the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Gillette's finances.

Respectfully submitted,

*Michelle Henderson*

Michelle Henderson  
Finance Director

# MAYOR & CITY COUNCIL

CITY ATTORNEY

CITY ADMINISTRATION

MUNICIPAL COURT

HUMAN RESOURCES DEPARTMENT

DIRECTOR'S OFFICE

SAFETY DIVISION

MEDICAL FUND

FINANCE DEPARTMENT

DIRECTOR'S OFFICE

FINANCE DIVISION

PURCHASING & WAREHOUSE

CUSTOMER SERVICE

INFORMATION TECHNOLOGY

PROPERTY & LIABILITY INS.

POLICE DEPARTMENT

CHIEF'S OFFICE

OPERATIONS PATROL

OPERATIONS DISPATCH

SUPPORT SERVICES

ANIMAL CONTROL

VICTIM SERVICES

DEVELOPMENT SERVICES DEPARTMENT

DIRECTOR'S OFFICE

BUILDING INSPECTION

ENGINEERING CAPITAL

ENGINEERING REGULATORY

PLANNING SERVICES

CODE COMPLIANCE

TRAFFIC SAFETY

PUBLIC WORKS DEPARTMENT

DIRECTOR'S OFFICE

PARKS DIVISION

FORESTRY

STREETS

SOLID WASTE

FACILITIES MAINTENANCE

VEHICLE MAINTENANCE

UTILITIES DEPARTMENT

DIRECTOR'S OFFICE

MADISON PROJECT

ELECTRICAL DIVISION

ELECTRICAL SERVICES

SCADA

ELECTRICAL ENGINEERING

WATER & CITY POOL

WASTEWATER

PUBLIC AFFAIRS DEPARTMENT

DIRECTOR'S OFFICE

GILLETTE PUBLIC ACCESS

JUDICIAL

CITY CLERKS

City of Gillette  
Elected and Appointed Officials  
June 30, 2023

**ELECTED OFFICIALS**

Mayor		Shay Lundvall
City Council	Ward I	Jim West Tricia Simonson
	Ward II	Billy Montgomery Tim Carsrud
	Ward III	Nathan McLeland Heidi Gross

**APPOINTED OFFICIALS**

Interim City Administrator	Mike Cole
City Attorney	Sean Brown
Municipal Court Judge	Joshua Taylor

**DEPARTMENT HEADS**

Chief of Police	Chuck Deaton
Development Services Director	Ry Muzzarelli
Finance Director	Michelle Henderson
Human Resources Director	Déca Wasson
Public Affairs Director	Jennifer Toscana
Public Works Director	Sawley Wilde
Interim Utilities Director	Joff Pilon



The Government Finance Officers Association of  
the United States and Canada

*presents this*

# AWARD OF FINANCIAL REPORTING ACHIEVEMENT

*to*

**Finance Division**  
City of Gillette, Wyoming



*The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morill*

Date: 8/9/2023

# FINANCIAL SECTION

# **BENNETT, WEBER & HERMSTAD, LLP**

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## **INDEPENDENT AUDITOR'S REPORT**

To The Honorable Mayor and City Council Members  
City of Gillette, Wyoming

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Gillette, Wyoming (City)** as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the **City's** basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Gillette, Wyoming**, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Change in Accounting Principle***

As discussed in Note 4 to the financial statements, in 2023 the **City** adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as 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 generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform 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 **City's** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the **City's** ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 24, the Schedule of City of Gillette, Wyoming's Proportionate Share of Total Pension Liability - Public Employees' Pension Plan and Law Enforcement Pension Plan and the Schedule of City of Gillette, Wyoming's Contributions - Public Employees' Pension Plan and Law Enforcement Pension Plan and the notes to required supplementary information on pages 83 through 85, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

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

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2023, on our consideration of the **City of Gillette, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the **City's** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the **City of Gillette, Wyoming's** internal control over financial reporting and compliance.

***Bennett, Weber & Hermstad, LLP***

Gillette, Wyoming  
December 19, 2023



## Management's Discussion and Analysis

As management of the City of Gillette, we offer readers of the City of Gillette's financial statements this narrative overview and analysis of the financial activities of the City of Gillette for the fiscal year ended June 30, 2023. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- ❖ The assets and deferred outflows of the City of Gillette exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$704,875 (*net position*). Of this amount, \$111,195 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The government's total net position increased by \$20,976 from FY2022 to FY2023. The governmental-type net position increased by \$12,996 primarily due to increased sales tax receipts compared to the prior fiscal year. The business-type net position increased by \$7,980 due to an increase in investment income and transfers.
- ❖ As of the close of the current fiscal year, the City of Gillette's governmental fund reported ending fund balance of \$91,260, an increase of \$12,768 in comparison with the prior year. Approximately 33 percent of this fund balance, \$29,798, is *available for spending* at the government's discretion (*unassigned fund balance*).
- ❖ At the end of the current fiscal year, the governmental restricted fund balance was \$142 while the committed fund balance was \$22,373 and the assigned fund balance was \$38,696. Restricted fund balance is available for specific purpose as imposed by an external party, constitutional provision or enabling legislation. Committed fund balance is available for specific purpose as defined by Council and requires Council action to remove or change this constraint. Assigned fund balance is available for specific purpose as defined by Council and can be used without further formal Council action.
- ❖ The City of Gillette's total long-term debt increased by \$5,344 during the current fiscal year. This is primarily due to a significant increase in the pension liability as well as additional debt for improvements to the Wastewater Treatment Facility. The increase is also due to recording liabilities related to implementing GASB Statement No. 96 for subscription-based information technology arrangements. These increases were offset by the reductions recognized from normal debt service payments and from the bond refunding related to the WyGen III purchase. Additionally, the city paid the balance in full on the CWSRF Loan #50 with the State of Wyoming.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Gillette's basic financial statements. The City of Gillette's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Gillette's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Gillette's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Gillette is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Gillette that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Gillette include general government, public safety, public works, and culture and recreation. The business-type activities of the City of Gillette include Solid Waste, Fiber, Water, Power and Sewer.

The government-wide financial statements include the City of Gillette itself (known as the primary government) and separately stated business-type activities comprised of Solid Waste, Fiber, Water, Power, and Sewer. The business-type activities function for all practical purposes as a department of the City of Gillette, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 25-28 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Gillette, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of the funds of the City of Gillette can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between the *governmental fund* and *governmental activities*.

The basic governmental fund financial statements can be found on pages 29-34 of this report.

**Proprietary funds.** The City of Gillette maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Gillette uses enterprise funds to account for its Solid Waste, Fiber Water, Power, and Sewer activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Gillette's various functions. The City of Gillette uses internal service funds to account for its fleet of vehicles, liability and personal injury insurance, and health benefit insurance. Because these services benefit both governmental and business-type functions, they have been allocated between *governmental activities* and *business-type activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Water, Power, and Sewer, all of which are major funds of the City of Gillette. The information for the nonmajor enterprise funds (Solid Waste and Fiber) are combined into a single aggregated presentation in the proprietary fund financial statements, and the same is true for the internal service funds. Additionally, individual fund data for the nonmajor enterprise funds and the internal service funds are provided in the form of *combining statements* elsewhere in the report.

The basic proprietary fund financial statements can be found on pages 35-46 of this report.

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

The basic fiduciary fund financial statements can be found on pages 47-48 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-82 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Gillette. Required supplementary information related to the city’s net pension liability and contributions are presented on pages 83-85. Individual fund statements for the Nonmajor Enterprise Funds and Internal Service Funds are presented on pages 86-93 of this report.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City of Gillette, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$704,875 at the close of the most recent fiscal year. Governmental activities net position was \$302,938 and business-type activities net position was \$401,937.

City of Gillette's Net Position						
Rounded to \$000,s						
	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	107,234	97,356	98,713	98,545	205,947	195,902
Capital Assets	229,258	227,425	418,294	411,107	647,552	638,532
<b>Total Assets</b>	<b>336,492</b>	<b>324,781</b>	<b>517,007</b>	<b>509,653</b>	<b>853,499</b>	<b>834,434</b>
Deferred Outflows of Resources						
<b>Relating to Pensions</b>	8,835	8,078	1,486	843	10,321	8,921
Long-term Liabilities Outstanding:	27,527	19,910	104,920	107,192	132,446	127,102
Other Liabilities:	8,870	14,000	10,665	5,452	19,535	19,452
<b>Total Liabilities</b>	<b>36,397</b>	<b>33,911</b>	<b>115,584</b>	<b>112,643</b>	<b>151,981</b>	<b>146,554</b>
Relating to Leases	-	-	642	769	642	769
Relating to Pensions	3,321	9,006	330	3,127	3,651	12,133
Taxes Levied for Subsequent Years	2,672	-	-	-	2,672	-
<b>Total Deferred Inflows of Resources</b>	<b>5,992</b>	<b>9,006</b>	<b>973</b>	<b>3,896</b>	<b>6,965</b>	<b>12,902</b>
Net Position:						
Net Investment in Capital Assets	223,388	221,308	320,820	307,850	544,208	529,159
Restricted:	616	569	48,855	54,603	49,471	55,172
Unrestricted:	78,934	68,065	32,261	31,503	111,195	99,568
<b>Total Net Position</b>	<b>302,938</b>	<b>289,942</b>	<b>401,937</b>	<b>393,956</b>	<b>704,875</b>	<b>683,899</b>

The largest portion of the City of Gillette's net position (77 percent) reflects its net investment in capital assets (e.g., land, buildings and improvements, infrastructure, machinery and equipment and construction in progress), less any related debt used to acquire those assets that is still outstanding. The City of Gillette uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Gillette's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Gillette's net position (seven percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$111,195) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Gillette is able to report positive net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

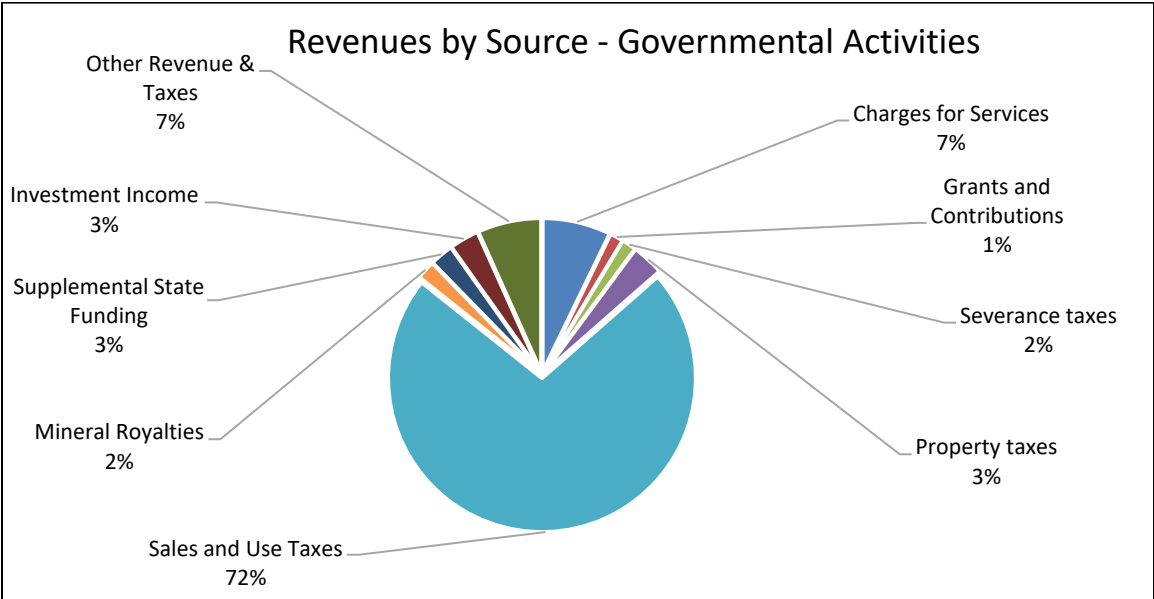
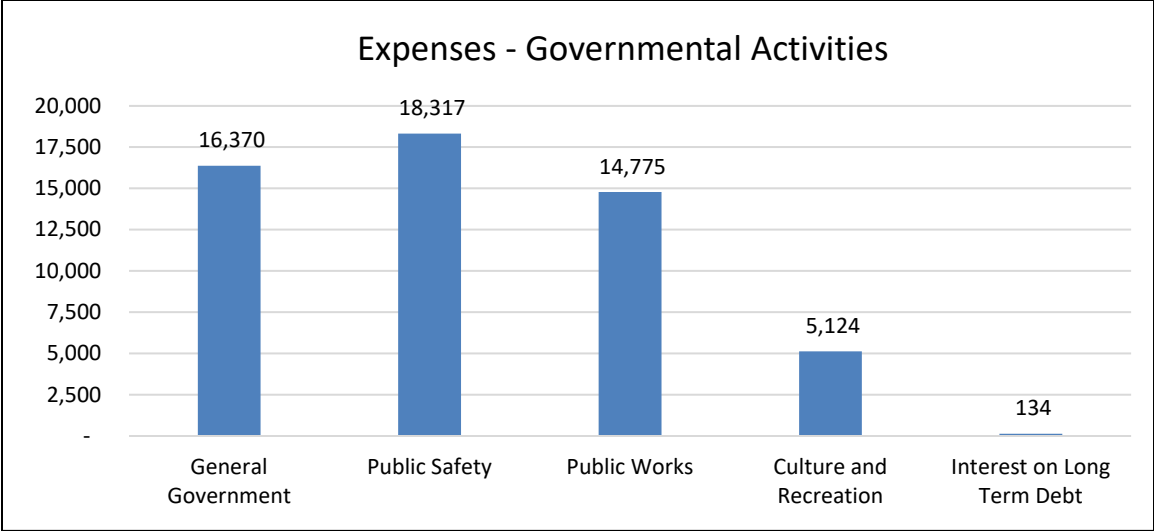
The government's net position increased by \$20,976, or three percent during the current fiscal year. Most of the increase is due to increased sales tax collections in comparison to the prior fiscal year. Additionally, investments in capital assets, net of related debt, increased from the prior year. Major capital projects for infrastructure throughout the City of Gillette include park development at the Energy Capital Sports Complex; several equipment and irrigation improvements at parks; beautification projects; completion of an Alley Pavement Management System Project; completion of various Power Primary Cable Replacement Projects; Gillette Regional Water Supply Project; Improvements at the Wastewater Treatment Facility, Improvements to two Lift Stations and the Annual Water and Sewer Main Replacement projects including the 7th Street Watermain Project and Fir Avenue Sewer Improvements Project.

**City of Gillette's Changes in Net Position**

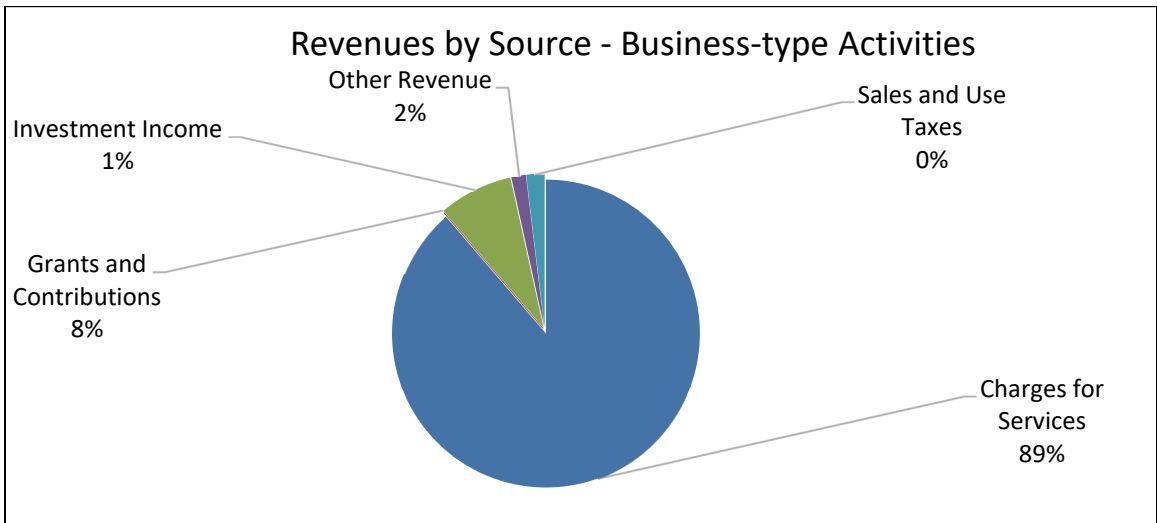
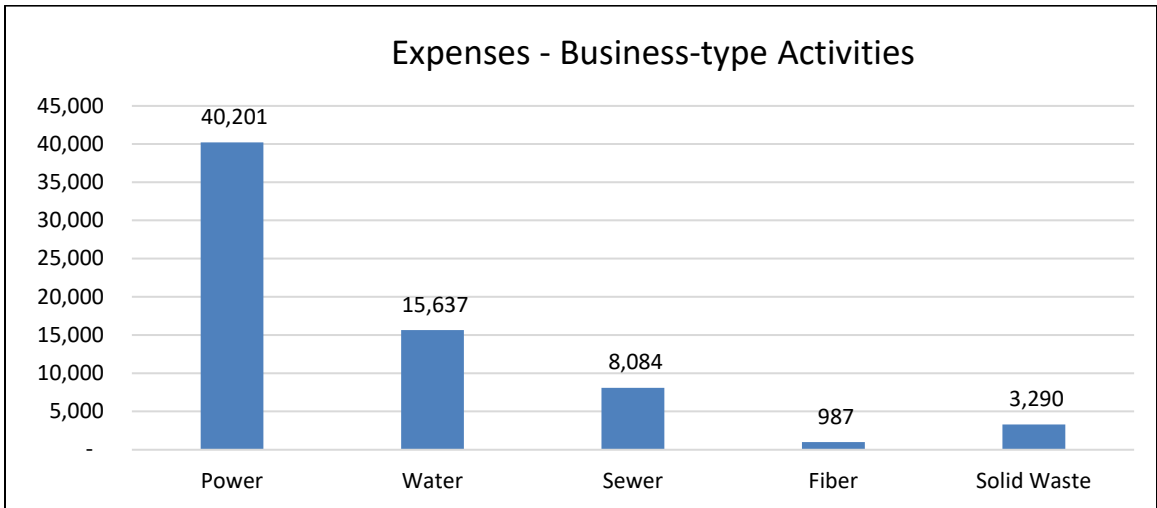
Rounded to \$,000s

	Governmental activities		Business-type activities		Total	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
Revenues:						
Program revenues:						
Charges for Services	5,591	4,879	58,754	53,742	64,345	58,621
Operating Grants and Contributions	602	924	-	44	602	968
Capital grants and contributions	504	2,796	5,169	3,180	5,673	5,976
General revenues:						
Severance taxes	1,184	1,202	-	-	1,184	1,202
Property taxes	2,635	2,423	-	-	2,635	2,423
Sales and Use Taxes	56,057	42,151	-	2	56,057	42,153
Other taxes	3,229	3,226	-	-	3,229	3,226
Mineral Royalties	1,543	1,564	-	-	1,543	1,564
Supplemental State Funding	1,929	1,328	-	-	1,929	1,328
Investment Income (Loss)	2,414	(973)	1,019	(2,026)	3,433	(2,999)
Other revenue	1,992	1,203	1,273	837	3,265	2,040
Special Assessment Revenue	-	-	-	-	-	-
Total revenues	77,681	60,724	66,215	55,779	143,896	116,503
Expenses:						
General Government	16,370	13,538	-	-	16,370	13,538
Public Safety	18,317	15,182	-	-	18,317	15,182
Public Works	14,775	13,005	-	-	14,775	13,005
Culture and Recreation	5,124	4,447	-	-	5,124	4,447
Interest on Long Term Debt	134	143	-	-	134	143
Power	-	-	40,201	35,140	40,201	35,140
Water	-	-	15,637	14,309	15,637	14,309
Sewer	-	-	8,084	7,862	8,084	7,862
Fiber	-	-	987	783	987	783
Solid Waste	-	-	3,290	3,231	3,290	3,231
Total Expenses	54,720	46,314	68,200	61,325	122,920	107,640
Increase/(decrease) in net position before transfers	22,962	14,410	(1,986)	(5,546)	20,976	8,864
Transfers	(9,966)	(3,993)	9,966	3,993	-	-
Increase/(decrease) in net position	12,996	10,416	7,980	(1,553)	20,976	8,864
Net position - Beginning of Fiscal Year	289,942	279,526	393,956	395,509	683,899	675,035
Net position - End of Fiscal Year	302,938	289,942	401,937	393,956	704,875	683,899

**Governmental activities.** Governmental activities increased the City of Gillette's net position by \$12,996. The increase in governmental activities resulted mainly from increased sales tax receipts and increased investment income. Due to the volatility in sales tax receipts the city has experienced, the city has continued to budget conservatively in line with projected sales and use tax receipts. However, during FY2023 the city realized record sales tax receipts and realized a significant increase in investment income related to investments. While the increased revenues are offset by an 18 percent increase in expenses, the governmental activities still increased their net position by four percent. There were capital asset transfers from governmental to business-type activities of \$9,966. These transfers consisted mainly of water and sewer projects that are proprietary fund assets but are funded by the General Fund and Optional One Percent Sales Tax.



**Business-type activities.** Business-type activities increased the City of Gillette’s net position by \$7,980. Increases in the business-type activity net position resulted primarily from increases in charges for services, investment income, and transfers. This was offset by significant increases in expenses in the Power and Water Funds. The remaining business-type funds experienced increased expenses as compared to last year. There was an increase in net investments in capital assets including power line, sewer line, fiber line and water line construction. There were capital asset transfers from the governmental to business-type activities of \$9,966. These transfers consisted mainly of water and sewer projects that are proprietary fund assets but are funded by the General Fund and Optional One Percent Sales Tax.





## Financial Analysis of the Government's Funds

As noted earlier, the City of Gillette uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the City of Gillette's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Gillette's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Gillette's governmental fund reported ending fund balance of \$91,260, an increase of \$12,768 in comparison with the prior year. As stated in the discussion of the Governmental activities above, this increase was driven mainly by increased sales and use tax collections and investment income. The City of Gillette and the surrounding area experienced a significant economic downturn several years ago due to the decline in coal and oil production. The economy has been continuing to improve and stabilize and sales tax receipts began to rebound in FY2022 and continued throughout FY2023. Approximately 33 percent of the ending fund balance (\$29,798) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The unassigned fund balance increased by \$3,800 from the prior fiscal year. The remainder of fund balance is *nonspendable, restricted, committed or assigned* to indicate that it is not available for new spending. A portion of the remainder has already been committed to the funding of the cash reserves equal to 150 days of operating costs (\$13,694), along with the completion of contracts/projects in progress as of June 30, 2023 (\$8,261).

*Proprietary funds.* The City of Gillette's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Proprietary Funds at the end of the year are as follows: Power Fund \$8,270; Water Fund \$11,880; Sewer Fund \$7,546; Solid Waste Fund \$2,321; and the Fiber Fund \$113. The increase in the total of the net position from FY2022 to FY2023 for the proprietary funds was \$7,667 due mainly to an increase in federal grants, investment income, and transfers. Other factors concerning the finances of these five funds have already been addressed in the discussion of the City of Gillette's business-type activities.

## General Fund Budgetary Highlights

During the year, there was a \$26,739 increase in appropriations between the original and final amended budget. The primary reason for the increase was from the carryover budget process. The carryover budget amendment primarily represents projects approved in the FY2021/2022 budget, which for various reasons, were not completed by the City's June 30, 2022 fiscal year end. Since budgeted expenditure authority lapses at the end of the fiscal year, the funding needed to complete the projects had to be re-appropriated in the

FY2022/2023 budget. Recognizing these costs through a budget amendment allows for a more accurate assessment of funds needed to complete the projects and adds value to annual budget appropriation comparisons. Some of the major projects that were not completed as of the end of FY2022, and therefore had to be carried over into FY2023, were: City Pool Replacement, Boxelder Road Improvements, beautification along 4-J Road, park development at the Energy Capital Sports Complex, Overlook Park Improvements, various Pavement Management System projects and Annual Water and Sewer Main projects.

When comparing actuals against final budget, the General Fund reflects an increased fund balance of \$35,696. Total revenues exceeded budget by \$10,193 mainly due to sales and use tax receipts which came in 32 percent higher than what was budgeted. Expenditures were lower than budget by \$23,222 due mainly to the timing of capital outlay expenditures, many of which are multi-year capital projects. The City of Gillette budgets the entire cost of the multi-year projects in order to adequately fund our expected contractual obligations.

### **Capital Asset and Debt Administration**

**Capital assets.** The City of Gillette's investment in capital assets for its governmental and business-type activities as of June 30, 2023, is \$647,552 (net of accumulated depreciation). This represents a net increase (additions, disposals, and depreciation) of \$9,020 or one percent from last fiscal year. This investment in capital assets includes land, construction in progress, infrastructure, building and improvements, machinery and equipment, allocation of Vehicle Maintenance capital assets, right to use assets, and SBITA assets. The City of Gillette's investment in capital assets for the current fiscal year increased by less than one percent for governmental activities and increased by two percent for business-type activities.

Major capital asset events during the current fiscal year included the following:

- Lakeway Road Drainage and Road Improvements
- Saunders Subdivision Road Improvements
- Improvements at City Hall including replacing the irrigation system and replacing the steps to the Police Department Entrance
- Continued work on upgrades to Pump Station No. 1
- Power Line construction including Primary Cable Replacement and conversion of Overhead Line to Underground
- Extension of the Fiber Optic Network
- Improvements at the Cam-plex and Heritage Lift Stations
- Improvements at the Wastewater Treatment Facility
- Pavement Management System projects
- Continued park development at the Energy Capital Sports Complex
- Continued construction related to the Gillette Regional Water Supply Project
- Annual Water and Sanitary Sewer Main Replacement
- Numerous Subscription-Based Information Technology Arrangement Assets due to adopting GASB Statement No. 96

**City of Gillette's Capital Assets**  
**(\$,000s; Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
Land	18,192	13,451	922	662	19,114	14,113
Construction in Progress	3,214	9,980	46,178	33,233	49,392	43,213
Infrastructure	155,194	153,436	234,078	237,359	389,272	390,795
Buildings & Improvements	40,278	41,570	112,671	115,326	152,949	156,896
Machinery & Equipment	6,515	5,250	12,153	12,563	18,668	17,813
Allocation of Vehicle Maintenance	4,398	3,737	3,607	3,177	8,005	6,914
Right to Use Assets	-	-	8,492	8,788	8,492	8,788
Subscription-Based Information Technology Arrangements	1,467	-	195	-	1,662	-
<b>Total Assets</b>	<b>229,258</b>	<b>227,425</b>	<b>418,294</b>	<b>411,107</b>	<b>647,552</b>	<b>638,532</b>

Additional information on the City of Gillette's capital assets can be found in note 3.D on pages 59-62 of this report.

**Long-term debt.** At the end of FY2023, the City of Gillette had total long-term debt outstanding of \$132,446 which is an increase of \$5,344 during the current fiscal year. The main reason for the increase was due to an increase in the pension liability. In addition, the city drew down funds from the capital construction loan through the State of Wyoming for improvements at the Wastewater Treatment Plant. The city also recorded liabilities related to implementing GASB Statement No. 96 for subscription-based information technology arrangements. These increases were offset by the bond refunding related to the WyGen III purchase as well as the payment made for Lease Revenue Bonds related to the CTII purchase, and the payment made for debt related to the Certificates of Participation for Student Housing Phase II Project. These increases were also offset by the payment in full of the CWSRF Loan #50 for the Wastewater Treatment Plant to the State of Wyoming.

State statutes limit the amount of general obligation debt a governmental entity may issue to four percent of its total assessed valuation. The current debt limitation for the City of Gillette is \$13,359. The Wyoming Constitution provides an exception to this limitation for sewer disposal systems. Indebtedness created for supplying water to the city is also exempt from this provision. At June 30, 2023, the city's assessed valuation was \$333,965.

**City of Gillette's Outstanding Debt  
(\$,000s)**

	Governmental Activities		Business-Type Activities		Total	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
<b>Long-term Liabilities:</b>						
Accrued Sick Leave	36	35	23	22	58	57
Customer Deposits	-	-	948	820	948	820
Lease Liabilities	-	-	8,673	8,868	8,673	8,868
SBITA Liabilities	1,187	-	155	-	1,341	-
Certificate of Participation	3,785	4,985	-	-	3,785	4,985
Net Pension Liability	22,025	14,304	8,057	4,193	30,081	18,497
Subtotal	27,032	19,324	17,855	13,903	44,887	33,227
<b>Capital Loan Agreements</b>						
Special Assessment Debt	494	586	-	-	494	586
Gillette Madison Pipeline	-	-	4,328	4,328	4,328	4,328
Electric Facilities Improvement - Lease Revenue Bonds	-	-	63,515	75,450	63,515	75,450
Plus Bond Premium	-	-	4,953	1,443	4,953	1,443
Southern Industrial Addition	-	-	1,997	2,129	1,997	2,129
Wastewater Treatment Facility Improvements	-	-	12,272	9,939	12,272	9,939
Subtotal	494	586	87,064	93,289	87,559	93,875
<b>Total Long-term Debt</b>	<b>27,527</b>	<b>19,910</b>	<b>104,920</b>	<b>107,192</b>	<b>132,446</b>	<b>127,102</b>

Additional information on the City of Gillette's long-term debt can be found in note 3.I on pages 66-72 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

The unemployment rate for those claiming residency in the City of Gillette is currently 2.9 percent, which is a significant decrease compared to the rate a year ago (based upon Campbell County statistical data). This compares favorably to the state's average unemployment rate of 3.1 percent and favorably to the national average rate of 3.8 percent.

All of these factors were considered in preparing the City of Gillette's budget for the 2024 fiscal year.

During the current fiscal year, unassigned fund balance for all governmental funds is \$29,798. The city has appropriated \$22,373 for several major projects and an additional \$38,696 for the operating budget in the 2024 fiscal year budget. It is intended that the use of the available fund balance, tax revenues, and all other future funding sources will provide the necessary funding for the 2024 fiscal year. Additional resources to the General Fund are anticipated from State and Federal sources, and taxes generated from the overall growth within the economy.

A utility rate increase was implemented during the 2023 budget year. The City Council approved a rate increase effective May 1, 2023, for the Sewer, Power, and Water Funds. The Sewer and Water rates were each adjusted by 10 percent while the Power rates were adjusted by five percent. The increase to the Water Fund rates applies only to distribution sales.

The rates affect both residential and commercial consumers by varying percentages. The rate increases are necessary to finance required improvements and expansion of the current system to accommodate community growth and future operations within the City of Gillette.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of Gillette's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 201 E. 5<sup>th</sup> Street, Gillette, WY 82716.

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF NET POSITION**

June 30, 2023

(Page 1 of 2)

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash	\$ 4,272,883	\$ 6,921,622	\$ 11,194,505
Cash With Fiscal Agent	646	719,328	719,974
Investments	92,743,794	77,976,017	170,719,811
Accounts Receivable (Net of Allowance for Uncollectibles)	-	1,660,361	1,660,361
Property Taxes Receivable	2,671,719	-	2,671,719
Other Taxes Receivable	4,644,564	162	4,644,726
Unbilled Accounts Receivable	-	2,337,910	2,337,910
Accrued Interest Receivable	74,537	131,319	205,856
Special Assessment Receivable, Restricted	474,350	-	474,350
Other Receivables	256,752	212,713	469,465
Leases Receivable	-	132,070	132,070
Internal Balances	(34,301)	34,301	-
Due From Other Entities	1,611,888	2,546,621	4,158,509
Prepaid Expenses	2,800	-	2,800
Inventories	514,056	5,527,203	6,041,259
Leases Receivable, Noncurrent	-	513,604	513,604
Capital Assets:			
Nondepreciable Capital Assets	21,406,374	47,099,764	68,506,138
Depreciable Capital Assets, Net	206,384,738	362,507,856	568,892,594
Right to Use Leased Assets, Net	-	8,491,535	8,491,535
SBITA Assets, Net	1,466,959	195,096	1,662,055
<b>Total Assets</b>	<b>\$ 336,491,759</b>	<b>\$ 517,007,482</b>	<b>\$ 853,499,241</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Relating to Pensions	\$ 8,835,119	\$ 1,486,080	\$ 10,321,199
<b>LIABILITIES</b>			
Vouchers Payable	\$ 1,183,369	\$ 2,244,857	\$ 3,428,226
Contracts and Retainage Payable	898,853	1,550,768	2,449,621
Estimated Claims Payable	363,707	141,293	505,000
Accrued Interest Payable	59,206	512,046	571,252
Other Accrued Liabilities	1,526,532	943,051	2,469,583
Advance Payments Received on Grants	103,440	5,264,869	5,368,309
Advance Payments Received for Repairs	4,081	7,707	11,788
Due To Other Entities	4,730,726	-	4,730,726
Noncurrent Liabilities:			
Due Within One Year			
Current Portion of Long-Term Debt	1,329,982	3,916,037	5,246,019
Current Portion of Lease Liabilities	-	204,851	204,851
Current Portion of SBITA Liabilities	1,097,456	82,060	1,179,516
Due In More Than One Year			
Long-Term Debt and Other Liabilities	2,985,245	84,119,312	87,104,557
Lease Liabilities	-	8,467,982	8,467,982
SBITA Liabilities	89,376	72,573	161,949
Total Pension Liability	22,024,578	8,056,836	30,081,414
<b>Total Liabilities</b>	<b>\$ 36,396,551</b>	<b>\$ 115,584,242</b>	<b>\$ 151,980,793</b>

(Continued)

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF NET POSITION**

June 30, 2023

(Page 2 of 2)

	Governmental Activities	Business-Type Activities	Total
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Relating to Leases	\$ -	\$ 642,320	\$ 642,320
Relating to Pensions	3,320,692	330,252	3,650,944
Taxes Levied for Subsequent Years	2,671,719	-	2,671,719
<b>Total Deferred Inflows of Resources</b>	<b>\$ 5,992,411</b>	<b>\$ 972,572</b>	<b>\$ 6,964,983</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 223,387,960	\$ 320,820,333	\$ 544,208,293
Restricted for:			
Criminal Forfeiture	6	-	6
Opioid Settlement	140,021	-	140,021
Lease Revenue Bonds	-	1,860,700	1,860,700
Water Development Repair and Replacement	-	3,500,000	3,500,000
Gillette Regional Water Supply Project	-	43,494,385	43,494,385
Student Housing Project	574	-	574
Gillette Historic Preservation Commission	1,043	-	1,043
Special Assessment Debt	474,350	-	474,350
Unrestricted	78,933,962	32,261,330	111,195,292
<b>Total Net Position</b>	<b>\$ 302,937,916</b>	<b>\$ 401,936,748</b>	<b>\$ 704,874,664</b>

See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2023

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$ 16,369,945	\$ 5,515,417	\$ 17,060	\$ -
Public Safety	18,317,053	74,554	584,818	-
Public Works	14,774,540	1,425	-	503,588
Culture and Recreation	5,123,966	-	-	-
<b>Debt Service:</b>				
Interest and Other Charges	134,001	-	-	-
<b>Total Governmental Activities</b>	<b>\$ 54,719,505</b>	<b>\$ 5,591,396</b>	<b>\$ 601,878</b>	<b>\$ 503,588</b>
<b>Business-type Activities:</b>				
Power	\$ 40,200,904	\$ 38,520,505	\$ -	\$ 604,416
Water	15,637,396	8,732,234	-	952,569
Sewer	8,084,293	8,020,535	-	3,594,937
Fiber	987,338	181,833	-	17,296
Solid Waste	3,290,494	3,298,730	-	-
<b>Total Business-type Activities</b>	<b>\$ 68,200,425</b>	<b>\$ 58,753,837</b>	<b>\$ -</b>	<b>\$ 5,169,218</b>
<b>Total Primary Government</b>	<b>\$ 122,919,930</b>	<b>\$ 64,345,233</b>	<b>\$ 601,878</b>	<b>\$ 5,672,806</b>
<b>General Revenues:</b>				
<b>Taxes:</b>				
Severance Taxes				
Property Taxes, levied for general purposes				
Automobile Taxes				
Sales and Use Taxes				
Gasoline Taxes				
Franchise Taxes				
Cigarette Taxes				
Lodging Taxes				
Mineral Royalties				
Supplemental State Funding, Unrestricted				
Gaming Revenue				
Investment Income				
Other Revenue				
<b>Transfers</b>				
<b>Total General Revenues and Transfers</b>				
Change in Net Position				
<b>Net Position, Beginning July 1</b>				
<b>Net Position, Ending June 30</b>				

See Notes to the Basic Financial Statements.



Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Totals
\$ (10,837,468)	\$ -	\$ (10,837,468)
(17,657,681)	-	(17,657,681)
(14,269,527)	-	(14,269,527)
(5,123,966)	-	(5,123,966)
(134,001)	-	(134,001)
\$ (48,022,643)	\$ -	\$ (48,022,643)
\$ -	\$ (1,075,983)	\$ (1,075,983)
-	(5,952,593)	(5,952,593)
-	3,531,179	3,531,179
-	(788,209)	(788,209)
-	8,236	8,236
\$ -	\$ (4,277,370)	\$ (4,277,370)
\$ (48,022,643)	\$ (4,277,370)	\$ (52,300,013)
\$ 1,183,500	\$ -	\$ 1,183,500
2,635,102	-	2,635,102
1,104,626	-	1,104,626
56,056,866	162	56,057,028
1,217,282	-	1,217,282
664,545	-	664,545
148,435	-	148,435
94,493	-	94,493
1,543,390	-	1,543,390
1,929,364	-	1,929,364
1,530,443	-	1,530,443
2,414,412	1,019,004	3,433,416
461,822	1,272,672	1,734,494
(9,965,874)	9,965,874	-
\$ 61,018,406	\$ 12,257,712	\$ 73,276,118
\$ 12,995,763	\$ 7,980,342	\$ 20,976,105
289,942,153	393,956,406	683,898,559
\$ 302,937,916	\$ 401,936,748	\$ 704,874,664

**CITY OF GILLETTE, WYOMING**

**BALANCE SHEET  
GOVERNMENTAL FUND – GENERAL FUND  
June 30, 2023**

<b>ASSETS</b>		
Cash	\$	3,689,654
Cash With Fiscal Agent		646
Investments		89,177,940
Property Taxes Receivable		2,671,719
Other Taxes Receivable		4,644,564
Accrued Interest Receivable		74,537
Other Receivable		119,297
Due From Other Entities		1,611,888
Prepaid Expense		2,800
Inventories		247,791
<hr/>		
Total Assets	\$	102,240,836
<hr/>		
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Vouchers Payable	\$	946,841
Contracts and Retainage Payable		898,853
Other Accrued Liabilities		1,506,995
Advance Payments Received on Grants		103,440
Due To Other Funds		122,597
Due To Other Entities		4,730,726
<hr/>		
Total Liabilities	\$	8,309,452
<hr/>		
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Unavailable Taxes	\$	2,671,719
<hr/>		
<b>FUND BALANCE</b>		
Nonspendable	\$	250,591
Restricted		141,644
Committed		22,372,790
Assigned		38,696,287
Unassigned		29,798,353
<hr/>		
Total Fund Balance	\$	91,259,665
<hr/>		
Total Liabilities, Deferred Inflows, and Fund Balance	\$	102,240,836
<hr/>		

See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

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

June 30, 2023

Total Governmental Fund Balance	\$ 91,259,665
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Special Assessment receivables are not due and receivable in the current period and are not recorded in the funds.	474,350
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Nondepreciable capital assets	\$ 21,406,374
Depreciable assets	359,556,684
Less: accumulated depreciation	(157,570,286)
SBITA assets, Net	<u>1,466,959</u>
	224,859,731
Internal Service Funds are used by the City to charge the cost of vehicles and maintenance, liability and property injury insurance, and employee health insurance to the individual funds. Certain assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	8,411,827
Long-term liabilities and accrued interest payable are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position.	
Long-term sick leave	\$ (31,981)
Total pension liability	(22,024,578)
SBITA liabilities	(1,186,832)
Accrued interest on SBITA liability	(20,110)
Certificates of Participation	(3,785,000)
Accrued interest on Certificates of Participation	<u>(39,096)</u>
	(27,087,597)
Special Assessment debt with governmental commitment is not due and payable in the current period and therefore is not reported in the funds.	(494,487)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pensions	\$ 8,835,119
Deferred inflows of resources related to pensions	<u>(3,320,692)</u>
	5,514,427
<b>Total Net Position of Governmental Activities</b>	<b>\$ 302,937,916</b>

See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

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

Year Ended June 30, 2023

(Page 1 of 2)

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Severance	\$ 1,133,313	\$ 1,133,313	\$ 1,183,500	\$ 50,187
Property	2,363,825	2,363,825	2,635,102	271,277
Automobile	1,108,496	1,108,496	1,104,626	(3,870)
Sales and Use	33,636,364	42,534,519	56,056,866	13,522,347
Gasoline	1,213,000	1,213,000	1,217,282	4,282
Franchise	698,608	698,608	664,545	(34,063)
Cigarette	170,000	170,000	148,435	(21,565)
Lodging	-	-	94,493	94,493
<b>Total Taxes</b>	<b>\$ 40,323,606</b>	<b>\$ 49,221,761</b>	<b>\$ 63,104,849</b>	<b>\$ 13,883,088</b>
Intergovernmental:				
Local and County Sources	\$ 172,794	\$ 203,694	\$ 210,482	\$ 6,788
State Sources	4,522,322	4,530,107	5,102,019	571,912
Federal Sources	7,610,942	6,929,859	562,293	(6,367,566)
<b>Total Intergovernmental</b>	<b>\$ 12,306,058</b>	<b>\$ 11,663,660</b>	<b>\$ 5,874,794</b>	<b>\$ (5,788,866)</b>
Other:				
Licenses and Permits	\$ 277,253	\$ 277,253	\$ 286,095	\$ 8,842
Charges for Services	5,180,592	5,180,592	4,996,070	(184,522)
Fines and Fees	240,000	240,000	230,242	(9,758)
Investment Income	230,860	230,860	2,333,146	2,102,286
Miscellaneous	358,801	410,831	540,811	129,980
Special Assessment Revenue	41,372	41,372	93,529	52,157
<b>Total Other</b>	<b>\$ 6,328,878</b>	<b>\$ 6,380,908</b>	<b>\$ 8,479,893</b>	<b>\$ 2,098,985</b>
<b>Total Revenues</b>	<b>\$ 58,958,542</b>	<b>\$ 67,266,329</b>	<b>\$ 77,459,536</b>	<b>\$ 10,193,207</b>
<b>EXPENDITURES</b>				
General Government:				
Salaries and Benefits	\$ 8,609,313	\$ 8,732,587	\$ 8,160,920	\$ 571,667
Contractual Services	3,398,883	4,210,182	4,407,261	(197,079)
Supplies and Materials	1,194,106	1,238,365	1,177,295	61,070
Capital Outlay	1,617,000	3,030,546	1,349,200	1,681,346
<b>Total General Government</b>	<b>\$ 14,819,302</b>	<b>\$ 17,211,680</b>	<b>\$ 15,094,676</b>	<b>\$ 2,117,004</b>
Public Safety:				
Salaries and Benefits	\$ 11,009,348	\$ 11,154,636	\$ 10,758,615	\$ 396,021
Contractual Services	886,716	963,440	844,612	118,828
Supplies and Materials	633,094	837,103	764,171	72,932
Capital Outlay	81,738	220,552	54,639	165,913
<b>Total Public Safety</b>	<b>\$ 12,610,896</b>	<b>\$ 13,175,731</b>	<b>\$ 12,422,037</b>	<b>\$ 753,694</b>

(Continued)

**CITY OF GILLETTE, WYOMING**

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

Year Ended June 30, 2023

(Page 2 of 2)

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Public Works:</b>				
Salaries and Benefits	\$ 1,530,308	\$ 1,534,508	\$ 1,470,081	\$ 64,427
Contractual Services	875,338	875,338	776,402	98,936
Supplies and Materials	724,835	724,835	631,379	93,456
Capital Outlay	14,590,100	19,890,955	6,257,930	13,633,025
<b>Total Public Works</b>	<b>\$ 17,720,581</b>	<b>\$ 23,025,636</b>	<b>\$ 9,135,792</b>	<b>\$ 13,889,844</b>
<b>Culture and Recreation:</b>				
Salaries and Benefits	\$ 1,389,080	\$ 1,409,126	\$ 1,216,243	\$ 192,883
Contractual Services	466,998	467,273	467,457	(184)
Supplies and Materials	688,627	689,395	662,892	26,503
Capital Outlay	2,370,900	2,958,178	1,327,263	1,630,915
<b>Total Culture and Recreation</b>	<b>\$ 4,915,605</b>	<b>\$ 5,523,972</b>	<b>\$ 3,673,855</b>	<b>\$ 1,850,117</b>
<b>Miscellaneous:</b>				
Joint Powers Fire Board Funding	\$ 4,412,236	\$ 4,422,236	\$ 4,392,097	\$ 30,139
Joint Powers Public Land Board Funding	1,378,646	1,531,296	1,454,519	76,777
Other	5,271,531	13,092,483	7,473,794	5,618,689
<b>Debt Service:</b>				
Principal	1,279,927	1,279,927	2,403,557	(1,123,630)
Interest and Other Charges	135,765	135,765	126,307	9,458
<b>Total Miscellaneous</b>	<b>\$ 12,478,105</b>	<b>\$ 20,461,707</b>	<b>\$ 15,850,274</b>	<b>\$ 4,611,433</b>
<b>Total Expenditures</b>	<b>\$ 62,544,489</b>	<b>\$ 79,398,726</b>	<b>\$ 56,176,634</b>	<b>\$ 23,222,092</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ (3,585,947)</b>	<b>\$ (12,132,397)</b>	<b>\$ 21,282,902</b>	<b>\$ 33,415,299</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 59,662	\$ 89,662	\$ 116,420	\$ 26,758
Transfers (Out)	(1,000,000)	(10,885,114)	(10,930,566)	(45,452)
Financing of SBITAs	-	-	2,298,388	2,298,388
Proceeds From Sale of Capital Assets	-	-	892	892
<b>Total Other Financing (Uses)</b>	<b>\$ (940,338)</b>	<b>\$ (10,795,452)</b>	<b>\$ (8,514,866)</b>	<b>\$ 2,280,586</b>
<b>Net Change in Fund Balance</b>	<b>\$ (4,526,285)</b>	<b>\$ (22,927,849)</b>	<b>\$ 12,768,036</b>	<b>\$ 35,695,885</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>78,491,629</b>	<b>78,491,629</b>	<b>78,491,629</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 73,965,344</b>	<b>\$ 55,563,780</b>	<b>\$ 91,259,665</b>	<b>\$ 35,695,885</b>

See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

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

Year Ended June 30, 2023

(Page 1 of 2)

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Net Change in Fund Balance - Total Governmental Fund	<b>\$ 12,768,036</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Timing differences for recognition of special assessment revenue between revenues reported in the funds and revenues reported in the Statement of Activities.	<b>(93,529)</b>
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.	
Capital outlays	<b>\$ 11,441,681</b>
Depreciation	<b><u>(11,797,750)</u></b>
	<b>(356,069)</b>
Governmental funds recognize gain on sale of capital assets as the sales proceeds are received. However, in the Statement of Activities, this amount is reduced by the remaining net book value of the disposed assets. This is the amount of the net book value of the disposed assets.	<b>(172,397)</b>
Capital contributions and local annexations representing the acquisition value of infrastructure and capital assets annexed and received by the City during the fiscal year ended June 30, 2023. Capital assets and any related capital contributions are not financial resources and are not reported in the funds.	<b>233,869</b>
Internal service funds are used by the City to charge the cost of vehicle maintenance, liability and property injury insurance and employee health insurance, to the individual funds. Certain net income of internal service funds is reported with governmental activities.	<b>330,253</b>
Under modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis expenses and liabilities are reported regardless of when financial resources are available. Interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.	
Timing differences in the payable of accrued interest on	
Certificates of Participation	<b>\$ 12,416</b>
Subscription-based information technology arrangements (SBITAs)	<b><u>(20,110)</u></b>
	<b>(7,694)</b>
Increase in long-term sick leave payable is not reflected in the governmental funds, but increases long-term liabilities in the Statement of Net Position.	<b>(939)</b>

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(Continued)

**CITY OF GILLETTE, WYOMING**

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

Year Ended June 30, 2023

(Page 2 of 2)

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Repayment of special assessment debt with governmental commitment principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	\$	92,001
Repayment of certificates of participation principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		1,200,000
Repayment of subscription-based information technology arrangements (SBITAs) is an expenditure in the governmental funds, but the repayment reduces liabilities in the Statement of Net Position.		1,111,556
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. Changes in pension liabilities and related deferred inflows and outflows of resources		(1,277,895)
Governmental funds report subscription-based information technology arrangements (SBITAs) as expenditures. However, in the Statement of Activities, the cost of those intangible assets is allocated over the life of the agreement as amortization expense. This is the amount by which SBITA expense exceeded amortization in the current period.		
SBITA expense	\$	2,331,538
Amortization		<u>(864,579)</u>
		1,466,959
Subscription-based information technology arrangements (SBITAs) liabilities provide current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Position.		(2,298,388)
		<hr/>
Change in Net Position of Governmental Activities	\$	<b>12,995,763</b>

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See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

June 30, 2023

(Page 1 of 2)

	Business-Type Activities - Enterprise Funds		
	Power	Water	Sewer
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	\$ 95,770	\$ 1,323,762	\$ 3,710,816
Cash with Fiscal Agent	719,328	-	-
Investments	8,143,241	13,478,325	7,730,424
Accounts Receivable, Net of Allowance for Uncollectibles	954,092	254,186	303,165
Taxes Receivable	-	162	-
Unbilled Accounts Receivable	1,471,200	452,809	296,740
Accrued Interest Receivable	31,257	93,118	-
Other Receivables	39,243	4,096	36,966
Leases Receivable	-	-	-
Due From Other Entities	16,484	140,753	2,389,384
Due From Other Funds	-	-	-
Inventories	4,032,114	1,258,659	38,070
<b>Total Current Assets</b>	<b>\$ 15,502,729</b>	<b>\$ 17,005,870</b>	<b>\$ 14,505,565</b>
<b>NONCURRENT ASSETS</b>			
Leases Receivable	\$ -	\$ -	\$ -
<b>Restricted Assets</b>			
Investments Restricted for Lease Revenue Bonds	\$ 1,860,700	\$ -	\$ -
Investments Restricted for Gillette Regional Water Supply Project	-	43,494,159	-
<b>Total Restricted Assets</b>	<b>\$ 1,860,700</b>	<b>\$ 43,494,159</b>	<b>\$ -</b>
<b>Capital Assets</b>			
Land	\$ 200,903	\$ 194,417	\$ 526,485
Infrastructure	61,489,147	224,856,162	56,513,793
Buildings and Improvements	101,270,496	40,108,267	18,673,433
Machinery and Equipment	14,128,584	17,674,053	3,131,018
Construction in Progress	5,156,427	23,046,610	17,815,949
Less Accumulated Depreciation	(69,215,461)	(81,482,880)	(34,503,924)
Right to Use Leased Assets, Net of Accumulated Amortization	7,875,167	616,368	-
SBITA Assets, Net of Accumulated Amortization	146,443	18,036	-
<b>Total Capital Assets (Net of Accumulated Depreciation/Amortization)</b>	<b>\$ 121,051,706</b>	<b>\$ 225,031,033</b>	<b>\$ 62,156,754</b>
<b>Total Noncurrent Assets</b>	<b>\$ 122,912,406</b>	<b>\$ 268,525,192</b>	<b>\$ 62,156,754</b>
<b>Total Assets</b>	<b>\$ 138,415,135</b>	<b>\$ 285,531,062</b>	<b>\$ 76,662,319</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Relating to Pensions	\$ 780,192	\$ 297,216	\$ 260,064



Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	Total
\$ 1,395,498	\$ 6,525,846	\$ 979,005	\$ 7,504,851
-	719,328	-	719,328
1,611,985	30,963,975	5,223,037	36,187,012
148,918	1,660,361	-	1,660,361
-	162	-	162
117,161	2,337,910	-	2,337,910
6,944	131,319	-	131,319
5,400	85,705	264,463	350,168
132,070	132,070	-	132,070
-	2,546,621	-	2,546,621
-	-	122,597	122,597
-	5,328,843	464,625	5,793,468
<b>\$ 3,417,976</b>	<b>\$ 50,432,140</b>	<b>\$ 7,053,727</b>	<b>\$ 57,485,867</b>
<b>\$ 513,604</b>	<b>\$ 513,604</b>	<b>\$ -</b>	<b>\$ 513,604</b>
<b>\$ -</b>	<b>\$ 1,860,700</b>	<b>\$ -</b>	<b>\$ 1,860,700</b>
<b>-</b>	<b>43,494,159</b>	<b>-</b>	<b>43,494,159</b>
<b>\$ -</b>	<b>\$ 45,354,859</b>	<b>\$ -</b>	<b>\$ 45,354,859</b>
<b>\$ -</b>	<b>\$ 921,805</b>	<b>\$ -</b>	<b>\$ 921,805</b>
<b>6,920,903</b>	<b>349,780,005</b>	<b>-</b>	<b>349,780,005</b>
<b>-</b>	<b>160,052,196</b>	<b>-</b>	<b>160,052,196</b>
<b>443,722</b>	<b>35,377,377</b>	<b>21,636,884</b>	<b>57,014,261</b>
<b>158,973</b>	<b>46,177,959</b>	<b>-</b>	<b>46,177,959</b>
<b>(1,106,028)</b>	<b>(186,308,293)</b>	<b>(13,631,973)</b>	<b>(199,940,266)</b>
<b>-</b>	<b>8,491,535</b>	<b>-</b>	<b>8,491,535</b>
<b>30,617</b>	<b>195,096</b>	<b>-</b>	<b>195,096</b>
<b>\$ 6,448,187</b>	<b>\$ 414,687,680</b>	<b>\$ 8,004,911</b>	<b>\$ 422,692,591</b>
<b>\$ 6,961,791</b>	<b>\$ 460,556,143</b>	<b>\$ 8,004,911</b>	<b>\$ 468,561,054</b>
<b>\$ 10,379,767</b>	<b>\$ 510,988,283</b>	<b>\$ 15,058,638</b>	<b>\$ 526,046,921</b>
<b>\$ 148,608</b>	<b>\$ 1,486,080</b>	<b>\$ -</b>	<b>\$ 1,486,080</b>

(Continued)

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

June 30, 2023

(Page 2 of 2)

	Business-Type Activities - Enterprise Funds		
	Power	Water	Sewer
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Vouchers Payable	\$ 1,717,579	\$ 115,039	\$ 162,691
Contracts and Retainage Payable	-	578,963	971,805
Estimated Claims Payable	-	-	-
Accrued Interest Payable	299,642	15,290	196,823
Other Accrued Liabilities	642,052	115,095	109,784
Advance Payments Received for Repairs	-	-	-
Advance Payments Received on Grants	-	-	5,264,869
Current Portion of Lease Liabilities	204,214	637	-
Current Portion of SBITA Liabilities	50,413	17,113	-
Current Maturities of Long-Term Liabilities	3,904,000	-	9,237
<b>Total Current Liabilities</b>	<b>\$ 6,817,900</b>	<b>\$ 842,137</b>	<b>\$ 6,715,209</b>
<b>NONCURRENT LIABILITIES</b>			
Customer Deposits	\$ 583,394	\$ -	\$ -
Accrued Sick Leave Payable	1,629	-	8,963
Capital Loan Payable	1,862,732	4,328,358	12,271,665
Lease Revenue Bonds	65,062,571	-	-
Lease Liabilities	7,834,080	633,902	-
SBITA Liabilities	72,573	-	-
Total Pension Liability	4,229,839	1,611,367	1,409,946
<b>Total Noncurrent Liabilities</b>	<b>\$ 79,646,818</b>	<b>\$ 6,573,627</b>	<b>\$ 13,690,574</b>
<b>Total Liabilities</b>	<b>\$ 86,464,718</b>	<b>\$ 7,415,764</b>	<b>\$ 20,405,783</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Relating to Leases	\$ -	\$ -	\$ -
Relating to Pensions	173,383	66,050	57,794
<b>Total Deferred Inflows of Resources</b>	<b>\$ 173,383</b>	<b>\$ 66,050</b>	<b>\$ 57,794</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 42,426,123	\$ 219,472,060	\$ 48,913,284
Restricted for Lease Revenue Bonds	1,860,700	-	-
Restricted for Water Development Repair and Replacement	-	3,500,000	-
Restricted for Gillette Regional Water Supply Project	-	43,494,385	-
Unrestricted	8,270,403	11,880,019	7,545,522
<b>Total Net Position</b>	<b>\$ 52,557,226</b>	<b>\$ 278,346,464</b>	<b>\$ 56,458,806</b>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			
<b>Net Position of Business-Type Activities</b>			

See Notes to the Basic Financial Statements.

Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	Total
\$ 134,596	\$ 2,129,905	\$ 351,480	\$ 2,481,385
-	1,550,768	-	1,550,768
-	-	505,000	505,000
291	512,046	-	512,046
61,565	928,496	34,092	962,588
-	-	11,788	11,788
-	5,264,869	-	5,264,869
-	204,851	-	204,851
14,534	82,060	-	82,060
-	3,913,237	6,559	3,919,796
<b>\$ 210,986</b>	<b>\$ 14,586,232</b>	<b>\$ 908,919</b>	<b>\$ 15,495,151</b>
\$ -	\$ 583,394	\$ -	\$ 583,394
-	10,592	-	10,592
-	18,462,755	-	18,462,755
-	65,062,571	-	65,062,571
-	8,467,982	-	8,467,982
-	72,573	-	72,573
805,684	8,056,836	-	8,056,836
<b>\$ 805,684</b>	<b>\$ 100,716,703</b>	<b>\$ -</b>	<b>\$ 100,716,703</b>
<b>\$ 1,016,670</b>	<b>\$ 115,302,935</b>	<b>\$ 908,919</b>	<b>\$ 116,211,854</b>
\$ 642,320	\$ 642,320	\$ -	\$ 642,320
33,025	330,252	-	330,252
<b>\$ 675,345</b>	<b>\$ 972,572</b>	<b>\$ -</b>	<b>\$ 972,572</b>
\$ 6,402,295	\$ 317,213,762	\$ 8,004,911	\$ 325,218,673
-	1,860,700	-	1,860,700
-	3,500,000	-	3,500,000
-	43,494,385	-	43,494,385
2,434,065	30,130,009	6,144,808	36,274,817
<b>\$ 8,836,360</b>	<b>\$ 396,198,856</b>	<b>\$ 14,149,719</b>	<b>\$ 410,348,575</b>
	5,737,892		
	<b>\$ 401,936,748</b>		

**CITY OF GILLETTE, WYOMING**

**RECONCILIATION OF CERTAIN DIFFERENCES BETWEEN NET POSITION OF  
THE PROPRIETARY FUNDS AND NET POSITION OF THE BUSINESS-TYPE ACTIVITIES**  
**June 30, 2023**

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Total Net Position of the Proprietary Funds	<b>\$ 396,198,856</b>
Certain assets and liabilities of the internal service funds are included in the business-type activities in the Statement of Net Position. Amounts attributable to:	
Vehicle Maintenance	\$ 4,206,203
Liability and Property Injury Insurance	359,082
Health Insurance	<u>1,172,607</u>
Net Adjustment to Increase Net Position - Total Enterprise Funds	<b>5,737,892</b>
<hr/> Total Net Position - Business-Type Activities	<hr/> <b>\$ 401,936,748</b> <hr/>

See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS**

Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Power	Water	Sewer
OPERATING REVENUES	\$ 34,925,775	\$ 8,732,234	\$ 8,020,535
INTERFUND SERVICE REVENUES	3,594,730	-	-
<b>Total Operating Revenues</b>	<b>\$ 38,520,505</b>	<b>\$ 8,732,234</b>	<b>\$ 8,020,535</b>
OPERATING EXPENSES			
Cost of Power Purchased	\$ 20,024,508	\$ -	\$ -
Salaries and Benefits	3,889,791	1,961,343	1,757,329
Contractual Services	3,962,902	2,884,859	1,956,388
Materials	209,597	1,375,844	493,393
Claims	-	-	-
Repairs and Maintenance	3,163,356	1,238,971	566,894
Supplies	349,554	723,849	243,197
Depreciation and Amortization	4,666,869	7,282,340	2,649,531
<b>Total Operating Expenses</b>	<b>\$ 36,266,577</b>	<b>\$ 15,467,206</b>	<b>\$ 7,666,732</b>
<b>Operating Income (Loss)</b>	<b>\$ 2,253,928</b>	<b>\$ (6,734,972)</b>	<b>\$ 353,803</b>
NONOPERATING REVENUES (EXPENSES)			
(Loss) on Disposal of Equipment	\$ -	\$ (42,960)	\$ (16,541)
Federal Grants	-	-	3,174,817
Other Income	779,731	234,519	258,422
Sales and Use Tax - Capital Facilities Tax	-	162	-
Interest Expense	(3,948,142)	(16,843)	(250,717)
Interest Income on Lease Receivable	-	-	-
Investment Income (Loss)	115,977	825,733	(1,573)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (3,052,434)</b>	<b>\$ 1,000,611</b>	<b>\$ 3,164,408</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>\$ (798,506)</b>	<b>\$ (5,734,361)</b>	<b>\$ 3,518,211</b>
Intergovernmental, Federal Direct Payments for			
Build America Bonds	546,184	-	-
Capital Contributions and Local Annexations	58,232	96,824	420,120
Capital Contributions, Intergovernmental, Federal, State and Local Sources	-	855,745	-
Transfers In	840,070	2,271,771	6,356,228
Transfers (Out)	(264,762)	(877,124)	(35,260)
<b>Changes in Net Position</b>	<b>\$ 381,218</b>	<b>\$ (3,387,145)</b>	<b>\$ 10,259,299</b>
<b>NET POSITION, BEGINNING JULY 1</b>	<b>52,176,008</b>	<b>281,733,609</b>	<b>46,199,507</b>
<b>NET POSITION, ENDING JUNE 30</b>	<b>\$ 52,557,226</b>	<b>\$ 278,346,464</b>	<b>\$ 56,458,806</b>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds			
<b>NET POSITION OF BUSINESS-TYPE ACTIVITIES</b>			

See Notes to the Basic Financial Statements.

Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	Total
\$ 3,480,563	\$ 55,159,107	\$ 9,414,301	\$ 64,573,408
-	3,594,730	-	3,594,730
\$ 3,480,563	\$ 58,753,837	\$ 9,414,301	\$ 68,168,138
\$ -	\$ 20,024,508	\$ -	\$ 20,024,508
816,510	8,424,973	668,030	9,093,003
2,730,426	11,534,575	975,368	12,509,943
-	2,078,834	-	2,078,834
-	-	7,009,591	7,009,591
14,118	4,983,339	282,398	5,265,737
325,959	1,642,559	130,608	1,773,167
274,061	14,872,801	1,276,669	16,149,470
\$ 4,161,074	\$ 63,561,589	\$ 10,342,664	\$ 73,904,253
\$ (680,511)	\$ (4,807,752)	\$ (928,363)	\$ (5,736,115)
\$ -	\$ (59,501)	\$ (34,264)	\$ (93,765)
-	3,174,817	-	3,174,817
-	1,272,672	-	1,272,672
-	162	-	162
(291)	(4,215,993)	-	(4,215,993)
10,064	10,064	-	10,064
29,847	969,984	120,222	1,090,206
\$ 39,620	\$ 1,152,205	\$ 85,958	\$ 1,238,163
\$ (640,891)	\$ (3,655,547)	\$ (842,405)	\$ (4,497,952)
-	546,184	-	546,184
17,296	592,472	-	592,472
-	855,745	-	855,745
1,036,790	10,504,859	1,486,433	11,991,292
-	(1,177,146)	-	(1,177,146)
\$ 413,195	\$ 7,666,567	\$ 644,028	\$ 8,310,595
8,423,165	388,532,289	13,505,691	402,037,980
\$ 8,836,360	\$ 396,198,856	\$ 14,149,719	\$ 410,348,575
	5,737,892		
	\$ 401,936,748		

**CITY OF GILLETTE, WYOMING**

**RECONCILIATION OF CERTAIN DIFFERENCES BETWEEN THE STATEMENT OF  
REVENUES, EXPENSES, AND CHANGES IN NET POSITION OF THE PROPRIETARY  
FUNDS AND THE STATEMENT OF ACTIVITIES**

**Year Ended June 30, 2023**

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Total Changes in Net Position - Total Enterprise Funds	<b>\$ 7,666,567</b>
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Internal service funds are used by the City to charge the cost of vehicle maintenance, liability and property injury insurance, and employee health insurance to the individual funds. Certain net income of internal service funds is reported with business-type activities in the Statement of Activities.

Amounts attributable to:

Vehicle Maintenance	<b>\$ 236,819</b>
Liability and Property Injury Insurance	<b>36,275</b>
Health Insurance	<b><u>40,681</u></b>

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Net Adjustment to Increase Net Position - Total Enterprise Funds	<b>313,775</b>
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Total Change in Net Position - Business-Type Activities	<b>\$ 7,980,342</b>
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See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

Year Ended June 30, 2023

(Page 1 of 2)

	Business-Type Activities - Enterprise Funds		
	Power	Water	Sewer
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 35,175,304	\$ 8,844,591	\$ 7,985,957
Receipts from Interfund Services Provided	3,594,730	-	-
Payments to Suppliers	(20,155,093)	-	-
Payments to Employees	(3,793,783)	(1,815,552)	(1,796,565)
Payments for Goods and Services	(8,484,602)	(6,409,209)	(3,304,540)
Internal Activity - Payments From Other Funds	-	-	-
Other	797,125	235,232	259,037
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>\$ 7,133,681</b>	<b>\$ 855,062</b>	<b>\$ 3,143,889</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Federal Grants	\$ -	\$ -	\$ 6,050,302
Transfers In	840,070	2,271,771	6,356,228
Transfers (Out)	(264,762)	(877,124)	(35,260)
<b>Net Cash Provided By Noncapital Financing Activities</b>	<b>\$ 575,308</b>	<b>\$ 1,394,647</b>	<b>\$ 12,371,270</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Taxes Collected	\$ -	\$ 1,879	\$ -
Payments for Capital Acquisitions	(4,867,111)	(4,181,692)	(10,867,057)
Proceeds from Sale of Capital Assets	-	-	-
Proceeds from Capital Grant	-	724,351	-
Proceeds from Capital Loan	-	-	7,867,890
Proceeds from Lease Revenue Bonds	48,675,000	-	-
Payments on Lease Liability	(545,016)	(9,544)	-
Payments on SBITA Liability	(53,870)	(17,459)	-
Payments on Capital Loan	(153,549)	-	(5,752,867)
Payments on Lease Revenue Bonds	(60,155,615)	-	-
<b>Net Cash (Used In) Capital and Related Financing Activities</b>	<b>\$ (17,100,161)</b>	<b>\$ (3,482,465)</b>	<b>\$ (8,752,034)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net (Increase) Decrease in Investments	\$ 3,733,307	\$ (624,916)	\$ (5,398,351)
Investment Income (Loss)	(39,660)	868,189	72,232
Interest Income From Leases Receivable	-	-	-
<b>Net Cash Provided By (Used In) Investing Activities</b>	<b>\$ 3,693,647</b>	<b>\$ 243,273</b>	<b>\$ (5,326,119)</b>
<b>Net Increase (Decrease) in Cash</b>	<b>\$ (5,697,525)</b>	<b>\$ (989,483)</b>	<b>\$ 1,437,006</b>
<b>Cash and Cash With Fiscal Agent, Beginning July 1</b>	<b>6,512,623</b>	<b>2,313,245</b>	<b>2,273,810</b>
<b>Cash and Cash With Fiscal Agent, Ending June 30</b>	<b>\$ 815,098</b>	<b>\$ 1,323,762</b>	<b>\$ 3,710,816</b>



Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	Total
\$ 3,502,023	\$ 55,507,875	\$ -	\$ 55,507,875
-	3,594,730	9,549,675	13,144,405
-	(20,155,093)	-	(20,155,093)
(831,767)	(8,237,667)	(700,299)	(8,937,966)
(3,068,666)	(21,267,017)	(8,311,264)	(29,578,281)
-	-	243,029	243,029
-	1,291,394	-	1,291,394
\$ (398,410)	\$ 10,734,222	\$ 781,141	\$ 11,515,363
\$ -	\$ 6,050,302	\$ -	\$ 6,050,302
1,036,790	10,504,859	1,486,433	11,991,292
-	(1,177,146)	-	(1,177,146)
\$ 1,036,790	\$ 15,378,015	\$ 1,486,433	\$ 16,864,448
\$ -	\$ 1,879	\$ -	\$ 1,879
(458,637)	(20,374,497)	(2,476,550)	(22,851,047)
-	-	74,677	74,677
-	724,351	-	724,351
-	7,867,890	-	7,867,890
-	48,675,000	-	48,675,000
-	(554,560)	-	(554,560)
(15,000)	(86,329)	-	(86,329)
-	(5,906,416)	-	(5,906,416)
-	(60,155,615)	-	(60,155,615)
\$ (473,637)	\$ (29,808,297)	\$ (2,401,873)	\$ (32,210,170)
\$ (24,770)	\$ (2,314,730)	\$ (38,226)	\$ (2,352,956)
25,620	926,381	138,226	1,064,607
10,797	10,797	-	10,797
\$ 11,647	\$ (1,377,552)	\$ 100,000	\$ (1,277,552)
\$ 176,390	\$ (5,073,612)	\$ (34,299)	\$ (5,107,911)
1,219,108	12,318,786	1,013,304	13,332,090
\$ 1,395,498	\$ 7,245,174	\$ 979,005	\$ 8,224,179

(Continued)

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

Year Ended June 30, 2023

(Page 2 of 2)

	Business-Type Activities - Enterprise Funds		
	Power	Water	Sewer
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</b>			
Operating Income (Loss)	\$ 2,253,928	\$ (6,734,972)	\$ 353,803
Adjustments:			
Depreciation and Amortization	4,666,869	7,282,340	2,649,531
Other Income	779,731	234,519	258,422
Changes in Assets and Liabilities:			
Accounts and Other Receivables	184,919	113,647	(14,025)
Leases Receivable	-	-	-
Due To/From Other Funds	-	-	-
Inventories	(838,328)	(182,182)	(28,235)
Deferred Outflows of Resources Relating to Pensions	(336,485)	(141,919)	(104,767)
Vouchers Payable	(130,585)	(4,081)	(36,371)
Accrued Expenses, Accrued Sick Leave, and Customer Deposits	3,176	(41,238)	(53,740)
Advanced Payments Received for Repairs	-	-	-
Estimated Claims Payable	-	-	-
Total Pension Liability	2,022,903	838,939	637,518
Deferred Inflows of Resources Relating to Leases Receivable	-	-	-
Deferred Inflows of Resources Relating to Pensions	(1,472,447)	(509,991)	(518,247)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>\$ 7,133,681</b>	<b>\$ 855,062</b>	<b>\$ 3,143,889</b>
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>			
Contributions of Capital and Local Annexations	\$ 58,232	\$ 96,824	\$ 420,120
SBITA Asset Acquired in Exchange for SBITA Liability	\$ 181,188	\$ 36,072	\$ -
Net Increase (Decrease) In Fair Value of Investments	\$ 155,440	\$ (66,250)	\$ (73,805)

See Notes to the Basic Financial Statements.

Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds	Total
\$ (680,511)	\$ (4,807,752)	\$ (928,363)	\$ (5,736,115)
274,061	14,872,801	1,276,669	16,149,470
-	1,272,672	-	1,272,672
28,027	312,568	123,586	436,154
123,876	123,876	-	123,876
-	-	243,029	243,029
-	(1,048,745)	(27,470)	(1,076,215)
(59,867)	(643,038)	-	(643,038)
(2,261)	(173,298)	74,171	(99,127)
(23,546)	(115,348)	(32,269)	(147,617)
-	-	11,788	11,788
-	-	40,000	40,000
364,297	3,863,657	-	3,863,657
(126,345)	(126,345)	-	(126,345)
(296,141)	(2,796,826)	-	(2,796,826)
<b>\$ (398,410)</b>	<b>\$ 10,734,222</b>	<b>\$ 781,141</b>	<b>\$ 11,515,363</b>
\$ 17,296	\$ 592,472	\$ -	\$ 592,472
\$ 44,534	\$ 261,794	\$ -	\$ 261,794
\$ 3,631	\$ 19,016	\$ (18,004)	\$ 1,012

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

June 30, 2023

	Retiree Health Benefit Plan and Trust Fund	Custodial Fund
<b>ASSETS</b>		
Investments, at Fair Value:		
Money Market Mutual Funds	\$ 4,164,937	\$ -
Due From Other Entities	-	4,494
<b>Total Assets</b>	<b>\$ 4,164,937</b>	<b>\$ 4,494</b>
<b>NET POSITION</b>		
Restricted for Retiree Health Benefit Plan	\$ 4,164,937	\$ -
Restricted for Individuals, Organizations, and Other Governments	-	4,494
<b>Total Net Position</b>	<b>\$ 4,164,937</b>	<b>\$ 4,494</b>

See Notes to the Basic Financial Statements.

**CITY OF GILLETTE, WYOMING**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

Year Ended June 30, 2023

	Retiree Health Benefit Plan and Trust Fund	Custodial Fund
<b>ADDITIONS</b>		
Contributions:		
Participants	\$ -	\$ 132,020
Investment Earnings:		
Interest, Dividends and Other	132,023	-
<b>Total Additions</b>	<b>\$ 132,023</b>	<b>\$ 132,020</b>
<b>DEDUCTIONS</b>		
Benefits Paid to Retiree Participant or Eligible Spouse	\$ 418,631	\$ -
Administrative Expenses	11,461	-
Participant Reimbursements	-	142,501
<b>Total Deductions</b>	<b>\$ 430,092</b>	<b>\$ 142,501</b>
Net (Decrease) in Fiduciary Net Position	\$ (298,069)	\$ (10,481)
<b>NET POSITION, BEGINNING July 1</b>	<b>4,463,006</b>	<b>14,975</b>
<b>NET POSITION, ENDING June 30</b>	<b>\$ 4,164,937</b>	<b>\$ 4,494</b>

See Notes to the Basic Financial Statements.

# CITY OF GILLETTE, WYOMING

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies

#### A. Reporting Entity

The City of Gillette is a political subdivision of the State of Wyoming governed by an elected mayor and six-member council. The Mayor and Council members are elected to serve a four-year term.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity as Amended by GASB Statements Nos. 39 and 61*, entities over which the City has significant operational or financial relationships such as boards, commissions and authorities are considered component units. Component units are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in columns separate from the financial data of the primary government (the City). Blended requires the component unit's balances and transactions to be reported with the balances and transactions of the City.

The Consolidated Wyoming Municipalities Electric Power System Joint Powers Board ("The Board") was established in 1984 by a Joint Powers Agreement between the City of Gillette and Torrington. It was amended in 2007 to include Basin, Wyoming. This Joint Powers Board was created under a Wyoming statute that allows Wyoming municipalities who owned electrical systems before March 1, 1975, to finance expansions to their electrical systems by bonds issued by the Joint Powers Board. The Joint Powers Board has nine members, three of whom are appointed by Gillette, three by Torrington, and three by Basin. The Board has authority to issue revenue bonds to finance specified projects; the bonds are considered to be Conduit Debt of The Board, and as such the assets and corresponding debt are reported by the entity responsible for repayment. Since The Board does not meet the definition of a component unit, the financial transactions of The Board are not included in these financial statements.

The City used The Board to issue revenue bonds to purchase a 23% interest in a power plant to provide electrical services to the citizens of Gillette, refinancing debt related to the initial purchase of the interest in the power plant, and to acquire a simple-cycle gas turbine facility. The purchase of the power plant and simple-cycle gas turbine facility and the related initial debt and any refinancings have been included in the City's Power Enterprise Fund in the accompanying financial statements.

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City of Gillette. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely significantly on fees and charges for support.

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

Separate financial statements are provided for the governmental fund, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

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

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

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

Severance taxes, property taxes, automobile taxes, gasoline taxes, franchise taxes, cigarette taxes, and interest associated with current fiscal period and charges for services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales taxes and lodging taxes collected and held by the State, County Treasurer or Campbell County Lodging Tax Joint Powers Board at year end on behalf of the City are also recognized as revenue.

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

Interfund activity consists of transfers, services provided and/or used, reimbursements, advances, and loans. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include interfund services provided and/or used. Interfund services provided and/or used are accounted for as revenues and expenses since the elimination of such revenues and expenses would distort the direct costs and program revenues reported for the various functions.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues and expenses of the City's enterprise funds and internal service funds are charges to customers for sales and services, leasing activity, administrative expenses, repairs, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

The City reports the following major governmental fund:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources and transactions of the general government except those required to be accounted for in other funds.

The City reports the following major enterprise funds:

The *Power Fund* is used to account for the operation of the City's electrical utility system.

The *Water Fund* is used to account for the operation of the City's water system.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

The *Sewer Fund* is used to account for the operation of the City's sewer system.

In addition, the City also reports the following fund types:

The *Solid Waste Fund* is an enterprise fund and is used to account for the operation of the City's garbage disposal system.

The *Fiber Fund* is an enterprise fund and is used to account for the operation of the City's fiber conduit and network system.

Internal service funds account for operations that provide services to other funds of the City on a cost-reimbursement basis. The City's internal service funds and their purposes are:

The *Vehicle Maintenance Fund* is used to account for acquisition and repairs and maintenance of vehicles in the City's motor pool.

The *Liability and Personal Injury Insurance Fund* is used to account for payments of insurance premiums for the City's various insurance coverages.

The *Health Insurance Fund* is used to account for the financing and operations of the City's self-insurance health plan.

The City reports the following Fiduciary Funds:

The *City of Gillette Retiree Health Benefit Plan and Trust Fund* administers the City's retiree health benefit plan and trust for certain employees and their spouses.

The City's other *Fiduciary Fund* is a custodial fund. Custodial funds hold assets for the benefit of individuals in situations where the government does not have administrative control over the assets, and the assets are not derived from governmental sources.

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

##### 1. Cash and Investments

The City's cash is considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are recorded at fair value in accordance with GASB Statement No. 72 *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income (loss).

##### 2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "advances to/from other funds." All other outstanding balances between funds are referred to as "due to/from other funds." Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."



## NOTES TO BASIC FINANCIAL STATEMENTS

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

Property tax revenues represent property taxes for 2022 and prior years which were collectible during the year ended June 30, 2023. Property is annually valued and assessed January 1. Property taxes are levied by the first Monday of August and are payable in two installments, which are due September 1 and March 1. These installments become delinquent, and thus payable, on November 10 and May 10. The taxpayer may elect, without penalty, to pay the entire balance on December 31. If not paid, property taxes attach as an enforceable lien on property on May 11 as of January 1. Property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period on the financial statements. Levied property taxes which are not current receivables are offset by deferred inflows of resources. Property taxes are collected by the County Treasurer and remitted to the City in the month following collection.

#### 3. Leases Receivable

The City's leases receivable are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

#### 4. Prepaid Expenses

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

#### 5. Inventories

Inventories are valued at average unit cost using the first-in/first-out (FIFO) method which approximates market. The costs of inventory items are recognized as expenditures in governmental funds and as expenses in proprietary funds when consumed.

#### 6. Restricted Assets

Power enterprise fund investments of \$1,860,700 have been restricted for debt service reserves for lease revenue bonds.

In the Water enterprise fund, investments of \$43,494,159 have been restricted for the Gillette Regional Water Supply Project.

#### 7. Capital Assets

Capital assets, which include land, infrastructure, buildings and improvements, machinery and equipment, and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Generally, furniture, fixtures and equipment with an individual cost of less than \$5,000 are not capitalized, while vehicles with an individual cost of less than \$10,000 are not capitalized. Software with an individual cost less than \$25,000 is not capitalized. Public domain ("infrastructure") capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems and other assets with individual costs of less than \$50,000 are not capitalized. Building improvements with an individual cost of less than \$15,000 are not capitalized. All purchased capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their acquisition value at date of receipt. Donated capital assets acquired prior to July 1, 2015 are stated at fair value as of the date of donation.

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

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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

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

Description	Governmental Activities Estimated Lives	Business- Type Activities Estimated Lives
Infrastructure	10-65 years	25-65 years
Buildings	35-50 years	50 years
Building Improvements	5-25 years	3-20 years
Machinery and Equipment	4-30 years	3-30 years

#### 8. Right To Use Assets

The City has recorded right to use lease assets in accordance with GASB 87, *Leases*. The right to use assets are initially measured at amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

#### 9. Subscription-Based Information Technology Arrangement (SBITA) Assets

The City has recorded subscription-based information technology arrangement (SBITA) assets as a result of implementing GASB 96, *Subscription-Based Information Technology Arrangements*. The SBITA assets are initially measured at amount equal to the related SBITA liability plus any initial or setup charges to place the agreement into service. The SBITA assets are amortized on a straight-line basis over the life of the related arrangement.

#### 10. Impairments

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

#### 11. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means, such as payment for unused accumulated vacation leave upon termination of services. The City records a liability for accumulated unused vacation time when earned for all eligible employees. The amount due for unused vacation leave is included in other accrued liabilities in the government-wide statements and in the fund financial statements.

The City's sick leave reimbursement policy allows an employee who leaves the City to be reimbursed for vested unused accumulated sick leave. The amount that is actually due at year-end is recorded as a payable in the Governmental Fund. Due means the employee has applied for the leave but has not received payment at year end. Amounts not due at year end are recorded as noncurrent liabilities in the government-wide statement of net position.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

#### 12. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Vested sick leave payable and customer deposits are accrued, and the related liabilities are reduced when paid. Long-term debt, the long-term portion of sick leave payable, lease and SBITA agreements, and the City's proportionate share of the long-term pension liability of the Wyoming Retirement System's Public Employees' and Law Enforcement Employees' pension plan are recognized as liabilities in the government-wide financial statements.

In the fund financial statements, governmental fund types recognize sick leave paid, payments on special assessment debt, payments on certificates of participation, and SBITA agreements as expenditures in the current period.

#### 13. Defined Benefit Pensions

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

#### 14. Fund Balance

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

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

*Restricted fund balances* - Those balances representing amounts that are externally restricted by creditors, grantors, contributors, or laws or regulations of other governments. Restrictions can also be imposed through law, constitutional provisions, or enabling legislation. Restricted net position is reported by the City's enterprise funds and governmental fund. Unrestricted net position is reported by the City's enterprise funds without classifying the unrestricted funds as committed, assigned, or unassigned.

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

*Assigned fund balances* - Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council has authorized assignments at the division level within each fund by City management. The Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

*Unassigned fund balances* - Those fund balances representing the remaining classification for the general fund. This balance represents the fund balance of the general fund that has not been assigned to other funds and has been neither restricted, committed, or assigned to specific purposes in the general fund. If expenditures incurred for specified purposes exceed the amounts restricted, committed, or assigned for those purposes, a negative unassigned fund balance may be reported.

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

#### 15. Net Position

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

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

#### 16. Estimates

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

### Note 2. Stewardship, Compliance and Accountability

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

On or before March 31 of each year, all agencies of the City submit requests for appropriation to the City Administrator so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Budgets are prepared for the governmental fund.

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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

Unexpended budgeted amounts lapse at the end of the budget year. Spending control is established at the department level for the General Fund, while management control is exercised at budgetary line item level. The City's department heads may make transfers of appropriations within a division. Transfers of appropriations between divisions require the approval of the City Council. The City may amend its budget after it is approved using the same procedures necessary to approve the original budget. The amounts reported as the original budgeted amounts in the budgetary statements reflect appropriation in the first appropriated budget. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations.

### Note 3. Detailed Notes on All Funds

#### A. Deposits and Investments

##### Deposits

The City's deposits at June 30, 2023 were covered by federal depository insurance and collateral held by the City's agents under joint custody receipts in the City's name.

##### Investments

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

The Wyoming State Treasurer Asset Reserve operates in accordance with applicable laws and regulations. The WYO-STAR investment portfolio administers the short-term cash deposits made with the State by local entities. The investments are administered to provide liquid cash reserves, placing the majority portion in a cash portfolio and the rest in an extended cash portfolio. Specified State of Wyoming elected officials are responsible for regulatory oversight of WYO-STAR. The weighted average maturity of WYO-STAR is 270 days but the weighted average maturity of this fund for the City is 1 day at June 30, 2023, due to the City being eligible to redeem these funds at any time, with no redemption notice period required.

The Wyoming Cooperative Liquid Assets Securities System is a statutory trust formed under the laws of the State of Wyoming in accordance with W.S. 17-23-114. Wyoming CLASS is a local government investment pool that invests only in instruments allowable under Wyoming State Statute, and is overseen by a Board of Trustees, comprised of public finance professionals representing eligible participants. Funds of the participating public entities are invested in prime or high-grade, short-term fixed income instruments selected to provide program safety, liquidity, and competitive rates as further defined by their investment policy. The weighted average maturity of Wyoming CLASS investments is 54 days, but the weighted average maturity of this fund for the City is 1 day at June 30, 2023, due to the City being eligible to redeem these funds at any time, with no redemption notice period required.

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

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

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

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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

The City has the following recurring fair value measurements as of June 30, 2023:

#### Primary Government

- Certificates of Deposit of \$3,000,000 are investments in nonparticipating interest earning contracts and therefore are valued at cost. Certificates of Deposit are redeemable at any time with no redemption notice period required, but would be subject to early withdrawal penalties equal to a certain amount of interest as stipulated by the issuing financial institution.
- Wyoming State Asset Reserve (WYO-STAR) of \$70,265,183, application of the June 30, 2023 fair value factor, as calculated by the Wyoming State Treasurer, is the City's interest in the pool based on the City's cash balance as a percentage of the total cash balance of the pool (Level 2 input).
- Wyoming Cooperative Liquid Assets Securities System (Wyoming CLASS) of \$46,379,334, a local government investment pool, is managed as a stable value NAV pool but does not meet all of the specific criteria outlined in GASB No. 79, therefore investments in the pool are reported at fair value by third parties.
- U.S. Treasuries of \$29,276,879 and U.S. and Supra-National Agencies/Federal Agencies of \$21,798,415 fair value is provided by third parties based on quoted prices for identical securities in markets that are not active (Level 2 input).

#### Fiduciary Funds

- Money Market Mutual Funds of \$4,164,937, fair value is provided by third parties based on published fair value per share (unit) for each fund (Level 2 input).

Investments - As of June 30, 2023, the City had the following investments:

Investment Type	Credit Quality Rating <sup>(1)</sup>	Fair Value	Investment Maturity (In Years)	
			Less Than One Year	1-5 Years
<b>Primary Government</b>				
Certificates of Deposit	N/A	\$ 3,000,000	\$ 3,000,000	\$ -
US Agency/Supra National Obligations	AAA	21,798,415	2,794,961	19,003,454
US Treasury Obligations	AAA	29,276,879	2,602,314	26,674,565
Wyoming State Asset Reserve (WYO-STAR)	N/A	70,265,183	70,265,183	-
Wyoming Cooperative Liquid Asset Securities System (Wyoming CLASS)	AAAm	46,379,334	46,379,334	-
<b>Total Primary Government</b>		<b>\$ 170,719,811</b>	<b>\$ 125,041,792</b>	<b>\$ 45,678,019</b>
<b>Fiduciary Funds</b>				
Money Market Portfolio	AAAm	\$ 4,164,937	\$ 4,164,937	\$ -
<b>Total Investments</b>		<b>\$ 174,884,748</b>	<b>\$ 129,206,729</b>	<b>\$ 45,678,019</b>

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

## NOTES TO BASIC FINANCIAL STATEMENTS

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

**Custodial Credit Risk** for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be 102 percent secured by collateral valued at market, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health and service. The City Council annually approves and designates a list of authorized depository institutions based on evaluation of solicited responses and certifications provided by financial institutions. City funds may be invested in United States Treasury bills, notes, or bonds including stripped principal on interest obligations of such issuances, or any other obligations or securities issued by, or guaranteed by, the United States Government.

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in open-end mutual funds and external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form, and therefore, the City is not exposed to custodial credit risk related to these types of investments.

**Interest Rate Risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The City policy provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. Unless matched to a specific cash flow, investments are not made in securities maturing more than five years from the date of purchase.

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

#### B. Property Taxes Receivable

Property taxes receivable of \$2,671,719 represents estimated property taxes for 2023 based on the 2023 assessed valuation. 2023 property taxes are not levied until the first Monday of August, but there is an enforceable legal claim to the taxes as of the lien date, defined as the January 1 preceding the start of the fiscal year for which the taxes are levied. These 2023 property taxes are included in deferred inflows of resources both on the statement of net position and in the fund financial statements.

#### C. Accounts Receivable

Accounts receivable as of June 30, 2023 for the City's enterprise funds, including the applicable allowances for uncollectible accounts, are as follows:

	Major Funds			Nonmajor	
	Power Fund	Water Fund	Sewer Fund	Solid Waste Fund	Total
Accounts Receivable	\$ 1,532,888	\$ 413,757	\$ 472,013	\$ 228,392	\$ 2,647,050
Less: Allowance for Uncollectibles	(578,796)	(159,571)	(168,848)	(79,474)	(986,689)
<b>Total Accounts Receivable, Net</b>	<b>\$ 954,092</b>	<b>\$ 254,186</b>	<b>\$ 303,165</b>	<b>\$ 148,918</b>	<b>\$ 1,660,361</b>

## NOTES TO BASIC FINANCIAL STATEMENTS

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

#### D. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance June 30, 2022	Additions/ Transfers	Retirements/ Transfers	Balance June 30, 2023
<b>Governmental Activities</b>				
Nondepreciable Capital Assets:				
Land	\$ 13,450,905	\$ 4,741,478	\$ -	\$ 18,192,383
Construction In Progress	9,980,102	5,385,469	(12,151,580)	3,213,991
<b>Total Nondepreciable Capital Assets</b>	<b>\$ 23,431,007</b>	<b>\$ 10,126,947</b>	<b>\$ (12,151,580)</b>	<b>\$ 21,406,374</b>
Depreciable Capital Assets:				
Infrastructure	\$ 274,633,398	\$ 11,557,785	\$ (803,148)	\$ 285,388,035
Buildings and Improvements	56,032,756	58,293	-	56,091,049
Machinery and Equipment	16,055,139	2,084,105	(61,644)	18,077,600
Allocation of Vehicle Maintenance	11,485,781	1,466,809	(553,035)	12,399,555
<b>Total Depreciable Capital Assets</b>	<b>\$ 358,207,074</b>	<b>\$ 15,166,992</b>	<b>\$ (1,417,827)</b>	<b>\$ 371,956,239</b>
Less Accumulated Depreciation For:				
Infrastructure	\$ (121,196,939)	\$ (9,627,886)	\$ 630,751	\$ (130,194,074)
Buildings and Improvements	(14,463,251)	(1,349,986)	-	(15,813,237)
Machinery and Equipment	(10,804,741)	(819,878)	61,644	(11,562,975)
Allocation of Vehicle Maintenance	(7,748,454)	(683,528)	430,767	(8,001,215)
<b>Total Accumulated Depreciation</b>	<b>\$ (154,213,385)</b>	<b>\$ (12,481,278)</b>	<b>\$ 1,123,162</b>	<b>\$ (165,571,501)</b>
<b>Total Depreciable Capital Assets, Net</b>	<b>\$ 203,993,689</b>	<b>\$ 2,685,714</b>	<b>\$ (294,665)</b>	<b>\$ 206,384,738</b>
Subscription-Based Information Technology Arrangement Assets:				
Subscription-Based Information Technology Arrangements	\$ -	\$ 2,331,538	\$ -	\$ 2,331,538
Less Accumulated Amortization	-	(864,579)	-	(864,579)
<b>Subscription-Based Information Technology Arrangement Assets, Net</b>	<b>\$ -</b>	<b>\$ 1,466,959</b>	<b>\$ -</b>	<b>\$ 1,466,959</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 227,424,696</b>	<b>\$ 14,279,620</b>	<b>\$ (12,446,245)</b>	<b>\$ 229,258,071</b>



## NOTES TO BASIC FINANCIAL STATEMENTS

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

	Balance June 30, 2022	Additions/ Transfers	Retirements/ Transfers	Balance June 30, 2023
<b>Business-type Activities</b>				
Nondepreciable Capital Assets:				
Land	\$ 661,724	\$ 260,081	\$ -	\$ 921,805
Construction In Progress	33,232,761	18,630,338	(5,685,140)	46,177,959
<b>Total Nondepreciable Capital Assets</b>	<b>\$ 33,894,485</b>	<b>\$ 18,890,419</b>	<b>\$ (5,685,140)</b>	<b>\$ 47,099,764</b>
Depreciable Capital Assets:				
Infrastructure	\$ 343,685,954	\$ 6,193,992	\$ (99,941)	\$ 349,780,005
Buildings and Improvements	159,066,279	985,917	-	160,052,196
Machinery and Equipment	34,777,315	1,042,506	(442,444)	35,377,377
Allocation of Vehicle Maintenance	8,251,710	1,009,741	(24,122)	9,237,329
<b>Total Depreciable Capital Assets</b>	<b>\$ 545,781,258</b>	<b>\$ 9,232,156</b>	<b>\$ (566,507)</b>	<b>\$ 554,446,907</b>
Less Accumulated Depreciation For:				
Infrastructure	\$ (106,327,410)	\$ (9,455,727)	\$ 80,677	\$ (115,702,460)
Buildings and Improvements	(43,740,114)	(3,641,321)	-	(47,381,435)
Machinery and Equipment	(22,214,399)	(1,412,207)	402,208	(23,224,398)
Allocation of Vehicle Maintenance	(5,075,066)	(593,141)	37,449	(5,630,758)
<b>Total Accumulated Depreciation</b>	<b>\$ (177,356,989)</b>	<b>\$ (15,102,396)</b>	<b>\$ 520,334</b>	<b>\$ (191,939,051)</b>
<b>Total Depreciable Capital Assets, Net</b>	<b>\$ 368,424,269</b>	<b>\$ (5,870,240)</b>	<b>\$ (46,173)</b>	<b>\$ 362,507,856</b>
Right To Use Assets:				
Land	\$ 9,085,230	\$ -	\$ -	\$ 9,085,230
Less Accumulated Amortization	(296,847)	(296,848)	-	(593,695)
<b>Right To Use Assets, Net</b>	<b>\$ 8,788,383</b>	<b>\$ (296,848)</b>	<b>\$ -</b>	<b>\$ 8,491,535</b>
Subscription-Based Information Technology Arrangement Assets:				
Subscription-Based Information Technology Arrangements	\$ -	\$ 261,794	\$ -	\$ 261,794
Less Accumulated Amortization	-	(66,698)	-	(66,698)
<b>Subscription-Based Information Technology Arrangement Assets, Net</b>	<b>\$ -</b>	<b>\$ 195,096</b>	<b>\$ -</b>	<b>\$ 195,096</b>
<b>Business-type Activities Capital Assets, Net</b>	<b>\$ 411,107,137</b>	<b>\$ 12,918,427</b>	<b>\$ (5,731,313)</b>	<b>\$ 418,294,251</b>

## NOTES TO BASIC FINANCIAL STATEMENTS

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

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

<b>Governmental Activities</b>	
General Government	\$ 1,793,712
Public Safety	405,181
Public Works	8,102,579
Culture and Recreation	2,179,806
<hr/>	
Total Depreciation Expense - Governmental Activities	<b>\$ 12,481,278</b>

<b>Business-type Activities</b>	
Power	\$ 4,446,995
Water	7,407,249
Sewer	2,836,892
Solid Waste	154,962
Fiber	256,298
<hr/>	
Total Depreciation Expense - Business-Type Activities	<b>\$ 15,102,396</b>

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

<b>Governmental Activities</b>	
General Government	\$ 826,693
Public Safety	37,886
<hr/>	
Total Amortization Expense - Governmental Activities	<b>\$ 864,579</b>

<b>Business-type Activities</b>	
Power	\$ 321,850
Water	27,779
Fiber	13,917
<hr/>	
Total Amortization Expense - Business-Type Activities	<b>\$ 363,546</b>

The construction in progress in the governmental activities represents construction related to various projects which includes several street projects throughout the City including: Lakeway Road Drainage and Road Improvement Project, Saunders Subdivision Road Improvements Project, Alley PMS (Pavement Management Systems) 2023 Project, as well as roadway improvements included in the Water and Sewer Main Replacement Projects. Also included are the City Hall Irrigation Improvements Project, City Park Restroom Project, Police Department Steps Replacement Project, and improvements at the Energy Capital Sports Complex. Actual signed contracts for these projects approximate \$7,600,000 and will be funded by the General Fund, taxes and grants. The remaining commitment on these contracts is approximately \$4,100,000 which is included in committed fund balance in the accompanying basic financial statements.

The construction in progress in the business-type activities represents construction related to several electrical distribution line projects, sewer construction projects and various water development projects including: the Annual Water and Sewer Main Replacement Projects, the Kluver Road PRV Project, improvements at the Complex and Heritage Lift Stations, the Fir Avenue Sewer Improvements Project, improvements at the Waste Water Treatment Facility and the Gillette Regional Water Supply Project (Madison Pipeline). Actual signed contracts for these projects approximate \$70,100,000 and will be funded by the General Fund, taxes, and grants from the State of Wyoming, Wyoming Water Development Commission and Wyoming State Loan and Investment Board, and City generated revenues. The remaining commitment on these contracts is approximately \$10,600,000.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

There was no work completed on the Madison project from summer through the winter of 2022 due to not having the correct materials to complete the flushing process to a new outfall location. In the spring of 2023, the contractor started and completed the pump testing requirements for the well testing project in April. After the testing was finalized, the City completed the design for the well installation project in the summer of 2023. Currently the 2C (equipment installation project) portion of the project has been advertised and will be awarded in the fall of 2023. During the same time of designing the well installation project, the City also completed a request for proposal process to select a Construction Manager at Risk (CMAR) for the 30 inch water main repair project. The anticipated schedule for inspecting the damaged pipe and completing the design for the repair project is fall 2023 through spring of 2024, with the construction project being completed in the spring/summer of 2025. There is a significant lead time for the necessary electrical components of over a year to complete the construction project.

The Gillette Madison Pipeline Project, when complete, will bring water from wells located in the Madison formation to Gillette via a 50-mile pipeline. The total cost of the Gillette Madison Pipeline Project is estimated to be \$217,600,000. Funding for this project includes state grants, loans, special purpose excise tax revenue (capital facilities tax) and water fund revenue.

Contracts signed but not yet started and contracts signed subsequent to year end approximated \$23,600,000.

#### E. Interfund Receivables, Payables and Transfers

The composition of due to/from other funds as of June 30, 2023 is as follows:

	Receivables	Payables
Major Funds:		
General Fund	\$ -	\$ 122,597
Nonmajor Funds:		
Internal Service Funds		
Health Insurance Fund	\$ 122,597	\$ -
Total	\$ 122,597	\$ 122,597

The above interfund balances result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

#### Interfund Transfers Governmental Funds:

	General Fund
Transfers In	\$ 116,420
Transfers (Out)	(10,930,566)
Net Interfund Transfers	\$ (10,814,146)

## NOTES TO BASIC FINANCIAL STATEMENTS

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

Interfund Transfers Business-Type Funds:

	Power Fund	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Internal Service Funds	Total
Transfers In	\$ 840,070	\$ 2,271,771	\$ 6,356,228	\$ 1,036,790	\$ 1,486,433	\$ 11,991,292
Transfers (Out)	(264,762)	(877,124)	(35,260)	-	-	(1,177,146)
<b>Net Interfund Transfers</b>	<b>\$ 575,308</b>	<b>\$ 1,394,647</b>	<b>\$ 6,320,968</b>	<b>\$ 1,036,790</b>	<b>\$ 1,486,433</b>	<b>\$ 10,814,146</b>

The principal purpose of interfund transfers is to provide a financing source to various funds that may not have the ability to cover all operating or capital expenditures with revenue generated by the fund or to transfer construction costs between the funds.

Operating transfers into the governmental funds are for capital outlays from the business-type and internal service funds for projects related to governmental activities. Operating transfers out of the governmental funds are for capital outlays for business-type projects and include a transfer to repay the CWSRF Loan #50. Transfers into and out of the business-type funds are for internal wages, benefits, and capital outlays from other funds for the purpose of repairs and maintenance, capital projects, such as adding distribution lines or repairing and expanding infrastructure. Transfers into the Internal Service Funds are for the purchase of additional equipment and vehicles that were added to the fleet and to fund operations.

#### F. Leases

For the year ended June 30, 2023, the financial statements include GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

#### *City as a Lessee*

The City as a lessee, has entered into multiple lease agreements, involving the use of land by the Power and Water funds. As of June 30, 2023, the value of all lease liabilities was \$8,672,833. The City is required to make monthly fixed payments totaling \$34,000 for two leases and annual fixed payments totaling \$9,544 on another two leases. The leases have interest rates ranging from 1.527% - 2.583%. The value of the right to use assets for the year ended June 30, 2023 was \$9,085,230, with accumulated amortization of \$593,695. One of the land leases has a variable payment component for maintenance, and the variable expense for the year ended June 30, 2023 was \$137,017. These payments were excluded from the City's lease liability.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2023 were as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 204,851	\$ 219,758	\$ 424,609
2025	203,403	214,625	418,028
2026	208,926	209,353	418,279
2027	214,600	203,938	418,538
2028	220,428	198,375	418,803
2029 - 2033	1,193,091	903,040	2,096,131
2034 - 2038	1,362,779	739,732	2,102,511
2039 - 2043	1,558,396	553,022	2,111,418
2044 - 2048	1,782,076	339,518	2,121,594
2049 - 2053	932,090	127,797	1,059,887
2054 - 2058	60,095	96,408	156,503
2059 - 2063	28,393	93,286	121,679
2064 - 2068	50,487	88,530	139,017
2069 - 2073	78,183	80,643	158,826
2074 - 2078	112,614	68,843	181,457
2079 - 2083	155,118	52,194	207,312
2084 - 2088	207,277	29,575	236,852
2089 - 2091	100,026	3,910	103,936
<b>Total Payments</b>	<b>\$ 8,672,833</b>	<b>\$ 4,222,547</b>	<b>\$ 12,895,380</b>

#### *City as a Lessor*

The City has entered into multiple leases as lessor of public right-of-ways and a communications tower. For the year ended June 30, 2023, the value of the lease receivable is \$6,196. The lessees are required to make annual fixed payments totaling \$1,120. The leases have interest rates ranging from 1.375% - 1.451%. The value of the deferred inflows of resources for the year ended June 30, 2023 was \$6,247, and the City recognized lease revenue of \$1,012 during the year.

The City has entered into multiple leases as lessor of conduit to the fiber raceway. For the year ended June 30, 2023, the value of the lease receivable is \$613,030. The lessees are required to make annual fixed payments totaling \$129,700. The leases have interest rates of 1.375%. The value of the deferred inflows of resources for the year ended June 30, 2023 was \$609,067, and the City recognized lease revenue of \$124,870 during the year.

The City has entered into multiple leases as lessor of the City's fiber network. For the year ended June 30, 2023, the value of the lease receivable is \$26,448. The lessees are required to make annual fixed payments totaling \$2,400. The leases have interest rates ranging from 1.913% - 2.068%. The value of the deferred inflows of resources for the year ended June 30, 2023 was \$27,006, and the City recognized lease revenue of \$2,137 during the year.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

These leases are included in the Fiber Fund and principal and interest expected to maturity as of June 30, 2023 was as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 132,070	\$ 9,049	\$ 141,119
2025	138,026	7,220	145,246
2026	144,188	5,310	149,498
2027	150,563	3,315	153,878
2028	63,213	1,231	64,444
2029-2033	11,637	1,270	12,907
2034-2037	5,977	224	6,201
<b>Total Payments</b>	<b>\$ 645,674</b>	<b>\$ 27,619</b>	<b>\$ 673,293</b>

#### G. Subscription-Based Information Technology Arrangements (SBITAs)

For the year ended June 30, 2023, the financial statements include the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. The statement establishes a single model for subscription accounting based on the principle that subscriptions are financing the right-to-use an underlying asset. Under this statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

The City has entered into SBITAs involving:

- Various desktop and server software subscriptions
- Enterprise resource processing software
- Electronic workflows software
- Cloud backup services software
- Document management software
- Human resources services software
- E-mail/communication management software
- Risk management software
- Automated meter reading software
- Electronic signature software
- Public safety software
- Safety data sheets software
- Learning management software
- Debt management software
- eDiscovery software
- Online payment software
- Court management software
- Web content management system software
- Investigative software and storage
- Hardware and software inventory management software
- Drawing/design software
- Event communications software
- Project management platform software
- Utilities control and monitoring software
- Financial reporting software
- Vehicle tracking software

The total of the City's subscription assets are recorded at a cost of \$2,593,332, less accumulated amortization of \$931,277.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

The future subscription payments under SBITA agreements are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 1,179,516	\$ 32,443	\$ 1,211,959
2025	84,422	4,066	88,488
2026	43,625	1,963	45,588
2027	33,902	872	34,774
<b>Total Payments</b>	<b>\$ 1,341,465</b>	<b>\$ 39,344</b>	<b>\$ 1,380,809</b>

#### H. Compensated Absences

The City allows its employees one day of sick leave for each month of employment. The total accumulated sick leave approximated \$3,100,000 at June 30, 2023. Of this total, approximately \$58,000 represents actual vested amounts. Of this vested amount, approximately \$26,000 is included as a liability in the proprietary fund types and approximately \$3,800 of this amount from the Internal Service Funds is allocated to the governmental activities on the Statement of Net Position. The remaining amount of approximately \$32,000 is related to the governmental fund types and is not reflected as a liability in these funds as it is considered long-term in nature.

The City's employees have vested accrued vacation amounting to approximately \$1,501,000 at June 30, 2023. This amount has been recorded as a liability in the appropriate funds and is included as other accrued liabilities on the Statement of Net Position.

#### I. Long-Term Debt

A summary of the changes in long-term liabilities for the year ended June 30, 2023 is presented below:

	Balance June 30, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
<b>Governmental Activities:</b>					
Accrued Sick Leave Payable	\$ 34,747	\$ 2,646	\$ (1,653)	\$ 35,740	\$ 4,982
Special Assessment Debt					
With Governmental Commitment	586,488	-	(92,001)	494,487	95,000
Certificates of Participation	4,985,000	-	(1,200,000)	3,785,000	1,230,000
SBITA Liabilities	-	2,298,388	(1,111,556)	1,186,832	1,097,456
Total Pension Liability	14,303,857	7,720,721	-	22,024,578	-
<b>Total Governmental Activities</b>	<b>\$ 19,910,092</b>	<b>\$ 10,021,755</b>	<b>\$ (2,405,210)</b>	<b>\$ 27,526,637</b>	<b>\$ 2,427,438</b>
<b>Business-Type Activities:</b>					
Accrued Sick Leave Payable	\$ 22,091	\$ 904	\$ (366)	\$ 22,629	\$ 12,037
Customer Deposits	819,790	128,604	-	948,394	365,000
Capital Loans	16,396,191	7,867,890	(5,667,326)	18,596,755	134,000
Lease Liabilities	8,868,012	-	(195,179)	8,672,833	204,851
SBITA Liabilities	-	240,557	(85,924)	154,633	82,060
Total Pension Liability	4,193,179	3,863,657	-	8,056,836	-
	\$ 30,299,263	\$ 12,101,612	\$ (5,948,795)	\$ 36,452,080	\$ 797,948
Lease Revenue Bonds	\$ 75,450,000	\$ 48,675,000	\$ (60,610,000)	\$ 63,515,000	\$ 2,880,000
Plus Bond Premium	1,442,689	3,877,965	(368,083)	4,952,571	525,000
<b>Total Lease Revenue Bonds</b>	<b>\$ 76,892,689</b>	<b>\$ 52,552,965</b>	<b>\$ (60,978,083)</b>	<b>\$ 68,467,571</b>	<b>\$ 3,405,000</b>
<b>Total Business-Type Activities</b>	<b>\$ 107,191,952</b>	<b>\$ 64,654,577</b>	<b>\$ (66,926,878)</b>	<b>\$ 104,919,651</b>	<b>\$ 4,202,948</b>

The amount of accrued sick leave payable shown in the previous table includes the allocation of the internal service funds accrued sick leave payable to the governmental and business-type activities.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

Compensated absences for governmental activities are generally liquidated by the general fund.

The City's general fund and enterprise funds are used to record the activity of the total pension liability as these funds will absorb the costs.

The City has entered into a long-term capital loan agreement with the State of Wyoming, Wyoming State Loan and Investment Board as follows:

	General Fund			Balance June 30, 2023
	Balance June 30, 2022	Principal Additions	Principal Deletions	
Special Assessment Debt with Governmental Commitment				
Interstate Industrial DWSRF Loan #196	\$ 586,488	\$ -	\$ (92,001)	\$ 494,487

Loan DWSRF #196 was for the design and construction of water improvements made in the Interstate Industrial Business Park. With these improvements, the 44 lot owners were connected to City water, dissolving the water association that had previously been serving these businesses. The loan is being repaid through Special Assessment revenues received from the property owners in the Interstate Industrial Business Park. The City is primarily liable for the loan, which is secured by the pledge and assignment of revenues from the City's Water Fund which total customer net revenues were approximately \$8.7 million for the fiscal year ended June 30, 2023. This assignment will be in effect for the loan term of 15 years, or until this loan has been repaid in full. The interest rate of the loan is 2.5% per annum. Loan DWSRF #196 contains a provision that in an event of default, the outstanding amount becomes immediately due if the City is unable to make payments.

Annual debt service requirements to maturity on the Interstate Industrial Business Park DWSRF Loan #196 based on the outstanding loan balance at June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest	Total Obligation Under Capital Loan
2024	\$ 95,000	\$ 11,944	\$ 106,944
2025	96,954	9,990	106,944
2026	99,378	7,566	106,944
2027	101,862	5,082	106,944
2028	101,293	2,667	103,960
<b>Total Payments</b>	<b>\$ 494,487</b>	<b>\$ 37,249</b>	<b>\$ 531,736</b>

#### Gillette College Student Housing Certificates of Participation

On December 16, 2014, the City of Gillette entered into a Memorandum of Understanding with the Northern Wyoming Community College District/Gillette College for the construction of a dormitory to complement the existing student housing buildings for the College upon City owned property. On October 22, 2015, Certificates of Participation in the amount of \$11,650,000 were issued through the Gillette College Student Housing Phase II Statutory Trust with Zions First National Bank as Trustee. The entire offering was purchased by Compass Mortgage Corporation with an amortization period of ten years and at a rate of 2.48%. Through a Lease Purchase Agreement, the City of Gillette has agreed to lease said property from the Trust for an amount equal to required debt service payments subject to annual appropriation. Upon satisfaction of the debt service, the property will be jointly owned by the City and College proportionate to their respective share of the debt service which is 83% City and 17% College. In August 2021, the voters of Campbell County approved the creation of a new college district, Gillette Community College District, as a special election. The specific details of this new college district are still under discussion and are being worked out between the two college districts. The total cost of the construction project was \$12,650,000 with the City contributing \$1,000,000 up front.



## NOTES TO BASIC FINANCIAL STATEMENTS

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

Annual debt service requirements to maturity on the Certificates of Participation for the Gillette College are as follows:

Year Ending June 30,	Principal	Interest	Total Obligation Under Capital Loan	Accrued Interest Payable
2024	\$ 1,230,000	\$ 78,616	\$ 1,308,616	\$ 39,096
2025	1,260,000	47,740	1,307,740	-
2026	1,295,000	16,058	1,311,058	-
<b>Total Payments</b>	<b>\$ 3,785,000</b>	<b>\$ 142,414</b>	<b>\$ 3,927,414</b>	<b>\$ 39,096</b>

The City has entered into long-term capital loan agreements with the State of Wyoming, Wyoming State Loan and Investment Board and the State of Wyoming, Wyoming Water Development Commission (WWDC) and the Wyoming Business Council. These capital loans are for design and construction of the Wastewater Treatment Plant, the Gillette Regional Water Supply project, and to purchase and install new infrastructure to provide redundant, stable and increase power to the Southern Industrial addition south of Gillette. The City is a member of the Consolidated Wyoming Municipalities Electric Power System Joint Powers Board which issued bonds for the purpose of acquiring a 23% ownership interest in the Wygen III power generation facility from Black Hills Power, the refinancing of the original bond issue, and to acquire a simple-cycle gas turbine facility ("CTII Facility"). These capital loans and bonds are as follows:

	Balance June 30, 2022	Principal Additions	Principal Deletions	Balance June 30, 2023	Accrued Interest Payable June 30, 2023
<b>Sewer Fund</b>					
Wastewater Treatment Facility Improvements					
CWSRF Loan #50	\$ 5,535,067	\$ -	\$ (5,535,067)	\$ -	\$ -
CCL - 19003CL	4,403,775	7,867,890	-	12,271,665	-
<b>Total Sewer Fund</b>	<b>\$ 9,938,842</b>	<b>\$ 7,867,890</b>	<b>\$ (5,535,067)</b>	<b>\$ 12,271,665</b>	<b>\$ -</b>
<b>Water Fund</b>					
Gillette Madison Pipeline	\$ 4,328,358	\$ -	\$ -	\$ 4,328,358	\$ -
<b>Power Fund</b>					
Electric Facilities Improvement					
Lease Revenue Bonds (Wygen III)	\$ 57,945,000	\$ -	\$ (57,945,000)	\$ -	\$ -
Lease Revenue Bonds (Wygen III)	-	48,675,000	(1,680,000)	46,995,000	198,917
Lease Revenue Bonds (CTII)	17,505,000	-	(985,000)	16,520,000	68,833
Southern Industrial Addition	2,128,991	-	(132,259)	1,996,732	13,840
<b>Total Power Fund</b>	<b>\$ 77,578,991</b>	<b>\$ 48,675,000</b>	<b>\$ (60,742,259)</b>	<b>\$ 65,511,732</b>	<b>\$ 281,590</b>
<b>Total Proprietary Funds</b>	<b>\$ 91,846,191</b>	<b>\$ 56,542,890</b>	<b>\$ (66,277,326)</b>	<b>\$ 82,111,755</b>	<b>\$ 281,590</b>

## NOTES TO BASIC FINANCIAL STATEMENTS

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

#### Sewer Fund Loan

Loan CWSRF #50 was for the design and construction of Wastewater Treatment Facility Improvements. Loan CWSRF #50 was paid off during the year ended June 30, 2023.

Loan CCL-19003CL is for the design and construction of the Wastewater Treatment Facility Improvements Project. The loan amount is \$20,000,000 for a term of 20 years with an interest rate of 2.125% per annum. The repayment of the loan will begin within one year from the final draw of the loan funds which is expected to be in fiscal year 2024. Therefore, repayment of the \$20,000,000 loan is expected to commence with the first payment in fiscal year 2025. This loan is secured by a pledge and assignment of revenues from the City's Sewer Fund, in which total customer net revenues were approximately \$8 million for the fiscal year ended June 30, 2023. The City intends to repay this loan from wastewater user fees and/or Optional 1% Sales Tax Revenue. Loan CCL-19003CL contains a provision that in the event of default, the outstanding amount becomes immediately due.

#### Water Fund Loan

On September 3, 2009, the City entered into a long-term capital loan agreement with the State of Wyoming, Wyoming Water Development Commission, (WWDC), for the design, construction, and operation of the first phase of the \$217,600,000 Gillette Regional Water Supply project. The initial authorized loan amount for this phase was \$5,527,500, or 33% of the first phase project cost of \$16,750,000. The remaining 67% of the first phase development costs will be funded through grant funds also from the WWDC. On July 29, 2010, the City entered into amendment #1 authorizing loan amount of \$8,085,000 and grant funding of \$16,415,000. On August 18, 2011, amendment #2 to this loan agreement was executed, increasing the authorized loan amount to \$29,552,239 to include phases 2 and 3, and amending the loan term to 5 years. Approved grant funding was also increased to \$60,000,000 with this amendment. The interest rate for this loan is 4% per annum, with interest charges beginning to accrue at such time the WWDC determines project benefits accrue to the City, or approximately twelve months after substantial project completion. On August 20, 2012, amendment #3 to the loan agreement was executed increasing the authorized loan amount to \$44,328,358 and approved increasing grant funding to \$90,000,000. The loan terms and interest rate for this loan were not changed. On September 16, 2013, the City entered into amendment #4 which increased the total grant to \$120,000,000. The City didn't secure any loan. The City received its final grant appropriation from the 2014 Wyoming State Legislature in the amount of \$25,792,000 for a total grant appropriation for the project of \$145,792,000. However, the corresponding amendments for the final grant funds were entered into during fiscal year 2015. On April 7, 2015, the City entered into amendment #5 which increased the total grant to \$133,385,995. On June 4, 2015 the City entered into amendment #6 which increased the total grant to \$145,792,000. On May 29, 2017, the City entered into amendment #7 which extended the reversion date of unexpended project funds. This amendment was signed by WWDC on July 1, 2017. On April 21, 2020, the City entered into amendment #8 which extended the reversion date of unexpended project funds. On June 7, 2022, the City entered into amendment #9 which again extended the reversion date of unexpended project funds. The City didn't secure any loan with any of the final six amendments. On August 11, 2020 the City agreed they would make a voluntary loan payment to the State of Wyoming in the amount of \$40,000,000 before September 15, 2020, which was timely made by the City. The remaining principal balance of the loan in the amount of \$4,328,358 will be paid prior to the current reversion date of July 1, 2024, or later, if adjusted per amendment by both parties. The City anticipates entering into amendment #10 which will be considered at the spring 2024 legislative session. This amendment will extend the reversion date to July 1, 2026. The State of Wyoming will not assess interest on the principal for this loan if the final payment in the amount of \$4,328,358 is made by the City before July 1, 2024 or later, if the extension is granted. The City intends to repay this loan from Capital Facilities Tax funding, which the voters approved in May 2011.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

#### Electric Facilities Improvement Lease Revenue Bonds

The City previously purchased a 23% ownership interest in the WyGen III power generation facility from Black Hills Power. This is a 110-MW coal-fired power plant which is located near Gillette, Wyoming. The original financing for the purchase and associated costs were secured via a \$75,715,000 bond issuance through the Consolidated Wyoming Municipalities Electric Power System Joint Powers Board (JPB) of which the City of Gillette is a member. The JPB obligated the City to repay the bond debt over a 30 year period, along with operating costs as defined in various agreements, after which time the 23% ownership is transferred to the City. In December 2022, the City, in conjunction with the JPB, completed a bond refunding of the original 2010B Series Bond Issue which had a remaining par value of \$57,945,000. New 2022 Series Bonds were issued for \$48,675,000 with \$430,000 in issuance costs. The 2022 Series Bonds were issued at a premium of \$3,877,965. The City applied the debt service reserve having a value of \$5,822,446 that was held as required by the 2010B Bond issue to the remaining balance of the 2010B Series Bonds. The 2022 Series Bonds' interest rates vary from 3.08% to 4.28% and mature on June 1, 2040. As a result of the reissue, the City will no longer receive a subsidy from the US Treasury as with the 2010B Issue Bonds. The total savings to the City as a result of the bond refunding is \$6.41 million, with a present value of \$4.82 million on December 1, 2022. The City is still obligated to repay the bond debt, along with operating costs as defined in the operating agreement. The City intends to continue to pay the bond from Power Fund revenues derived from the electrical system.

Annual debt service requirements to maturity on the Electric Facilities Improvement Lease Revenue Bonds (Wygen III) are as follows:

Year Ending June 30,	Principal	Interest	Total Obligation Under Capital Loan
2024	\$ 1,850,000	\$ 2,387,000	\$ 4,237,000
2025	1,935,000	2,294,500	4,229,500
2026	2,030,000	2,197,750	4,227,750
2027	2,130,000	2,096,250	4,226,250
2028	2,230,000	1,989,750	4,219,750
2029-2033	12,735,000	8,170,750	20,905,750
2034-2038	16,110,000	4,667,313	20,777,313
2039-2040	7,975,000	641,025	8,616,025
<b>Total Payments</b>	<b>\$ 46,995,000</b>	<b>\$ 24,444,338</b>	<b>\$ 71,439,338</b>

The difference between principal amount due and the amount recorded as noncurrent liabilities in the statement of net position represents the following:

Premium on issuance of bonds	\$ 3,877,965
Less accumulated amortization	(178,522)
<b>Amortizable Amount</b>	<b>\$ 3,699,443</b>

This difference (of which \$345,000 represents the amount due within one year), will be amortized as an adjustment of interest expense over the life of the debt (17 years) using the interest method using an effective interest rate of approximately 4.3%.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

#### CTII Facility Lease Revenue Bonds

On August 26, 2014, closing documents were finalized for the purpose of financing the acquisition of a 40MW simple-cycle gas turbine peaking facility (“CTII Facility”), located on real property in the Neil Simpson Complex outside of Gillette, Wyoming. Financing for the purchase and associated costs were secured via two bond issuances, (Tax-Exempt Electric Facilities Improvement Lease Revenue Bonds, Series 2014A, and Taxable Electric Facilities Improvement Lease Revenue Bonds, Series 2014B), in the amount of \$24,470,000 through the Consolidated Wyoming Municipalities Electric Power System Joint Powers Board (JPB) of which the City of Gillette is a member. The JPB obligates the City to repay the bond debt over a 20 year period, along with operating costs as defined in various agreements, after which time the Facility is transferred to the City. The bonds’ interest rates vary from .5% to 5% with an effective interest rate of approximately 3.9% and mature June 1, 2034. The City intends to pay the bonds from Power Fund revenues derived from the Gillette Electrical System.

Annual debt service requirements to maturity on the Electric Facilities Improvement Lease Revenue Bonds (“CTII Facility”) are as follows:

Year Ending June 30,	Principal	Interest	Total Obligation Under Capital Loan
2024	\$ 1,030,000	\$ 826,000	\$ 1,856,000
2025	1,085,000	774,500	1,859,500
2026	1,140,000	720,250	1,860,250
2027	1,195,000	663,250	1,858,250
2028	1,255,000	603,500	1,858,500
2029-2033	7,275,000	2,011,750	9,286,750
2034	3,540,000	177,000	3,717,000
<b>Total Payments</b>	<b>\$ 16,520,000</b>	<b>\$ 5,776,250</b>	<b>\$ 22,296,250</b>

The difference between principal amount due and the amount recorded as noncurrent liabilities in the statement of net position represents the following:

Premium on issuance of bonds	\$ 2,859,460
Less accumulated amortization	(1,606,332)
<b>Amortizable Amount</b>	<b>\$ 1,253,128</b>

This difference (of which \$180,000 represents the amount due within one year), will be amortized as an adjustment of interest expense over the life of the debt (20 years) using the interest method using an effective interest rate of approximately 3.9%.

#### Southern Industrial Addition Loan

On October 28, 2014, the City passed Resolution No. 2497 which authorized submission of an application to participate in the Business Ready Community Grant and Loan Program administered by the Wyoming Business Council. The purpose of the application was to secure funding in order to provide redundant, stable and increased electrical power to the recently annexed Southern Industrial Addition through the purchase and installation of new infrastructure. The City was awarded \$1,645,046 in grant funding and \$2,645,046 in the form of a loan. The loan agreement was finalized in February, 2016, with a term of 20 years at an interest rate of 1% per annum, and a loan fee of one-half percent. The City is primarily liable for the loan, which is secured by the pledge and assignment of power fund revenues and the funds are available on a parity with the City's lease payments on outstanding obligations for the financing of the Wygen III power plant lease purchase, and the CTII combustion turbine lease purchase, which are year-to-year and subject to annual appropriations. Total customer net revenues in the Power Fund were approximately \$35 million for the fiscal year ended June 30, 2023. The City intends to repay this loan from power user fees. This loan contains a provision that in an event of default the outstanding amount becomes immediately due.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

Annual debt service requirements to maturity on the Southern Industrial Addition BRC loan are as follows:

Year Ending June 30,	Principal	Interest	Total Obligation Under Capital Loan
2024	\$ 134,000	\$ 19,550	\$ 153,550
2025	134,918	18,632	153,550
2026	136,268	17,282	153,550
2027	137,630	15,920	153,550
2028	139,006	14,544	153,550
2029-2033	716,164	51,586	767,750
2034-2037	598,746	15,446	614,192
<b>Total Payments</b>	<b>\$ 1,996,732</b>	<b>\$ 152,960</b>	<b>\$ 2,149,692</b>

#### Conduit Debt

The City has participated in several issues of industrial revenue bonds, issued for the purpose of constructing privately operating manufacturing and other related facilities within the City. These bonds were not and are not direct or contingent liabilities of the City. Revenues from lease agreements and property purchased with the bond proceeds are pledged for the total payment of principal and interest on the bonds. The bondholders can look only to these sources for repayment. As of June 30, 2010 the City had not participated in a conduit debt obligation. Prior to June 30, 2010 the City is not able to determine the original issue amounts or the aggregate principal amounts still payable under these prior issues.

#### Legal Debt Margin

The Wyoming Constitution provides that the City shall not create any general obligation indebtedness exceeding 4% of the assessed value of the property therein, except that an additional indebtedness of 4% of the assessed value of the taxable property therein may be created for sewage disposal systems. Indebtedness created for supplying water to the City is exempt from this provision. At June 30, 2023, the City's assessed valuation was \$333,964,903 and the City had no general obligation debt.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

#### J. Classifications of Equity

A summary of classifications of equity at June 30, 2023, not disclosed elsewhere, and not apparent from the description in the fund statements, is presented as follows:

	General Fund
<b>Nonspendable:</b>	
Prepaid Expenses	\$ 2,800
Inventory	247,791
<hr/>	
Total Nonspendable Fund Balance	\$ 250,591
<hr/>	
<b>Restricted For:</b>	
Criminal Forfeiture	\$ 6
Opioid Settlement	140,021
Student Housing Phase II	574
Gillette Historical Preservation Commission	1,043
<hr/>	
Total Restricted Fund Balance	\$ 141,644
<hr/>	
<b>Committed For:</b>	
Cash Reserves	\$ 13,693,706
Lodging Tax Revenue	396,518
Capital Projects Through Signed Contracts	8,260,800
Memorial Program	21,766
<hr/>	
Total Committed Fund Balance	\$ 22,372,790
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<b>Assigned For:</b>	
Budgeted Carryover of Capital Projects	\$ 33,143,775
Animal Control	115,199
State Forfeiture	48,423
Demolition Fund	50,000
Cash In Lieu Parkland	30,100
Cash In Lieu Drainage	257,185
Mayor's Art Council	18,500
Keep America Beautiful	5,200
Congressional Tour	27,905
Additional Overpass	5,000,000
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Total Assigned Fund Balance	\$ 38,696,287
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Unassigned:	\$ 29,798,353
<hr/>	
Total Fund Balance	\$ 91,259,665
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#### K. Restricted Net Position

- a) Net position restricted in the Governmental Activities total \$474,924 which is restricted for debt service payments on the Certificates of Participation for Phase II of the Gillette College Student Housing project and the Interstate Industrial Water Improvement Project.
- b) Net position restricted in the Power Enterprise Fund total \$1,860,700 which is restricted for future debt service on the lease revenue bonds.

## NOTES TO BASIC FINANCIAL STATEMENTS

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

- c) Net position restricted in the Water Enterprise Fund total \$46,994,385 of which \$3,500,000 is for meeting repair and replacement requirements of the Gillette Regional Water Supply Project, as required by the State of Wyoming, Wyoming Water Development Commission, and \$43,494,385 represents restricted capital facilities tax collected and any applicable taxes receivable less applicable expenses incurred for the Gillette Regional Water Supply Project.

On May 3, 2011, the voters of Campbell County, Wyoming approved a 1% capital facilities tax for the purpose of funding capital facilities and improvement projects in Campbell County, Wyoming. A portion of the tax, in the approximate amount of \$95,000,000, was presented by the City of Gillette, Wyoming for funding the improvement of land and for the planning, engineering, construction, equipping and furnishing of improvements for the Gillette Regional Water Supply Project owned by the City of Gillette, of which \$75,000,000 will be applied to Gillette Regional Water Supply Project and \$20,000,000 will be for infrastructure required to extend and connect special districts, subdivisions and other regional users located outside the Gillette city limits to the Gillette Regional Water Supply as set out in the Gillette Regional Water Supply System Joint Powers Agreement dated December 21, 2010, and, to the extent necessary and allowed by law, the pledge or use to the payment of debt service and/or lease payments in connection therewith, with any excess funds and interest remaining after the payment of any refunds to be used for operation, maintenance and connection to the Gillette Regional Water Supply Project. This 1% capital facilities tax became effective on October 1, 2011 and ended March 31, 2015. This tax is collected by the State of Wyoming and sent to the Campbell County Treasurer who remits the taxes to the City of Gillette, Wyoming.

#### L. Tax Revenues

A summary of tax revenues for the year ended June 30, 2023 is presented below:

	General Fund
Severance Tax	\$ 1,183,500
Property Taxes	2,635,102
Automobile Taxes	1,104,626
Sales and Use Taxes	30,804,778
1% Optional Sales Tax	25,252,088
Gasoline Tax	1,217,282
Franchise Tax (gross receipt based)	664,545
Cigarette Tax	148,435
Lodging Tax	94,493
	<b>\$ 63,104,849</b>

### Note 4. Other Information

#### A. Risk Management

The City maintains two insurance internal service funds, one to account for the City's liability and personal injury insurance and one to account for the City's self-insured health insurance plan.

The City uses its liability and personal injury insurance internal service fund to account for the purchase of its liability and personal injury insurance. The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City has entered into a joint powers agreement with other governmental entities around the State of Wyoming for participation in the Wyoming Association of Risk Management Public Entity Property Insurance Program (WARM), for the purchase of its liability and personal injury insurance. The Joint Powers Board constitutes a separate corporate, political and legal entity from the cities and counties it represents.

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

The annual pooling contribution is payment for coverage provided by WARM to each member of the Association. All funds held by WARM are funds received from its members. The funds and accounts are maintained by WARM in accordance with Generally Accepted Accounting Principles, the Uniform Municipal Fiscal Procedures Act (W.S. §16-4-101) and Governmental Accounting Standards Board Statement #10 requirements. Books and records of the Association shall be open to inspection during regular business hours at the Wyoming Association of Risk Management offices, 513 East 17th Street, Cheyenne, WY 82003 or by calling (307) 433-9400.

Significant pooled risk insurance coverages provided to the participating members are as follows:

Type of Claim	Amount of Pooled Coverage
Per Occurrence: All Perils, Coverages and Insureds/Members combined, subject to per occurrence and aggregate sublimits.	\$ 500,000,000
Per Occurrence and Annual Aggregate: Flood Losses Outside SHFA	\$ 25,000,000
Per Occurrence and Annual Aggregate: Flood Zone Inside SHFA	\$ 25,000,000
Per Occurrence and Annual Aggregate: Earthquake Losses	\$ 25,000,000
Equipment Breakdown	\$ 100,000,000
Newly Acquired Locations	\$ 100,000,000
Course of Construction Unscheduled	\$ 10,000,000
Debris Removal	\$ 25,000,000
Errors and Omissions	\$ 50,000,000
Expediting Expenses	\$ 50,000,000
Extra Expense	\$ 10,000,000
Miscellaneous Unnamed Locations	\$ 10,000,000
Ordinance and Law	\$ 50,000,000
Service Interruptions	\$ 25,000,000
Transit	\$ 25,000,000
Valuable Papers and Records	\$ 10,000,000

The deductible on the coverages listed above are:

All risk deductible, per occurrence, which to apply in the event a more specific deductible is not applicable to a loss	\$ 250,000
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Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The health insurance internal service fund was established when the City elected to provide employee medical, dental and life insurance benefits through a self-insured program. The City maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. This plan provides a medical plan with a \$375 deductible for single and \$750 deductible for family; or a high deductible health plan with a \$1,600 deductible for single and \$3,200 deductible for family; a dental plan with a \$45 deductible for single and \$90 deductible for family; and accidental life insurance in the amount of the employee's base salary up to a maximum of \$75,000 in life insurance coverage for each employee. A third party administrator reviews all claims which the City then pays. The City purchases stop-loss coverage of \$175,000 per employee. This premium is paid by the fund that pays the salary for the employee and is based on historic cost information.



## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

The liability for estimated claims of \$505,000, is estimated by the third party administrator and an independent actuarial service. The liability is based on medical, prescription and dental claims filed subsequent to year end and historical experience. These amounts are reported in the internal service health insurance fund at June 30, 2023, based on the requirements of Governmental Accounting Standards Board Statement No. 10. This requires that a liability for claims, including incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
June 30, 2022 to June 30, 2023	\$ 465,000	\$ 4,889,487	\$ 4,849,487	\$ 505,000
June 30, 2021 to June 30, 2022	\$ 579,488	\$ 4,701,567	\$ 4,816,055	\$ 465,000

#### B. Contingencies

The City received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at June 30, 2023.

The City receives revenue from an additional 1% sales tax levy which is subject to renewal every four years by the voters at a general election. This levy was approved by the voters in 2022. The 1% optional sales tax generated approximately \$25,250,000 which is approximately 33% percent of general fund revenues during the year ended June 30, 2023.

#### C. Pension Obligations

##### *Plan Description*

The City contributes to the Wyoming Retirement System (WRS) Public Employees' Pension Plan and the Law Enforcement Pension Plan, ("Plans") which are cost sharing multiple employer defined benefit pension plans. The Plans were established in accordance with State Statutes, and are reported by the State of Wyoming as Pension Trust Funds. The authority to establish and amend benefits and contribution rates rests with the Legislature of the State of Wyoming. Wyoming Retirement System is granted the authority to administer the Plans by Wyoming State Statutes. WRS issues a publicly available financial report that can be obtained at <http://retirement.state.wy.us/home/index.html>. All regular full-time employees of the City are required to participate in the system immediately upon employment.

Employee membership data related to the Plan, as of June 30, 2023 was as follows:

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

##### *Benefits provided*

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

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

#### Public Employees' Pension Plan

*Service Retirement Tier 1:* Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. Formula for retirement equals 2.125% times the number of years of service times the three-years highest average salary for the first fifteen years and 2.25% times the number of years of service times the three-years highest average over fifteen years.

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

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

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

#### Law Enforcement Pension Plan

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

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

*Law Enforcement Survivor's Benefits:* Surviving spouse receives benefits dependent on if the member was on-duty at time of death. Additional benefits are available for additional qualified dependents.

For the year ended June 30, 2023, the City's total payroll for all employees included in both Plans was approximately \$21,210,000. Total covered payroll was approximately \$20,195,000. Covered payroll refers to all compensation paid by the City to active employees covered by the Plan.

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

#### Contributions

The contribution requirements of the Public Employees' Pension Plan members are established by State Statutes (W.S. 9-3-412 and 413). For the year ended June 30, 2023, member contributions were required to be 9.25% of compensation and employer contributions were required to be 9.37% of compensation from July 1, 2022 through June 30, 2023. The City elected to pay the members' contribution in addition to the employer's contribution for the entire fiscal year. The contributions are remitted by the City to the Wyoming Retirement System on a monthly basis. Total contributions to the pension plan from the City for the year ended June 30, 2023 were approximately \$2,740,000.

The contribution requirements of the Law Enforcement Pension Plan members are established by State Statutes (W.S.9-3-401 through 9-3-432). For the year ended June 30, 2023, member and employer contributions were each required to be 8.6% of compensation for a total of 17.2% of compensation. The City elected to pay the members' contribution in addition to the employer's contribution for the entire fiscal year. The contributions are remitted by the City to the Wyoming Retirement System on a monthly basis. Total contributions to the pension plan from the City for the year ended June 30, 2023 were approximately \$942,000.

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

At June 30, 2023 the City reported a liability of \$30,081,414 for their proportionate share of the total pension liability. The total pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the total pension liability was determined by an actuarial valuation as of January 1, 2023. The City's proportion of the total pension liability was based on the relationship of the City's total contributions to its respective plans for the year ended December 31, 2022 to the contributions of all participating employers for the same period. At December 31, 2022, the City's proportions were as follows:

	Liability At December 31, 2022	Increase From Proportion At December 31, 2021
Public Employees' Pension Plan	0.7370%	0.0133%
Law Enforcement Pension Plan	2.9177%	0.2951%

For the year ended June 30, 2023, the City recognized pension expense of approximately \$3,453,000 under the Public Employee Pension Plan and the Law Enforcement Pension Plan.

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the Public Employee Pension Plan from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 102,519	\$ 127,683
Net difference between projected and actual earnings on Plan investments	1,779,312	-
Change in proportion and differences between employer contributions and proportionate share of contributions	636,384	697,947
Changes in assumptions	530,790	-
Contributions subsequent to the measurement date	666,193	-
Total	\$ 3,715,198	\$ 825,630

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

An amount of \$666,193 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ (602,239)
2025	\$ 321,790
2026	\$ 629,442
2027	\$ 1,874,382

At June 30, 2023 the City reported deferred outflows of resources and deferred inflows of resources related to the Law Enforcement Pension Plan from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 214,049	\$ 313,440
Net difference between projected and actual earnings on Plan investments	893,893	-
Change in proportion and differences between employer contributions and proportionate share of contributions	1,569,627	999,194
Changes in assumptions	3,699,946	1,512,680
Contributions subsequent to the measurement date	228,486	-
<b>Total</b>	<b>\$ 6,606,001</b>	<b>\$ 2,825,314</b>

An amount of \$228,486 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the total pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending June 30,	
2024	\$ 1,005,856
2025	\$ 1,577,623
2026	\$ 267,786
2027	\$ 700,936

#### Actuarial Assumptions

The Public Employees' Pension Plan liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	2.50% - 6.50%, including inflation
Payroll growth rate	2.50%
Investment rate of return	6.80%, net of Pension Plan investment expense

Mortality rates were based on the Pub 2010 General Healthy Annuitant Mortality Table, for males or females as appropriate, with adjustments for mortality improvements based on the MP-2020 Ultimate Scale.

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

The Law Enforcement Pension Plan liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	5.25% - 9.25%, including inflation
Payroll growth rate	2.50%
Investment rate of return	6.80%, net of Pension Plan investment expense

Mortality rates were based on the Pub 2010 Safety Healthy Annuitant Mortality Table, for males or females as appropriate, with adjustments for mortality improvements based on MP-2020 Ultimate Scale .

#### *Long-term expected rate of return*

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Equity	51.50%	7.09%	9.00%
Fixed Income	20.00%	3.59%	4.05%
Marketable Alternatives	16.00%	5.14%	6.02%
Private Markets	10.50%	6.05%	7.67%
Gold	1.50%	2.34%	0.72%
Cash	0.50%	0.30%	0.32%
<b>Total</b>	<b>100.00%</b>		

#### *Experience Analysis*

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

#### *Discount Rate*

The discount rate used to measure the total pension liability for the public employee plan remained at 6.80% for the years ended December 31, 2022 and 2021. The discount rate used to measure the total pension liability for the law enforcement plan as of December 31, 2022 was 5.53%, which changed from the December 31, 2021 percentage of 5.17%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the Plan's fiduciary net positions were projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

#### *Sensitivity of the City's Proportionate Share of the Total Pension Liability to Changes in the Discount Rate*

The following presents the City Public Employee Plan's proportionate share of the total pension liability calculated using the discount rate of 6.80%, as well as what their respective proportionate share of the total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	Discount Rate	City's Proportionate Share of Total Pension Liability
1% decrease	5.80%	\$ 29,742,636
Current discount rate	6.80%	\$ 20,142,090
1% increase	7.80%	\$ 12,185,842

The following presents the City Law Enforcement Plan's proportionate share of the total pension liability calculated using the discount rate of 5.53%, as well as what their respective proportionate share of the total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.53%) or 1-percentage-point higher (6.53%) than the current rate:

	Discount Rate	City's Proportionate Share of Total Pension Liability
1% decrease	4.53%	\$ 14,959,250
Current discount rate	5.53%	\$ 9,939,324
1% increase	6.53%	\$ 5,904,348

#### *Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net positions are available in a separately issued Wyoming Retirement System Financial Report available from the Wyoming Retirement System, 6101 Yellowstone Rd., Cheyenne, Wyoming 82002 or at <http://retirement.state.wy.us/home/index.html>.

#### D. Post-Employment Health Care Plan and Trust

Plan Description - In a prior year the City funded and established the City of Gillette Retiree Health Benefit Plan and Trust Fund. The fund administers the City's retiree health benefit plan and trust for certain retired employees and their spouses. The plan is a single employer, one-time only contribution plan to provide health insurance premiums and certain out-of-pocket medical expense benefits. After the original funding of the trust of approximately \$8,627,000, there will be no further funding or payment for any retiree health benefit. Additionally, the trust will not be permitted to accept any contribution or payments from employees or third party donors.

Health insurance premiums are paid for Eligible Employees and Qualifying Eligible Spouses, usually on a monthly basis, from the individual account established in the name of each employee participant reflecting the portion of the allocation and the income, expenses, gains and losses. Employees eligible for benefits were those classified as eligible employees, employed by the City on June 30, 2003, and who retired from service with the City following twenty (20) years of service or following disability. The health insurance premium is made for coverage in a health plan offered by the City to its active employees and Retiree Participants. Benefits under the plan for the retiree participant will cease on the day at which the earliest event occurs:

## NOTES TO BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

- a) The trust fund is depleted and is no longer able to provide the intended benefits;
- b) The Retiree Participant and/or Eligible Spouse elects to terminate receipt of benefits;
- c) The Eligible Spouse no longer meets the requirements to be an Eligible Spouse for any reason;
- d) Either the United States or the State of Wyoming adopts a type of universal health care coverage that does not require premium payments or out-of-pocket medical payments by a Retiree Participant in order to receive the benefits or any supplemental benefits provided by the universal health care coverage;
- e) The Retiree Participant dies.

Number of Participants	June 30, 2023
Retirees with over 30 years of service	35
Retirees with over 20 years of service	46
Terminated employees with less than 20 year of service with an account balance	46
Employees accruing benefits	20
<b>Total Participants</b>	<b>147</b>

Complete plan information may be obtained from the City's Human Resource offices.

#### E. Impact of Recently Issued and Adopted Accounting Principles

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

In May, 2020, GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement 1) defines a SBITA; 2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; 3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and, 4) requires note disclosures regarding a SBITA. This standard is now effective for reporting periods beginning after June 15, 2022. The City adopted this statement during the year ended June 30, 2023.

**CITY OF GILLETTE, WYOMING  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY OF GILLETTE, WYOMING'S  
PROPORTIONATE SHARE OF TOTAL PENSION LIABILITY  
PUBLIC EMPLOYEES' PENSION PLAN**

	City's Percentage Of Total Pension Liability	City's Proportionate Share Of Total Pension Liability	City's Covered Payroll	City's Proportionate Share of Total Pension Liability as A Percentage Of Covered Payroll	Plan's Fiduciary Net Position As A Percentage Of Total Pension Liability
2013	.799456094%	\$ 12,154,934	\$ 13,792,000	88.13%	N/A
2014	.821322679%	\$ 14,493,818	\$ 14,137,000	102.52%	79.08%
2015	.840236068%	\$ 19,572,021	\$ 15,007,000	130.42%	73.40%
2016	.794279700%	\$ 19,201,714	\$ 14,207,000	135.16%	73.42%
2017	.733211000%	\$ 16,712,375	\$ 12,884,000	129.71%	76.35%
2018	.734389400%	\$ 22,364,293	\$ 12,793,000	174.82%	69.17%
2019	.743157100%	\$ 17,463,644	\$ 13,176,000	132.54%	76.83%
2020	.749823400%	\$ 16,296,360	\$ 13,650,000	119.39%	79.24%
2021	.723717900%	\$ 11,034,682	\$ 13,176,000	83.75%	86.03%
2022	.737045700%	\$ 20,142,090	\$ 13,847,000	145.46%	75.47%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. Years presented are as of the measurement date of December 31.

**SCHEDULE OF CITY OF GILLETTE, WYOMING'S  
PROPORTIONATE SHARE OF TOTAL PENSION LIABILITY  
LAW ENFORCEMENT PENSION PLAN**

	City's Percentage Of Total Pension Liability	City's Proportionate Share Of Total Pension Liability	City's Covered Payroll	City's Proportionate Share of Total Pension Liability as A Percentage Of Covered Payroll	Plan's Fiduciary Net Position As A Percentage Of Total Pension Liability
2013	2.754090194%	\$ 502,878	\$ 4,174,000	12.05%	N/A
2014	2.702533828%	\$ 796,266	\$ 4,165,000	19.12%	94.76%
2015	2.704646555%	\$ 2,031,729	\$ 4,250,000	47.81%	87.49%
2016	2.661054300%	\$ 2,008,881	\$ 4,164,000	48.24%	88.11%
2017	2.598721000%	\$ 2,236,055	\$ 4,020,000	55.62%	87.99%
2018	2.821960500%	\$ 6,831,184	\$ 4,422,000	154.48%	71.22%
2019	2.669756800%	\$ 2,301,295	\$ 4,332,000	53.12%	89.05%
2020	2.721355900%	\$ 1,853,847	\$ 4,578,000	40.49%	91.82%
2021	2.622616000%	\$ 7,462,354	\$ 4,311,000	173.10%	75.62%
2022	2.917712900%	\$ 9,939,324	\$ 4,936,000	201.36%	70.30%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. Years presented are as of the measurement date of December 31.

See Notes to Required Supplementary Information.



**CITY OF GILLETTE, WYOMING  
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CITY OF GILLETTE, WYOMING'S CONTRIBUTIONS  
PUBLIC EMPLOYEES' PENSION PLAN**

Fiscal Year Ended June 30,	Statutorily Required Contributions	City's Contributions Related to Statutory Contributions	Difference Between Statutorily Required And Actual Contributions	City's Covered Payroll	Statutorily Required City's Contributions As a Percentage of City's Covered Payroll
2014	\$ 990,000	\$ 990,000	\$ -	\$ 13,909,000	7.12%
2015	\$ 1,111,000	\$ 1,111,000	\$ -	\$ 14,576,000	7.62%
2016	\$ 1,239,000	\$ 1,239,000	\$ -	\$ 14,798,000	8.37%
2017	\$ 1,125,000	\$ 1,125,000	\$ -	\$ 13,435,000	8.37%
2018	\$ 1,066,000	\$ 1,066,000	\$ -	\$ 12,741,000	8.37%
2019	\$ 1,094,000	\$ 1,094,000	\$ -	\$ 12,764,000	8.56%
2020	\$ 1,222,000	\$ 1,222,000	\$ -	\$ 13,778,000	8.87%
2021	\$ 1,159,000	\$ 1,159,000	\$ -	\$ 12,704,000	9.12%
2022	\$ 1,250,000	\$ 1,250,000	\$ -	\$ 13,342,000	9.37%
2023	\$ 1,379,000	\$ 1,379,000	\$ -	\$ 14,717,000	9.37%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. Years presented are as of the contribution date of June 30.

**SCHEDULE OF CITY OF GILLETTE, WYOMING'S CONTRIBUTIONS  
LAW ENFORCEMENT PENSION PLAN**

Fiscal Year Ended June 30,	Statutorily Required Contributions	City's Contributions Related to Statutory Contributions	Difference Between Statutorily Required And Actual Contributions	City's Covered Payroll	Statutorily Required City's Contributions As a Percentage of City's Covered Payroll
2014	\$ 359,000	\$ 359,000	\$ -	\$ 4,169,000	8.60%
2015	\$ 362,000	\$ 362,000	\$ -	\$ 4,208,000	8.60%
2016	\$ 367,000	\$ 367,000	\$ -	\$ 4,263,000	8.60%
2017	\$ 345,000	\$ 345,000	\$ -	\$ 4,010,000	8.60%
2018	\$ 367,000	\$ 367,000	\$ -	\$ 4,272,000	8.60%
2019	\$ 370,000	\$ 370,000	\$ -	\$ 4,298,000	8.60%
2020	\$ 394,000	\$ 394,000	\$ -	\$ 4,576,000	8.60%
2021	\$ 363,000	\$ 363,000	\$ -	\$ 4,225,000	8.60%
2022	\$ 381,000	\$ 381,000	\$ -	\$ 4,435,000	8.60%
2023	\$ 471,000	\$ 471,000	\$ -	\$ 5,478,000	8.60%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. Years presented are as of the contribution date of June 30.

See Notes to Required Supplementary Information.

**CITY OF GILLETTE, WYOMING**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

*Changes in benefit terms*

There were no changes in benefit terms between the initial December 31, 2015 measurement date and the December 31, 2022 measurement date.

*Changes in assumptions*

Health care trend rates were updated along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates based on the WRS December 31, 2016 actuarial experience study. There have been various assumption changes in discount rates, investment rate of return rates, inflation rates, and payroll growth rates from the initial December 31, 2015 measurement date through December 31, 2022 measurement date. See the tables below:

**Public Employee Pension Plan**

**Measurement Date**

(Plan Year End)	2015	2016	2017	2018	2019	2020	2021	2022
Discount Rate	7.75%	7.75%	7.75%	7.00%	7.00%	7.00%	6.80%	6.80%
Investment Rate of Return	7.75%	7.75%	7.75%	7.00%	7.00%	7.00%	6.80%	6.80%
Inflation Increase Rate	3.25%	3.25%	3.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Salary Increase Rates	4.25%-6.00%	4.25%-6.00%	4.25%-6.00%	4.75%-8.75%	2.50%-6.50%	2.50%-6.50%	2.50%-6.50%	2.50%-6.50%
Payroll Growth Rate	4.25%	4.25%	4.25%	2.50%	2.50%	2.50%	2.50%	2.50%
Cost of Living	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Law Enforcement Pension Plan**

**Measurement Date**

(Plan Year End)	2015	2016	2017	2018	2019	2020	2021	2022
Discount Rate	7.75%	7.75%	7.00%	5.92%	7.00%	7.00%	5.17%	5.53%
Investment Rate of Return	7.75%	7.75%	7.75%	7.00%	7.00%	7.00%	6.80%	6.80%
Inflation Increase Rate	3.25%	3.25%	3.25%	2.25%	2.25%	2.25%	2.25%	2.25%
Salary Increase Rates	4.25%-6.00%	4.75%-8.00%	4.25%-8.00%	4.75%-8.75%	4.75%-8.75%	4.75%-8.75%	3.00%-7.00%	5.25%-9.25%
Payroll Growth Rate	4.25%	4.25%	4.25%	2.50%	2.50%	2.50%	2.50%	2.50%
Cost of Living	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NONMAJOR ENTERPRISE FUNDS**

**CITY OF GILLETTE, WYOMING**

**COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS**

June 30, 2023

	Solid Waste	Fiber	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	\$ 1,294,945	\$ 100,553	\$ 1,395,498
Investments	1,611,985	-	1,611,985
Accounts Receivable, Net of Allowance For Uncollectibles	148,918	-	148,918
Unbilled Accounts Receivable	117,161	-	117,161
Accrued Interest Receivable	2,825	4,119	6,944
Other Receivables	-	5,400	5,400
Leases Receivable	-	132,070	132,070
<b>Total Current Assets</b>	<b>\$ 3,175,834</b>	<b>\$ 242,142</b>	<b>\$ 3,417,976</b>
<b>NONCURRENT ASSETS</b>			
Leases Receivable	\$ -	\$ 513,604	\$ 513,604
Capital Assets:			
Infrastructure	-	6,920,903	6,920,903
Machinery and Equipment	62,540	381,182	443,722
Construction in Progress	-	158,973	158,973
Less Accumulated Depreciation	(10,809)	(1,095,219)	(1,106,028)
SBITA Assets, Net of Accumulated Amortization	-	30,617	30,617
<b>Total Capital Assets (Net of Accumulated Depreciation/Amortization)</b>	<b>\$ 51,731</b>	<b>\$ 6,396,456</b>	<b>\$ 6,448,187</b>
<b>Total Noncurrent Assets</b>	<b>\$ 51,731</b>	<b>\$ 6,910,060</b>	<b>\$ 6,961,791</b>
<b>Total Assets</b>	<b>\$ 3,227,565</b>	<b>\$ 7,152,202</b>	<b>\$ 10,379,767</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Relating to Pensions	\$ 148,608	\$ -	\$ 148,608
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Vouchers Payable	\$ 103,238	\$ 31,358	\$ 134,596
Accrued Interest Payable	-	291	291
Other Accrued Liabilities	61,565	-	61,565
Current Portion of SBITA Liabilities	-	14,534	14,534
<b>Total Current Liabilities</b>	<b>\$ 164,803</b>	<b>\$ 46,183</b>	<b>\$ 210,986</b>
<b>NONCURRENT LIABILITIES</b>			
Total Pension Liability	805,684	-	805,684
<b>Total Liabilities</b>	<b>\$ 970,487</b>	<b>\$ 46,183</b>	<b>\$ 1,016,670</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Relating to Leases	\$ -	\$ 642,320	\$ 642,320
Relating to Pensions	33,025	-	33,025
<b>Total Deferred Inflows of Resources</b>	<b>\$ 33,025</b>	<b>\$ 642,320</b>	<b>\$ 675,345</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 51,731	\$ 6,350,564	\$ 6,402,295
Unrestricted	2,320,930	113,135	2,434,065
<b>Total Net Position</b>	<b>\$ 2,372,661</b>	<b>\$ 6,463,699</b>	<b>\$ 8,836,360</b>

**CITY OF GILLETTE, WYOMING**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS**

Year Ended June 30, 2023

	Solid Waste	Fiber	Total
<b>OPERATING REVENUES</b>	<b>\$ 3,298,730</b>	<b>\$ 181,833</b>	<b>\$ 3,480,563</b>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	\$ 816,510	\$ -	\$ 816,510
Contractual Services	2,033,158	697,268	2,730,426
Repairs and Maintenance	1,790	12,328	14,118
Supplies	318,335	7,624	325,959
Depreciation and Amortization	6,254	267,807	274,061
<b>Total Operating Expenses</b>	<b>\$ 3,176,047</b>	<b>\$ 985,027</b>	<b>\$ 4,161,074</b>
<b>Operating Income (Loss)</b>	<b>\$ 122,683</b>	<b>\$ (803,194)</b>	<b>\$ (680,511)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Expense	\$ -	\$ (291)	\$ (291)
Interest Income on Leases Receivable	-	10,064	10,064
Investment Income	29,847	-	29,847
<b>Total Nonoperating Revenues</b>	<b>\$ 29,847</b>	<b>\$ 9,773</b>	<b>\$ 39,620</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>\$ 152,530</b>	<b>\$ (793,421)</b>	<b>\$ (640,891)</b>
Capital Contributions	-	17,296	17,296
Transfers In	-	1,036,790	1,036,790
<b>Changes in Net Position</b>	<b>\$ 152,530</b>	<b>\$ 260,665</b>	<b>\$ 413,195</b>
<b>NET POSITION, BEGINNING JULY 1</b>	<b>2,220,131</b>	<b>6,203,034</b>	<b>8,423,165</b>
<b>NET POSITION, ENDING JUNE 30</b>	<b>\$ 2,372,661</b>	<b>\$ 6,463,699</b>	<b>\$ 8,836,360</b>

**CITY OF GILLETTE, WYOMING**

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS**

Year Ended June 30, 2023

	Solid Waste	Fiber	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 3,319,000	\$ 183,023	\$ 3,502,023
Payments to Employees	(831,767)	-	(831,767)
Payments for Goods and Services	(2,351,446)	(717,220)	(3,068,666)
Net Cash Provided by (Used In) Operating Activities	\$ 135,787	\$ (534,197)	\$ (398,410)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers In	-	1,036,790	1,036,790
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
(Payments) for Capital Acquisitions	\$ (30,389)	\$ (428,248)	\$ (458,637)
(Payments) on SBITA Liability	-	(15,000)	(15,000)
Net Cash (Used In) Capital and Related Financing Activities	\$ (30,389)	\$ (443,248)	\$ (473,637)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net (Increase) in Investments	\$ (24,770)	\$ -	\$ (24,770)
Investment Income	25,620	-	25,620
Interest Income from Lease Receivables	-	10,797	10,797
Net Cash Provided By Investing Activities	\$ 850	\$ 10,797	\$ 11,647
Net Increase in Cash	\$ 106,248	\$ 70,142	\$ 176,390
Cash, Beginning July 1	1,188,697	30,411	1,219,108
Cash, Ending June 30	\$ 1,294,945	\$ 100,553	\$ 1,395,498
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</b>			
Operating Income (Loss)	\$ 122,683	\$ (803,194)	\$ (680,511)
Adjustments:			
Depreciation and Amortization	6,254	267,807	274,061
Changes in Assets and Liabilities:			
Accounts and Other Receivables	24,368	3,659	28,027
Leases Receivable	-	123,876	123,876
Deferred Outflows of Resources Relating to Pensions	(59,867)	-	(59,867)
Vouchers Payable	(2,261)	-	(2,261)
Accrued Expenses	(23,546)	-	(23,546)
Total Pension Liability	364,297	-	364,297
Deferred Inflows of Resources Relating to Leases Receivable	-	(126,345)	(126,345)
Deferred Inflows of Resources Relating to Pensions	(296,141)	-	(296,141)
Net Cash Provided By (Used In) Operating Activities	\$ 135,787	\$ (534,197)	\$ (398,410)
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Contributions of Capital and Local Annexations	\$ -	\$ 17,296	\$ 17,296
SBITA Asset Acquired in Exchange for SBITA Liability	\$ -	\$ 44,534	\$ 44,534
Net Increase in Fair Value of Investments	\$ 3,631	\$ -	\$ 3,631

**INTERNAL SERVICE FUNDS**

**CITY OF GILLETTE, WYOMING**

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS**

June 30, 2023

	Vehicle Maintenance	Liability and Personal Injury Insurance	Health Insurance	Total
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash	\$ 221,371	\$ 238,725	\$ 518,909	\$ 979,005
Investments	837,001	194,338	4,191,698	5,223,037
Other Receivable	-	141,738	122,725	264,463
Due From Other Funds	-	-	122,597	122,597
Inventories	464,625	-	-	464,625
<b>Total Current Assets</b>	<b>\$ 1,522,997</b>	<b>\$ 574,801</b>	<b>\$ 4,955,929</b>	<b>\$ 7,053,727</b>
<b>CAPITAL ASSETS</b>				
Machinery and Equipment	\$ 21,636,884	\$ -	\$ -	\$ 21,636,884
Less Accumulated Depreciation	(13,631,973)	-	-	(13,631,973)
<b>Net Capital Assets</b>	<b>\$ 8,004,911</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,004,911</b>
<b>Total Assets</b>	<b>\$ 9,527,908</b>	<b>\$ 574,801</b>	<b>\$ 4,955,929</b>	<b>\$ 15,058,638</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Vouchers Payable	\$ 77,810	\$ 13,807	\$ 259,863	\$ 351,480
Estimated Claims Payable	-	-	505,000	505,000
Other Accrued Liabilities	34,092	-	-	34,092
Advance Payments Received for Repairs	-	11,788	-	11,788
Current Maturities of Long-Term Liabilities	6,559	-	-	6,559
<b>Total Liabilities</b>	<b>\$ 118,461</b>	<b>\$ 25,595</b>	<b>\$ 764,863</b>	<b>\$ 908,919</b>
<b>NET POSITION</b>				
Investment in Capital Assets	\$ 8,004,911	\$ -	\$ -	\$ 8,004,911
Unrestricted	1,404,536	549,206	4,191,066	6,144,808
<b>Total Net Position</b>	<b>\$ 9,409,447</b>	<b>\$ 549,206</b>	<b>\$ 4,191,066</b>	<b>\$ 14,149,719</b>



**CITY OF GILLETTE, WYOMING**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS**

Year Ended June 30, 2023

	Vehicle Maintenance	Liability and Personal Injury Insurance	Health Insurance	Total
<b>OPERATING REVENUES</b>	<b>\$ 1,609,584</b>	<b>\$ 1,586,208</b>	<b>\$ 6,218,509</b>	<b>\$ 9,414,301</b>
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	\$ 668,030	\$ -	\$ -	\$ 668,030
Contractual Services	180,242	795,126	-	975,368
Claims	-	791,082	6,218,509	7,009,591
Repairs and Maintenance	282,398	-	-	282,398
Supplies	130,608	-	-	130,608
Depreciation	1,276,669	-	-	1,276,669
<b>Total Operating Expenses</b>	<b>\$ 2,537,947</b>	<b>\$ 1,586,208</b>	<b>\$ 6,218,509</b>	<b>\$ 10,342,664</b>
<b>Operating (Loss)</b>	<b>\$ (928,363)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (928,363)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
(Loss) on Disposal of Equipment	\$ (34,264)	\$ -	\$ -	\$ (34,264)
Investment Income	20,840	6,023	93,359	120,222
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$ (13,424)</b>	<b>\$ 6,023</b>	<b>\$ 93,359</b>	<b>\$ 85,958</b>
<b>Income (Loss) Before Transfers</b>	<b>\$ (941,787)</b>	<b>\$ 6,023</b>	<b>\$ 93,359</b>	<b>\$ (842,405)</b>
<b>Transfers In</b>	<b>1,384,935</b>	<b>49,459</b>	<b>52,039</b>	<b>1,486,433</b>
<b>Changes in Net Position</b>	<b>\$ 443,148</b>	<b>\$ 55,482</b>	<b>\$ 145,398</b>	<b>\$ 644,028</b>
<b>NET POSITION, BEGINNING JULY 1</b>	<b>8,966,299</b>	<b>493,724</b>	<b>4,045,668</b>	<b>13,505,691</b>
<b>NET POSITION, ENDING JUNE 30</b>	<b>\$ 9,409,447</b>	<b>\$ 549,206</b>	<b>\$ 4,191,066</b>	<b>\$ 14,149,719</b>

**CITY OF GILLETTE, WYOMING**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS**

Year Ended June 30, 2023

	Vehicle Maintenance	Liability and Personal Injury Insurance	Health Insurance	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts From Interfund Services Provided	\$ 1,609,584	\$ 1,831,344	\$ 6,108,747	\$ 9,549,675
Payments to Employees	(700,299)	-	-	(700,299)
Payments for Goods and Services	(611,520)	(1,734,460)	(5,965,284)	(8,311,264)
Internal Activity - Payments From Other Funds	-	-	243,029	243,029
Net Cash Provided By Operating Activities	\$ 297,765	\$ 96,884	\$ 386,492	\$ 781,141
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers In	\$ 1,384,935	\$ 49,459	\$ 52,039	\$ 1,486,433
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Payments for Capital Acquisitions	\$ (2,476,550)	\$ -	\$ -	\$ (2,476,550)
Proceeds From Sale of Capital Assets	74,677	-	-	74,677
Net Cash (Used In) Capital and Related Financing Activities	\$ (2,401,873)	\$ -	\$ -	\$ (2,401,873)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Net (Increase) Decrease in Investments	\$ 682,967	\$ (5,108)	\$ (716,085)	\$ (38,226)
Investment Income	17,033	5,108	116,085	138,226
Net Cash Provided By (Used In) Investing Activities	\$ 700,000	\$ -	\$ (600,000)	\$ 100,000
Net Increase (Decrease) in Cash	\$ (19,173)	\$ 146,343	\$ (161,469)	\$ (34,299)
Cash, Beginning July 1	240,544	92,382	680,378	1,013,304
Cash, Ending June 30	\$ 221,371	\$ 238,725	\$ 518,909	\$ 979,005
<b>Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities</b>				
Operating (Loss)	\$ (928,363)	\$ -	\$ -	\$ (928,363)
Adjustments:				
Depreciation	1,276,669	-	-	1,276,669
Changes in Assets and Liabilities:				
Other Receivables	-	233,348	(109,762)	123,586
Due From Other Funds	-	-	243,029	243,029
Inventories	(27,470)	-	-	(27,470)
Vouchers Payable	9,198	(148,252)	213,225	74,171
Accrued Expenses and Accrued Sick Leave	(32,269)	-	-	(32,269)
Advance Payment Received for Repairs	-	11,788	-	11,788
Estimated Claims Payable	-	-	40,000	40,000
Net Cash Provided By Operating Activities	\$ 297,765	\$ 96,884	\$ 386,492	\$ 781,141
<b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>				
Net Increase (Decrease) in Fair Value of Investments	\$ 3,807	\$ 915	\$ (22,726)	\$ (18,004)

**CITY OF GILLETTE, WYOMING**

**SCHEDULE OF STATE FINANCIAL ASSISTANCE**

Year Ended June 30, 2023

State Grantor Program Title	Grant Number	Total State Expenditures
<u>Office of Attorney General</u>		
State Surcharge	N/A	\$ 21,813
Victim Witness Funding	N/A	59,025
Total Office of Attorney General		\$ 80,838
<u>Wyoming Association of Sheriffs and Police</u>		
Alcohol Inspection Contract	N/A	\$ 5,100
Tobacco Inspection Contract	N/A	5,100
Total Wyoming Association of Sheriffs and Police		\$ 10,200
<u>Wyoming Workforce Services</u>		
Safety Improvement Fund	N/A	\$ 7,785
<u>Wyoming Division of Criminal Investigation</u>		
Byrne Formula/HIDTA	N/A	\$ 3,803
<u>Wyoming Loan and Investments Board</u>		
Pump Station Improvement Project	MRG-21014	\$ 2,725
Waste Water Treatment Plant Improvements	CCL-19003CL	7,867,890
Total Wyoming Loan and Investments Board		\$ 7,870,615
<u>Wyoming Water Development Commission</u>		
Gillette Regional Extensions	N/A	\$ 15,820
Total State Financial Assistance		\$ 7,989,061

**Note 1. Loans Outstanding**

The City has received loan proceeds from the state. The current year loan proceeds received from the state are also included in the state expenditures presented in the Schedule of State Financial Assistance. Following is the balance of the state portion of the loans at June 30, 2023.

Program	Grant Number	Amount
<u>Wyoming Loan and Investment Board</u>		
Capitalization Loans for Drinking Water State Revolving Funds		
Design and Construction, Water Distribution System	DWSRF Loan #196	\$ 494,487
Capital Construction Loan		
Wastewater Treatment Plant Improvements	CC Loan #19003	12,271,665
<u>Wyoming Water Development Commission</u>		
Gillette Madison Pipeline	-	4,328,358
<u>Wyoming Business Council</u>		
Southern Industrial Addition	-	1,996,732
Total State Loans		\$ 19,091,242

# STATISTICAL SECTION

## STATISTICAL SECTION

This part of the City of Gillette's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

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These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	107
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	
Debt Capacity	118
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	125
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	129
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	

City of Gillette, Wyoming  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year			
	2014	2015	2016	2017
<b>Governmental Activities</b>				
Net investment in Capital Assets	184,096,943	207,543,932	216,228,110	212,061,695
Restricted	13,817	4,343	8,026,893	171,789
Unrestricted	42,224,867	48,736,967	29,954,212	40,519,056
Total Governmental Activities Net Assets	226,335,627	256,285,242	254,209,215	252,752,540
<b>Business-Type Activities</b>				
Net investment in Capital Assets	151,571,316	167,721,963	201,310,306	233,993,830
Restricted	83,810,606	114,382,200	109,824,328	101,670,982
Unrestricted	23,531,369	26,800,695	26,098,902	28,741,229
Total Business-Type Activities Net Assets	258,913,291	308,904,858	337,233,536	364,406,041
<b>Primary Government</b>				
Net investment in Capital Assets	335,668,259	375,265,895	417,538,416	446,055,525
Restricted	83,824,423	114,386,543	117,851,221	101,842,771
Unrestricted	65,756,236	75,537,662	56,053,114	69,260,285
Total Primary Government Net Assets	485,248,918	565,190,100	591,442,751	617,158,581

Fiscal Year					
2018	2019	2020	2021	2022	2023
209,621,750	207,934,661	209,201,236	220,312,547	221,308,459	223,387,960
121,777	1,314,311	679,771	611,965	568,932	615,994
49,508,463	60,021,756	69,122,532	58,601,443	68,064,762	78,933,962
259,251,990	269,270,728	279,003,539	279,525,955	289,942,153	302,937,916
258,142,870	262,876,287	264,274,405	306,649,038	307,850,082	320,820,333
96,552,166	96,354,012	97,396,419	55,924,405	54,603,410	48,855,085
32,324,767	35,210,715	37,118,684	32,935,544	31,502,914	32,261,330
387,019,803	394,441,014	398,789,508	395,508,987	393,956,406	401,936,748
467,764,620	470,810,948	473,475,641	526,961,585	529,158,541	544,208,293
96,673,943	97,668,323	98,076,190	56,536,370	55,172,342	49,471,079
81,833,230	95,232,471	106,241,216	91,536,987	99,567,676	111,195,292
646,271,793	663,711,742	677,793,047	675,034,942	683,898,559	704,874,664

**City of Gillette, Wyoming  
Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

	Fiscal Year			
	2014	2015	2016	2017
<b>Revenues</b>				
<i>Governmental Activities</i>				
Program Revenues				
Charges for services	\$ 3,728,676	\$ 3,964,099	\$ 3,629,498	\$ 3,826,265
Operating grants and contributions	513,389	560,028	1,031,303	2,978,890
Capital grants and contributions	3,488,683	9,389,472	3,201,917	2,730,131
General Revenues				
Severance taxes	1,135,505	1,101,729	1,107,316	1,107,006
Property taxes	1,832,001	1,949,432	2,100,922	2,282,253
Sales and use taxes	49,198,315	54,129,253	37,012,709	29,917,814
Other taxes	2,918,483	3,035,184	3,153,044	3,188,444
Mineral Royalties	1,549,148	1,553,582	1,578,741	1,585,221
Supplemental state funding	2,456,374	2,117,809	2,408,642	1,123,958
Gaming revenue	-	210,240	332,079	457,337
Investment income (loss)	185,649	115,723	225,326	149,693
Other revenue	853,432	84,337	59,559	296,647
Special assessment revenue	-	-	-	-
<b>Total Governmental Activities Revenues</b>	<b>\$ 67,859,655</b>	<b>\$ 78,210,888</b>	<b>\$ 55,841,056</b>	<b>\$ 49,643,659</b>
<i>Business-Type Activities</i>				
Program Revenues				
Charges for services	\$ 41,676,876	\$ 44,114,037	\$ 47,853,751	\$ 49,134,472
Operating grants and contributions	-	-	-	-
Capital grants and contributions	8,987,615	25,894,064	28,438,097	26,811,099
General Revenues				
Sales and use taxes <sup>1</sup>	29,364,002	28,622,346	100,133	105,109
Investment income (loss)	479,053	484,439	850,367	445,454
Other revenue	892,230	1,278,871	709,261	477,383
<b>Total Business-Type Activities Revenues</b>	<b>\$ 81,399,776</b>	<b>\$ 100,393,757</b>	<b>\$ 77,951,609</b>	<b>\$ 76,973,517</b>
<b>Total Government-Wide Revenues</b>	<b>\$ 149,259,431</b>	<b>\$ 178,604,645</b>	<b>\$ 133,792,665</b>	<b>\$ 126,617,176</b>
<b>Expenses</b>				
<i>Governmental Activities</i>				
Administration	\$ 16,949,930	\$ 11,592,999	\$ 21,059,390	\$ 18,530,082
Law Enforcement/Public Safety	12,209,838	12,032,781	14,055,218	13,810,716
Public Works	14,743,977	17,059,376	17,181,066	11,456,369
Culture and Recreation	2,378,104	1,653,206	2,992,915	4,101,144
Interest on Long-Term Debt	13,883	13,728	355,333	275,582
<b>Total Governmental Activities Expenses</b>	<b>\$ 46,295,732</b>	<b>\$ 42,352,090</b>	<b>\$ 55,643,922</b>	<b>\$ 48,173,893</b>
<i>Business-Type Activities</i>				
Power	\$ 30,631,160	\$ 35,625,314	\$ 32,120,690	\$ 33,430,555
Water	9,374,198	10,972,303	10,390,243	10,666,942
Sewer	5,731,279	6,618,579	6,432,835	5,945,545
Fiber <sup>2</sup>	n/a	n/a	n/a	n/a
Solid Waste	2,735,796	3,095,177	2,952,324	2,684,411
<b>Total Business-Type Activities Expenses</b>	<b>\$ 48,472,433</b>	<b>\$ 56,311,373</b>	<b>\$ 51,896,092</b>	<b>\$ 52,727,453</b>
<b>Total Government-Wide Expenses</b>	<b>\$ 94,768,165</b>	<b>\$ 98,663,463</b>	<b>\$ 107,540,014</b>	<b>\$ 100,901,346</b>



City of Gillette, Wyoming  
Changes in Net Position (continued)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

		Fiscal Year									
		2018	2019	2020	2021	2022	2023				
\$	4,267,498	\$	4,600,452	\$	6,513,884	\$	4,742,943	\$	4,878,660	\$	5,591,396
	296,242		427,362		369,938		3,756,932		924,185		601,878
	1,170,583		3,490,102		179,761		1,250,153		2,796,071		503,588
	1,106,950		1,106,221		1,106,221		1,160,406		1,202,387		1,183,500
	2,125,450		2,219,506		2,315,292		2,389,269		2,423,096		2,635,102
	36,167,074		42,020,705		43,071,165		30,864,973		42,150,995		56,056,866
	3,312,473		3,191,098		3,310,780		3,579,323		3,226,319		3,229,381
	1,584,413		1,521,535		1,535,907		1,543,164		1,564,462		1,543,390
	1,218,873		1,359,104		1,414,357		1,310,576		1,328,433		1,929,364
	570,942		867,605		755,680		952,954		878,939		1,530,443
	426,532		1,584,553		1,765,550		4,254		(973,146)		2,414,412
	312,377		306,009		422,892		347,486		323,667		461,822
	-		1,357,426		-		-		-		-
\$	52,559,407	\$	64,051,678	\$	62,761,427	\$	51,902,433	\$	60,724,068	\$	77,681,142
\$	49,719,881	\$	49,597,215	\$	49,767,222	\$	52,097,535	\$	53,741,923	\$	58,753,837
	-		-		-		222,337		43,993		-
	22,015,166		4,016,622		3,566,428		3,418,030		3,180,367		5,169,218
	25,483		2,187		68,281		-		1,879		162
	1,152,882		3,609,749		3,312,369		(147,833)		(2,025,987)		1,019,004
	788,551		700,963		807,506		772,838		837,123		1,272,672
\$	73,701,963	\$	57,926,736	\$	57,521,806	\$	56,362,907	\$	55,779,298	\$	66,214,893
\$	126,261,370	\$	121,978,414	\$	120,283,233	\$	108,265,340	\$	116,503,366	\$	143,896,035
\$	14,311,284	\$	16,287,756	\$	18,632,422	\$	15,100,267	\$	13,537,840	\$	16,369,945
	11,812,747		13,783,560		12,712,326		13,341,118		15,181,666		18,317,053
	12,609,284		15,126,078		14,119,606		12,995,454		13,005,106		14,774,540
	3,911,251		3,578,436		4,108,769		4,265,042		4,447,106		5,123,966
	248,382		246,160		221,061		164,702		142,688		134,001
\$	42,892,948	\$	49,021,990	\$	49,794,184	\$	45,866,583	\$	46,314,406	\$	54,719,505
\$	33,242,868	\$	31,519,972	\$	31,083,900	\$	39,108,592	\$	35,140,293	\$	40,200,904
	11,747,663		13,123,554		13,704,345		15,235,936		14,309,036		15,637,396
	6,244,321		7,172,715		7,467,513		7,315,849		7,862,402		8,084,293
	190,756		715,475		740,321		532,187		782,648		987,338
	2,829,602		2,984,759		3,411,665		2,964,298		3,230,964		3,290,494
\$	54,255,210	\$	55,516,475	\$	56,407,744	\$	65,156,862	\$	61,325,343	\$	68,200,425
\$	97,148,158	\$	104,538,465	\$	106,201,928	\$	111,023,445	\$	107,639,749	\$	122,919,930

(Continued)

City of Gillette, Wyoming  
Changes in Net Position (continued)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
<b>Change in Net Position Before Transfers</b>				
Governmental Activities	\$ 21,563,923	\$ 35,858,798	\$ 197,134	\$ 1,469,766
Business-Type Activities	32,927,343	44,082,384	26,055,517	24,246,064
<b>Government-Wide</b>	<b>\$ 54,491,266</b>	<b>\$ 79,941,182</b>	<b>\$ 26,252,651</b>	<b>\$ 25,715,830</b>
<b>Transfers</b>				
Governmental Activities	\$ (6,071,965)	\$ (5,909,183)	\$ (2,273,161)	\$ (2,926,441)
Business-Type Activities	6,071,965	5,909,183	2,273,161	2,926,441
<b>Government-Wide</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change in Net Position</b>				
Governmental Activities	\$ 15,491,958	\$ 29,949,615	\$ (2,076,027)	\$ (1,456,675)
Business-Type Activities	38,999,308	49,991,567	28,328,678	27,172,505
<b>Government-Wide</b>	<b>\$ 54,491,266</b>	<b>\$ 79,941,182</b>	<b>\$ 26,252,651</b>	<b>\$ 25,715,830</b>
<b>Net Position, Beginning of Fiscal Year</b>				
Governmental Activities	\$ 177,478,829	\$ 192,970,787	\$ 215,421,344	\$ 213,345,317
Business-Type Activities	202,659,883	241,659,191	287,862,983	316,191,661
<b>Government-Wide</b>	<b>\$ 380,138,712</b>	<b>\$ 434,629,978</b>	<b>\$ 503,284,327</b>	<b>\$ 529,536,978</b>
<b>Prior Year Adjustments</b>				
Governmental Activities	\$ -	\$ (7,499,058)	\$ -	\$ -
Business-Type Activities	-	(3,787,775)	-	-
<b>Government-Wide</b>	<b>\$ -</b>	<b>\$ (11,286,833)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Position, End of Fiscal Year</b>				
Governmental Activities	\$ 192,970,787	\$ 215,421,344	\$ 213,345,317	\$ 211,888,642
Business-Type Activities	241,659,191	287,862,983	316,191,661	343,364,166
<b>Government-Wide</b>	<b>\$ 434,629,978</b>	<b>\$ 503,284,327</b>	<b>\$ 529,536,978</b>	<b>\$ 555,252,808</b>

<sup>1</sup> Starting in 2012, the City started collecting a Special Purpose Sales and Use Tax specifically for the purpose of construction of the parallel Madison Pipeline project as well as extensions of infrastructure for rural water districts to connect to the Madison Pipeline. This tax was fully collected and was removed 04/01/15.

<sup>2</sup> The Fiber Fund was established in 2018 and is used to account for the operation of the City's fiber conduit and network system.

City of Gillette, Wyoming  
Changes in Net Position (continued)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

		Fiscal Year									
		2018	2019	2020	2021	2022	2023				
\$	9,666,459	\$	15,029,688	\$	12,967,243	\$	6,035,850	\$	14,409,662	\$	22,961,637
	19,446,753		2,410,261		1,114,062		(8,793,955)		(5,546,045)		(1,985,532)
\$	29,113,212	\$	17,439,949	\$	14,081,305	\$	(2,758,105)	\$	8,863,617	\$	20,976,105
\$	(3,167,009)	\$	(5,010,950)	\$	(3,234,432)	\$	(5,513,434)	\$	(3,993,464)	\$	(9,965,874)
	3,167,009		5,010,950		3,234,432		5,513,434		3,993,464		9,965,874
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	6,499,450	\$	10,018,738	\$	9,732,811	\$	522,416	\$	10,416,198	\$	12,995,763
	22,613,762		7,421,211		4,348,494		(3,280,521)		(1,552,581)		7,980,342
\$	29,113,212	\$	17,439,949	\$	14,081,305	\$	(2,758,105)	\$	8,863,617	\$	20,976,105
\$	211,888,642	\$	218,388,092	\$	228,406,830	\$	238,139,641	\$	238,662,057	\$	249,078,255
	343,364,166		365,977,928		373,399,139		377,747,633		374,467,112		372,914,531
\$	555,252,808	\$	584,366,020	\$	601,805,969	\$	615,887,274	\$	613,129,169	\$	621,992,786
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	218,388,092	\$	228,406,830	\$	238,139,641	\$	238,662,057	\$	249,078,255	\$	262,074,018
	365,977,928		373,399,139		377,747,633		374,467,112		372,914,531		380,894,873
\$	584,366,020	\$	601,805,969	\$	615,887,274	\$	613,129,169	\$	621,992,786	\$	642,968,891

City of Gillette, Wyoming  
 General Fund Governmental Tax Revenues by Source  
 Last Ten Fiscal Years  
 (Modified Accrual Basis of Accounting)

Fiscal Year	Severance Taxes	Property Taxes	Automobile Taxes	Sales & Use Taxes	Gasoline Taxes	Cigarette Taxes	Other Taxes	Total Taxes
2014	\$ 1,135,505	\$ 1,832,001	\$ 867,828	\$ 49,198,315	\$ 1,072,083	\$ 222,692	\$ 755,880	\$ 55,084,304
2015	\$ 1,101,729	\$ 1,949,432	\$ 923,993	\$ 54,129,253	\$ 1,134,685	\$ 229,454	\$ 747,052	\$ 60,215,598
2016	\$ 1,107,316	\$ 2,100,922	\$ 1,046,612	\$ 37,012,709	\$ 1,156,578	\$ 214,427	\$ 735,427	\$ 43,373,991
2017	\$ 1,107,006	\$ 2,282,253	\$ 896,185	\$ 29,917,814	\$ 1,348,449	\$ 187,027	\$ 756,783	\$ 36,495,517
2018	\$ 1,106,950	\$ 2,125,450	\$ 891,300	\$ 36,167,074	\$ 1,310,202	\$ 188,313	\$ 922,658	\$ 42,711,947
2019	\$ 1,106,221	\$ 2,219,506	\$ 1,007,845	\$ 42,020,705	\$ 1,200,165	\$ 188,292	\$ 794,796	\$ 48,537,530
2020	\$ 1,106,221	\$ 2,315,292	\$ 1,117,725	\$ 43,071,165	\$ 1,188,716	\$ 191,861	\$ 812,478	\$ 49,803,458
2021	\$ 1,160,406	\$ 2,389,269	\$ 1,622,797	\$ 30,864,973	\$ 1,075,567	\$ 176,163	\$ 704,796	\$ 37,993,971
2022	\$ 1,202,387	\$ 2,423,096	\$ 1,094,236	\$ 42,150,995	\$ 1,231,881	\$ 159,755	\$ 740,447	\$ 49,002,797
2023	\$ 1,183,500	\$ 2,635,102	\$ 1,104,626	\$ 56,056,866	\$ 1,217,282	\$ 148,435	\$ 759,038	\$ 63,104,849
<hr/>								
% Change								
2014 - 2023	4.2%	43.8%	27.3%	13.9%	13.5%	-33.3%	0.4%	14.6%

**City of Gillette, Wyoming**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year			
	2014	2015	2016	2017
Total All Governmental Funds				
Non spendable	\$ 157,318	\$ 209,851	\$ 220,154	\$ 214,418
Restricted	13,817	4,343	8,026,893	171,789
Committed	29,040,814	26,358,184	24,700,520	15,348,710
Assigned	6,952,460	22,437,032	13,490,105	25,372,791
Unassigned	7,592,509	3,033,318	4,690,638	8,820,711
<b>Total Fund Balance - Governmental Funds</b>	<b>\$ 43,756,918</b>	<b>\$ 52,042,728</b>	<b>\$ 51,128,310</b>	<b>\$ 49,928,419</b>

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 227,521	\$ 212,257	\$ 228,673	\$ 222,528	\$ 277,490	\$ 250,591	
121,777	121,197	2,731	1,143	1,053	141,644	
17,659,545	21,072,126	28,356,630	20,816,702	20,470,382	22,372,790	
25,292,678	38,609,977	32,484,215	24,713,222	31,744,489	38,696,287	
15,466,678	12,284,111	18,214,391	23,331,152	25,998,215	29,798,353	
<b>\$ 58,768,199</b>	<b>\$ 72,299,668</b>	<b>\$ 79,286,640</b>	<b>\$ 69,084,747</b>	<b>\$ 78,491,629</b>	<b>\$ 91,259,665</b>	

**City of Gillette, Wyoming**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Year			
	2014	2015	2016	2017
<b>Revenues</b>				
<i>General Fund</i>				
Taxes	\$ 55,084,304	\$ 60,215,598	\$ 43,373,991	\$ 36,495,517
Intergovernmental	6,022,098	7,165,775	7,153,524	6,701,647
Licenses and Permits	290,033	361,710	282,099	247,743
Charges for Services	2,785,521	2,894,186	2,842,597	2,965,029
Fines and Fees	391,716	444,771	424,677	372,367
Investment Income (Loss)	175,523	108,679	212,988	142,513
Miscellaneous	1,111,286	347,769	139,684	538,005
Special Assessment Revenue	58,186	56,643	39,209	131,275
<b>Total Revenues</b>	<b>\$ 65,918,667</b>	<b>\$ 71,595,131</b>	<b>\$ 54,468,769</b>	<b>\$ 47,594,096</b>
<b>Expenditures</b>				
<i>General Fund</i>				
Current				
Administration/General Government	\$ 13,617,537	\$ 14,397,204	\$ 13,956,973	\$ 11,916,234
Police/Public Safety	9,810,440	10,384,584	10,544,363	9,467,994
Public Works	17,596,106	15,142,517	19,846,187	8,079,928
Culture and Recreation	4,282,751	3,170,268	3,422,281	2,220,609
Miscellaneous	11,970,067	14,331,633	16,829,447	12,806,587
Debt Service				
Principal	34,558	34,714	36,087	1,131,884
Interest	13,883	13,728	234,948	286,899
<b>Total Expenditures</b>	<b>\$ 57,325,342</b>	<b>\$ 57,474,648</b>	<b>\$ 64,870,286</b>	<b>\$ 45,910,135</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ 8,593,325</b>	<b>\$ 14,120,483</b>	<b>\$ (10,401,517)</b>	<b>\$ 1,683,961</b>
<b>Other Financing Sources (Uses)</b>				
<i>General Fund</i>				
Proceeds from Certificates of Participation	\$ -	\$ -	\$ 11,650,000	\$ -
Transfers In	538,690	178,885	2,675,925	152,407
Transfers Out	(6,699,566)	(6,013,558)	(5,038,591)	(3,036,259)
Proceeds from Special Assessment Debt	-	-	-	-
Financing of SBITAs	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	199,765	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (6,160,876)</b>	<b>\$ (5,834,673)</b>	<b>\$ 9,487,099</b>	<b>\$ (2,883,852)</b>
<b>Net Change In Fund Balance</b>	<b>\$ 2,432,449</b>	<b>\$ 8,285,810</b>	<b>\$ (914,418)</b>	<b>\$ (1,199,891)</b>
Debt Service as a Percentage of Noncapital Expenditures	0.08%	0.08%	0.62%	3.84%
Fund Balance, Beginning July 1	\$ 41,324,469	\$ 43,756,918	\$ 52,042,728	\$ 51,128,310
Fund Balance, Ending June 30	\$ 43,756,918	\$ 52,042,728	\$ 51,128,310	\$ 49,928,419

		Fiscal Year									
		2018	2019	2020	2021	2022	2023				
\$	42,711,947	\$	48,537,530	\$	49,803,458	\$	37,993,971	\$	49,002,797	\$	63,104,849
	4,056,951		5,161,421		4,255,643		8,097,096		4,846,019		5,874,794
	283,027		272,658		308,839		286,165		274,539		286,095
	3,296,056		3,609,268		5,607,557		3,949,199		4,151,608		4,996,070
	363,872		353,823		311,978		265,968		252,812		230,242
	404,105		1,514,618		1,716,120		2,897		(948,306)		2,333,146
	636,920		670,712		708,402		589,097		523,368		540,811
	13,994		178,355		526,151		69,177		42,943		93,529
\$	51,766,872	\$	60,298,385	\$	63,238,148	\$	51,253,570	\$	58,145,780	\$	77,459,536
\$	11,145,476	\$	11,683,187	\$	12,231,646	\$	12,832,591	\$	12,264,813	\$	15,094,676
	9,749,739		10,178,923		10,572,848		10,325,663		10,754,540		12,422,037
	11,168,994		11,582,833		12,024,204		13,425,604		9,724,180		9,135,792
	2,879,640		2,925,299		3,353,122		5,548,637		4,301,004		3,673,855
	2,904,784		4,776,837		12,596,611		11,192,771		5,553,694		13,320,410
	1,097,727		1,163,627		1,972,681		1,237,242		1,260,303		2,403,557
	259,335		257,372		232,582		176,482		154,778		126,307
\$	39,205,695	\$	42,568,078	\$	52,983,694	\$	54,738,990	\$	44,013,312	\$	56,176,634
\$	<b>12,561,177</b>	\$	<b>17,730,307</b>	\$	<b>10,254,454</b>	\$	<b>(3,485,420)</b>	\$	<b>14,132,468</b>	\$	<b>21,282,902</b>
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	100		113,901		208,879		53,016		222,935		116,420
	(3,721,497)		(5,746,177)		(3,477,019)		(6,770,005)		(4,948,574)		(10,930,566)
	-		1,324,117		-		-		-		-
	-		-		-		-		-		2,298,388
	-		109,321		658		516		53		892
\$	(3,721,397)	\$	(4,198,838)	\$	(3,267,482)	\$	(6,716,473)	\$	(4,725,586)	\$	(8,514,866)
\$	<b>8,839,780</b>	\$	<b>13,531,469</b>	\$	<b>6,986,972</b>	\$	<b>(10,201,893)</b>	\$	<b>9,406,882</b>	\$	<b>12,768,036</b>
	4.26%		3.87%		5.63%		3.90%		3.88%		5.66%
\$	49,928,419	\$	58,768,199	\$	72,299,668	\$	79,286,640	\$	69,084,747	\$	78,491,629
\$	58,768,199	\$	72,299,668	\$	79,286,640	\$	69,084,747	\$	78,491,629	\$	91,259,665



**City of Gillette, Wyoming**  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year	Tax Year	Real Property		Personal Property <sup>1</sup>	State-Assessed Property (Public Utilities) <sup>1</sup>	Industrial Property <sup>1</sup>	Less Tax-Exempt Property
		Residential <sup>1</sup>	Commercial <sup>1</sup>				
2014	2013	\$ 246,539,836	\$ 66,152,832	\$ 504,177,662	\$ 64,741,256	\$ 11,317,184	n/a
2015	2014	\$ 254,210,964	\$ 82,161,959	\$ 516,458,473	\$ 62,593,889	\$ 12,042,753	n/a
2016	2015	\$ 265,258,394	\$ 88,258,439	\$ 514,064,127	\$ 61,198,625	\$ 12,183,217	n/a
2017	2016	\$ 281,627,847	\$ 92,982,875	\$ 464,278,849	\$ 67,660,286	\$ 10,601,857	n/a
2018	2017	\$ 275,778,864	\$ 94,876,198	\$ 332,211,394	\$ 68,943,276	\$ 11,419,612	n/a
2019	2018	\$ 272,776,026	\$ 94,498,702	\$ 288,335,256	\$ 71,389,766	\$ 12,865,269	n/a
2020	2019	\$ 282,687,454	\$ 99,405,296	\$ 291,276,058	\$ 71,787,677	\$ 12,981,483	n/a
2021	2020	\$ 287,114,158	\$ 100,880,249	\$ 289,691,640	\$ 76,305,579	\$ 12,984,483	n/a
2022	2021	\$ 296,789,475	\$ 101,993,965	\$ 276,321,079	\$ 69,193,578	\$ 12,803,255	n/a
2023	2022	\$ 326,893,634	\$ 113,938,181	\$ 294,385,970	\$ 72,467,187	\$ 13,209,112	n/a

<sup>1</sup> Data is for Campbell County, information for the City of Gillette is not available. The City of Gillette makes up approximately 71.0% of Campbell County's population.

n/a Campbell County Assessor does not track this information

**Notes:** Properties within the City limits are assessed on January 1st of each year by the Campbell County Assessor's office. Properties are assessed at various percentages with estimated actual value based on the primary use.

Residential Property - 9.5% Fair Market Value  
Commercial Property- 9.5% Fair Market Value  
Industrial Property- 11.5% Fair Market Value

**Source:** Campbell County Assessor's Office

Total Taxable Assessed Value <sup>1</sup>	Total Direct Tax Rate	Total Assessed Value for the City of Gillette	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Taxable Value
\$ 892,928,770	8.000	\$ 214,341,272	\$ 2,143,412,720	10.0%
\$ 927,468,038	8.000	\$ 230,429,209	\$ 2,304,292,090	10.0%
\$ 940,962,802	8.000	\$ 245,280,561	\$ 2,452,805,610	10.0%
\$ 917,151,714	8.000	\$ 259,525,401	\$ 2,595,254,010	10.0%
\$ 783,229,344	8.000	\$ 279,311,596	\$ 2,793,115,960	10.0%
\$ 739,865,019	8.000	\$ 276,596,342	\$ 2,765,963,420	10.0%
\$ 758,137,968	8.000	\$ 287,013,552	\$ 2,870,135,520	10.0%
\$ 766,976,109	8.000	\$ 290,281,695	\$ 2,902,816,950	10.0%
\$ 757,101,352	8.000	\$ 295,478,111	\$ 2,954,781,111	10.0%
\$ 820,894,084	8.000	\$ 333,964,903	\$ 3,339,649,060	10.0%

**City of Gillette, Wyoming  
Property Tax Rate per \$1,000 of Assessed Valuation  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

Fiscal Year	City	School	County	State	Other	Total
<b>MILLS</b>						
2014	8.000	32.000	11.051	12.000	4.693	67.744
2015	8.000	32.000	11.051	12.000	4.686	67.737
2016	8.000	32.000	11.051	12.000	4.537	67.588
2017	8.000	32.000	11.140	12.000	4.412	67.552
2018	8.000	32.000	11.170	12.000	4.296	67.466
2019	8.000	32.000	11.202	12.000	4.405	67.607
2020	8.000	32.000	11.253	12.000	4.659	67.912
2021	8.000	32.000	11.276	12.000	4.780	68.056
2022	8.000	32.000	11.235	12.000	4.990	68.225
2023	8.000	32.000	11.235	12.000	7.318	70.553

<b>TAX LEVIES</b>						
2014	\$ 2,717,158	\$ 181,942,245	\$ 62,832,617	\$ 68,228,342	\$ 26,641,502	\$ 342,361,864
2015	\$ 2,959,437	\$ 198,663,655	\$ 68,607,252	\$ 74,498,871	\$ 28,159,905	\$ 372,889,120
2016	\$ 2,519,536	\$ 169,232,091	\$ 58,913,922	\$ 63,462,034	\$ 23,993,937	\$ 318,121,520
2017	\$ 1,989,794	\$ 133,843,937	\$ 46,719,900	\$ 50,191,477	\$ 17,968,967	\$ 250,714,075
2018	\$ 2,111,649	\$ 141,704,636	\$ 49,605,558	\$ 53,139,323	\$ 19,506,559	\$ 266,067,725
2019	\$ 2,142,528	\$ 143,044,971	\$ 50,302,658	\$ 53,641,864	\$ 20,826,454	\$ 269,968,475
2020	\$ 2,038,068	\$ 135,744,490	\$ 47,382,965	\$ 50,904,184	\$ 20,276,834	\$ 256,346,541
2021	\$ 1,370,551	\$ 108,562,320	\$ 38,254,648	\$ 40,710,870	\$ 16,216,497	\$ 205,114,886
2022	\$ 2,271,569	\$ 145,256,646	\$ 50,998,701	\$ 54,471,242	\$ 22,650,958	\$ 275,649,116
2023	\$ 2,760,487	\$ 182,592,808	\$ 64,107,194	\$ 68,472,303	\$ 41,756,693	\$ 359,689,485

**Notes:** The City of Gillette is allowed to assess up to 8.000 Mills per Wyoming State Statute; there are no components associated with the City's direct property tax rate of 8.000 Mills.

**Source:** Campbell County Treasurer's Office/Campbell County Assessor's Office

**City of Gillette, Wyoming  
Principal Property Tax Payers  
Current Year and Nine Years Ago**

Taxpayer	Type of Business	Fiscal Year 2023		
		Assessed Valuation	Rank	Percentage of Total City Valuation
Burlington Northern Santa Fe Railway	Railroad Company	\$ 2,895,766	1	0.87%
City of Gillette	Power System	\$ 2,511,907	2	0.75%
Remington Village LLC	Apartment Complex	\$ 1,583,190	3	0.47%
L&H Industrial Inc	Welding/Industrial	\$ 1,563,346	4	0.47%
Menard Inc	Retail	\$ 1,484,346	5	0.44%
Black Hills Wyoming Gas LLC	Natural Gas Company	\$ 1,188,463	6	0.36%
Wal-Mart Real Estate Business Trust	Retail	\$ 964,089	7	0.29%
Gillette Retirement LLC	Primerose Retirement Community	\$ 947,947	8	0.28%
Wyoming Machinery Co	Commercial Machinery Sales & Repair	\$ 896,348	9	0.27%
Spectrum Pacific West LLC	Telephone System	\$ 781,690	10	0.23%
Cloud Peak Energy LLC	Coal Company/Office Building	\$ -	-	-
Source Gas Distribution LLC	Natural Gas Company	\$ -	-	-
SFA Phase I LLC	Commercial	\$ -	-	-
MFG Remington LLC	Apartment Complex/Real Estate	\$ -	-	-
South Fork Apartments LLC	Apartment Complex	\$ -	-	-
<b>Total</b>		<b>\$ 14,817,092</b>		<b>4.44%</b>
<b>Total City Assessed Valuation</b>		<b>\$ 333,964,903</b>		

Source: Campbell County Assessor's Office

**Fiscal Year 2014**

Assessed Valuation	Rank	Percentage of Total City Valuation
\$ 1,875,209	2	0.87%
\$ 2,701,846	1	1.26%
\$ -	-	-
\$ 1,234,964	6	0.58%
\$ -	-	-
\$ -	-	-
\$ 1,033,504	8	0.48%
\$ 820,006	10	0.38%
\$ -	-	-
\$ -	-	-
\$ 864,534	9	0.40%
\$ 1,092,535	7	0.51%
\$ 1,595,610	3	0.74%
\$ 1,463,060	4	0.68%
\$ 1,421,802	5	0.66%
<u>\$ 14,103,070</u>		<u>6.58%</u>

**\$ 214,341,272**

**City of Gillette, Wyoming  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year	Tax Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes
			Amount	Percentage of Levy		Amount	Percentage of Levy	
2014	2013	\$ 1,801,939	\$ 1,749,349	97.08%	\$ 52,325	\$ 1,801,674	99.99%	\$ 265
2015	2014	\$ 1,929,664	\$ 1,890,235	97.96%	\$ 39,152	\$ 1,929,387	99.99%	\$ 277
2016	2015	\$ 2,125,291	\$ 2,061,891	97.02%	\$ 62,688	\$ 2,124,579	99.97%	\$ 712
2017	2016	\$ 2,249,380	\$ 2,214,623	98.45%	\$ 33,023	\$ 2,247,646	99.92%	\$ 1,734
2018	2017	\$ 2,161,452	\$ 2,088,912	96.64%	\$ 71,548	\$ 2,160,460	99.95%	\$ 992
2019	2018	\$ 2,250,032	\$ 2,159,110	95.96%	\$ 89,293	\$ 2,248,403	99.93%	\$ 1,629
2020	2019	\$ 2,273,548	\$ 2,236,696	98.38%	\$ 34,981	\$ 2,271,677	99.92%	\$ 1,871
2021	2020	\$ 2,371,599	\$ 2,291,044	96.60%	\$ 78,414	\$ 2,369,458	99.91%	\$ 2,141
2022	2021	\$ 2,412,974	\$ 2,359,249	97.77%	\$ 49,747	\$ 2,408,996	99.84%	\$ 3,978
2023	2022	\$ 2,859,302	\$ 2,781,144	97.27%	\$ -	\$ 2,781,144	97.27%	\$ 78,158

**Source:** Campbell County Treasurer's Office

**City of Gillette, Wyoming**  
**Taxable Sales by Major Business Class, Campbell County, WY**  
**Last Ten Fiscal Years**

Category	Fiscal Year			
	2014	2015	2016	2017
Agriculture / Forestry	\$ 670,733	\$ 716,296	\$ 737,360	\$ 640,620
Mining	\$ 1,178,258,083	\$ 1,420,173,026	\$ 745,995,340	\$ 513,985,460
Contract Construction	\$ 62,583,333	\$ 63,802,348	\$ 50,098,060	\$ 28,100,160
Manufacturing	\$ 93,448,367	\$ 104,950,591	\$ 57,805,900	\$ 89,826,100
Retail Trade	\$ 692,062,683	\$ 719,212,626	\$ 579,732,680	\$ 517,949,240
Wholesale Trade	\$ 534,587,550	\$ 610,714,713	\$ 404,406,120	\$ 334,365,100
Finance / Insurance	\$ 2,084,217	\$ 1,603,948	\$ 1,996,620	\$ 1,085,720
Public Administration	\$ 195,701,700	\$ 262,655,235	\$ 181,610,940	\$ 162,053,520
Utilities	\$ 84,462,267	\$ 79,892,139	\$ 85,451,720	\$ 76,150,840
Transportation / Warehousing	\$ 10,896,233	\$ 15,191,339	\$ 8,818,520	\$ 7,464,580
Information	\$ 31,557,183	\$ 32,401,304	\$ 27,308,180	\$ 25,959,680
Real Estate / Rental / Leasing	\$ 223,136,350	\$ 188,324,852	\$ 155,116,300	\$ 86,477,960
Professional Services	\$ 6,761,333	\$ 6,304,487	\$ 7,208,240	\$ 6,596,520
Administrative / Support / Waste	\$ 7,070,733	\$ 8,511,843	\$ 10,396,080	\$ 6,437,300
Educational Services	\$ 101,450	\$ 89,530	\$ 90,420	\$ 111,800
Health Care / Social Assistance	\$ 69,567	\$ 69,617	\$ 41,980	\$ 39,100
Arts, Entertainment & Recreation	\$ 2,452,533	\$ 2,373,096	\$ 2,273,620	\$ 2,409,040
Accommodation / Food Services	\$ 125,905,033	\$ 154,045,478	\$ 131,713,360	\$ 111,534,000
Other Services	\$ 199,170,983	\$ 216,359,670	\$ 161,543,320	\$ 141,514,260
Total	\$ 3,450,980,331	\$ 3,887,392,138	\$ 2,612,344,760	\$ 2,112,701,000

**Notes:** This information is based upon Sales Tax Distribution by Major Business Class (using North American Industry Classification System (NAICS) Coding), and is only available on a county-wide basis; thus this schedule has information for Campbell County as a whole. The population of the City of Gillette is approximately 71.0% of the entire county's population.

**Source:** Wyoming Department of Revenue

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 624,380	\$ 521,920	\$ 523,620	\$ 634,960	\$ 594,640	\$ 634,480	
\$ 697,313,500	\$ 864,986,660	\$ 804,955,220	\$ 370,922,400	\$ 662,537,520	\$ 1,011,818,100	
\$ 26,899,180	\$ 34,800,940	\$ 31,010,160	\$ 23,118,640	\$ 23,080,160	\$ 26,529,640	
\$ 156,225,520	\$ 156,790,260	\$ 121,822,540	\$ 84,549,700	\$ 144,093,280	\$ 187,609,080	
\$ 602,647,120	\$ 661,484,300	\$ 772,583,380	\$ 713,918,460	\$ 839,864,660	\$ 1,035,053,520	
\$ 374,607,020	\$ 387,220,980	\$ 310,048,140	\$ 198,278,640	\$ 356,225,980	\$ 423,394,920	
\$ 872,600	\$ 1,282,220	\$ 925,240	\$ 537,120	\$ 1,182,720	\$ 784,780	
\$ 185,158,640	\$ 212,633,860	\$ 225,371,500	\$ 206,260,480	\$ 223,673,900	\$ 247,729,400	
\$ 73,725,500	\$ 75,713,640	\$ 68,171,280	\$ 63,826,680	\$ 69,348,340	\$ 75,795,480	
\$ 7,460,560	\$ 11,452,480	\$ 12,671,060	\$ 6,333,480	\$ 6,462,860	\$ 8,720,960	
\$ 24,362,920	\$ 26,549,120	\$ 29,459,920	\$ 27,438,760	\$ 23,641,600	\$ 23,439,020	
\$ 86,392,180	\$ 95,652,560	\$ 168,787,220	\$ 115,502,560	\$ 147,835,420	\$ 179,687,140	
\$ 6,293,560	\$ 5,746,000	\$ 8,516,760	\$ 7,779,380	\$ 8,024,680	\$ 8,947,480	
\$ 3,893,660	\$ 9,900,040	\$ 7,294,080	\$ 5,159,780	\$ 6,226,020	\$ 5,980,300	
\$ 330,360	\$ 124,940	\$ 148,480	\$ 97,080	\$ 157,160	\$ 151,340	
\$ 29,120	\$ 22,360	\$ 46,800	\$ 60,260	\$ 57,200	\$ 72,440	
\$ 2,431,140	\$ 2,426,960	\$ 2,291,560	\$ 2,203,960	\$ 2,557,020	\$ 2,581,420	
\$ 118,787,560	\$ 130,551,320	\$ 130,698,860	\$ 128,449,000	\$ 170,485,820	\$ 188,678,280	
\$ 161,290,640	\$ 200,137,560	\$ 179,635,140	\$ 112,814,920	\$ 151,380,100	\$ 192,794,440	
\$ 2,529,345,160	\$ 2,877,998,120	\$ 2,874,960,960	\$ 2,067,886,260	\$ 2,837,429,080	\$ 3,620,402,220	



**City of Gillette, Wyoming**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Fiscal Years**

Fiscal Year <sup>2</sup>	Campbell County <sup>1</sup>	State of Wyoming	TOTAL*
2014	2.00%	4.00%	6.00%
2015	1.00%	4.00%	5.00%
2016	1.00%	4.00%	5.00%
2017	1.00%	4.00%	5.00%
2018	1.00%	4.00%	5.00%
2019	1.00%	4.00%	5.00%
2020	1.00%	4.00%	5.00%
2021	1.00%	4.00%	5.00%
2022	1.00%	4.00%	5.00%
2023	1.00%	4.00%	5.00%

<sup>1</sup> The Campbell County-wide Optional One Percent tax rate may be changed only with the approval of the voters.

<sup>2</sup> Special Purpose Tax of 1.00% - also approved by voters of Campbell County  
(Effective 10/01/11, Fiscal Year 2012, and collected in full in Fiscal Year 2015; 1% Special Purpose came off 4/1/15)

**Note:** The One Percent Optional Tax Rate may be changed only with the approval of voters.

**Source:** Wyoming Department of Revenue

\*Used to calculate Taxable Sales in Schedule 13

**City of Gillette, Wyoming  
Principal Sales Tax Remitters by Business Activity, Campbell County, Wyoming  
Current Year and Nine Years Ago**

Business Activity	Fiscal Year 2023		
	Rank	Tax Liability	Percentage of Total County Liability
Support activities for mining	1	\$ 24,986,524	13.83%
Coal Mining	2	\$ 24,681,610	13.66%
Executive, legislative and general government	3	\$ 12,331,383	6.82%
Building material and supplies dealers	4	\$ 11,705,494	6.48%
Electronic shopping and mailorder houses	5	\$ 8,353,562	4.62%
Machinery and supply merchant wholesalers	6	\$ 7,941,588	4.39%
Machinery and equipment rental and leasing	7	\$ 7,859,891	4.35%
Auto parts, accessories, and tire stores	8	\$ 6,351,559	3.51%
Petroleum and coal products	9	\$ 6,061,360	3.35%
Petroleum merchant wholesalers	10	\$ 5,746,962	3.18%
Chemical merchant wholesalers	-	\$ -	-
Commercial machinery repair and maintenance	-	\$ -	-
<b>Total</b>		<b>\$ 116,019,933</b>	<b>64.19%</b>
<b>Total Campbell County</b>		<b>\$ 180,731,224</b>	

**Notes:** Due to confidentiality issues, the names of the ten largest sales tax remitters are not available. The categories presented are intended to provide alternative information regarding the sources of the city's/county's revenue. This information is only available on a county-wide basis, so this schedule has information for Campbell County as a whole. The population of the City of Gillette is approximately 71.0% of the entire county's population.

**Source:** Wyoming Department of Revenue

<b>Fiscal Year 2014</b>			
Rank	Tax Liability	Percentage of Total County Liability	
1	\$ 35,061,892	16.96%	
2	\$ 31,624,652	15.29%	
4	\$ 11,711,091	5.66%	
6	\$ 9,052,765	4.38%	
-	\$ -	-	
7	\$ 7,617,811	3.68%	
5	\$ 11,107,625	5.37%	
8	\$ 6,758,372	3.27%	
-	\$ -	-	
3	\$ 14,112,437	6.82%	
9	\$ 5,978,125	2.89%	
10	\$ 5,943,067	2.87%	
	<u>\$ 138,967,837</u>	67.20%	
	<b>\$ 206,785,855</b>		

**City of Gillette, Wyoming**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities		
	General Bonded Debt	Notes Payable	Certificates of Participation	SBITA Liability	Wyoming State Land and Investment Loans		WWDC Loans
					Wastewater Fund	Power Fund	Water Fund
2014	\$ -	\$ 531,636	\$ -	\$ -	\$ 11,742,670	\$ -	\$ 19,362,016
2015	\$ -	\$ 496,922	\$ -	\$ -	\$ 11,035,381	\$ -	\$ 29,591,655
2016	\$ -	\$ 460,835	\$ 11,650,000	\$ -	\$ 10,306,388	\$ 1,440,465	\$ 40,131,770
2017	\$ -	\$ 423,951	\$ 10,555,000	\$ -	\$ 9,558,564	\$ 2,645,046	\$ 44,328,358
2018	\$ -	\$ 386,224	\$ 9,495,000	\$ -	\$ 8,801,817	\$ 2,645,046	\$ 44,328,358
2019	\$ -	\$ 1,631,714	\$ 8,410,000	\$ -	\$ 8,009,750	\$ 2,517,077	\$ 44,328,358
2020	\$ -	\$ 774,033	\$ 7,295,000	\$ -	\$ 7,205,116	\$ 2,389,595	\$ 44,328,358
2021	\$ -	\$ 676,791	\$ 6,155,000	\$ -	\$ 6,874,124	\$ 2,259,941	\$ 4,328,358
2022	\$ -	\$ 586,488	\$ 4,985,000	\$ -	\$ 9,938,842	\$ 2,128,991	\$ 4,328,358
2023	\$ -	\$ 494,487	\$ 3,785,000	\$ 1,186,832	\$ 12,271,665	\$ 1,996,732	\$ 4,328,358

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

<sup>1</sup> 2023 Percentage of Personal Income calculated using 2022 Personal Income figures from Demographic and Economic Statistics, as 2023 Personal Income figures are not yet available.

**Source:** City of Gillette, Wyoming Audited Financial Statements  
Regional Economic Information System, Bureau of Economic Analysis

**Business-Type Activities**

<b>Capital Leases-Power Fund</b>		<b>Lease Liability</b>		<b>SBITA Liability</b>			<b>Total Primary Government</b>	<b>Percentage of Personal Income <sup>1</sup></b>	<b>Per Capita</b>
<b>Leases</b>	<b>Premiums/ (Discounts)</b>	<b>Power Fund</b>	<b>Water Fund</b>	<b>Power Fund</b>	<b>Water Fund</b>	<b>Fiber Fund</b>			
\$ 71,460,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,096,322	4.38%	\$ 3,222
\$ 93,380,000	\$ 2,773,086	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,277,044	5.10%	\$ 4,221
\$ 91,020,000	\$ 2,627,963	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157,637,421	6.66%	\$ 5,174
\$ 88,610,000	\$ 2,459,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,580,567	7.02%	\$ 5,091
\$ 86,140,000	\$ 2,272,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,069,196	4.98%	\$ 4,777
\$ 83,600,000	\$ 2,070,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,567,129	4.63%	\$ 4,728
\$ 80,985,000	\$ 1,851,701	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,828,803	4.52%	\$ 4,543
\$ 78,270,000	\$ 1,642,376	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,206,590	3.13%	\$ 3,000
\$ 75,450,000	\$ 1,442,689	\$ 8,237,343	\$ 630,669	\$ -	\$ -	\$ -	\$ 107,728,381	4.15%	\$ 3,268
\$ 63,515,000	\$ 4,952,571	\$ 8,038,294	\$ 634,539	\$ 122,986	\$ 17,113	\$ 14,534	\$ 101,358,111	3.82%	\$ 3,043

**City of Gillette, Wyoming  
 Computation of Direct and Overlapping Debt  
 Last Ten Fiscal Years**

	Fiscal Year			
	2014	2015	2016	2017
Overlapping Net Debt Outstanding				
Campbell County School District	\$ -	\$ -	\$ -	\$ -
Campbell County Hospital District	\$ -	\$ -	\$ -	\$ -
Estimated percentage applicable	n/a	n/a	n/a	n/a
City's Estimated Share of Overlapping Debt	\$ -	\$ -	\$ -	\$ -
City Direct Debt <sup>1</sup>	\$ 531,636	\$ 496,922	\$ 12,110,835	\$ 10,978,951
Total Direct and Overlapping Debt	\$ 531,636	\$ 496,922	\$ 12,110,835	\$ 10,978,951

**Notes:** These figures represent only that debt which is payable through a general tax levy on the assessed value of the property within Campbell County.

<sup>1</sup> Beginning in 2016, these figures includes Certificates of Participation (COP's) issued to fund construction of Ph II of Student Housing at Gillette College. The COP's were not included on this schedule in previous years.

**Source:** Campbell County Treasurer's Office

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
n/a	n/a	n/a	n/a	n/a	n/a
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 9,881,224	\$ 10,041,714	\$ 8,069,033	\$ 6,831,791	\$ 5,571,488	\$ 4,279,487
\$ 9,881,224	\$ 10,041,714	\$ 8,069,033	\$ 6,831,791	\$ 5,571,488	\$ 4,279,487

**City of Gillette, Wyoming  
 Computation of Legal Debt Margin  
 Last Ten Fiscal Years**

**Legal Debt Margin Calculation for Fiscal Year 2023**

Assessed Value	\$ 333,964,903
Debt Limitation (4% of Assessed Value)	\$ 13,358,596
Debt Applicable to Limitation	\$ -
Legal Debt Margin	\$ 13,358,596

	Fiscal Year			
	2014	2015	2016	2017
Debt Limit	\$ 8,573,651	\$ 9,217,168	\$ 9,811,222	\$ 10,381,016
Total Net Debt Applicable to Limit	\$ -	\$ -	\$ -	\$ -
Legal Debt Margin	\$ 8,573,651	\$ 9,217,168	\$ 9,811,222	\$ 10,381,016
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%



Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 11,172,464	\$ 11,063,854	\$ 11,480,542	\$ 11,611,268	\$ 11,819,124	\$ 13,358,596
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 11,172,464	\$ 11,063,854	\$ 11,480,542	\$ 11,611,268	\$ 11,819,124	\$ 13,358,596
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**City of Gillette, Wyoming**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<u>Fiscal Years</u>	<u>General Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2014 - 2023	\$ -	\$ -	\$ -

Note: The City of Gillette does not currently have, nor has it had for the past ten fiscal years, any reportable outstanding bonded debt.

**City of Gillette, Wyoming  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Date of Incorporation 1891  
Form of Government Mayor - Council

	Fiscal Year			
	2014	2015	2016	2017
Population (CY Basis) <sup>1</sup>	32,000	32,520	30,467	31,147
Unemployment Rate <sup>2</sup>	3.4%	3.8%	6.2%	5.7%
Median Age <sup>3,6</sup>	30.2	30.4	30.9	30.9
Personal Income (thousands of dollars) <sup>4,6</sup>	\$ 2,352,749	\$ 2,690,020	\$ 2,367,290	\$ 2,258,500
Per Capita Personal Income <sup>4,6</sup>	\$ 48,691	\$ 54,653	\$ 48,507	\$ 48,842
New Single-Family Residential:				
Number of Permits	128	142	53	14
Valuation	\$ 57,346,683	\$ 56,780,306	\$ 22,809,688	\$ 5,676,085
New Commercial/Industrial:				
Number of Permits	28	30	27	12
Valuation	\$ 45,800,319	\$ 95,279,433	\$ 55,090,590	\$ 13,677,262
Rental Vacancy Rates: <sup>1,7</sup>				
Building rentals	1.3%	5.9%	22.4%	21.5%
Mobile Home Parks	6.3%	9.1%	22.6%	16.7%
Homeowner Vacancy Rate <sup>6,8</sup>	n/a	n/a	1.8%	2.1%
Rental Vacancy Rate <sup>6,8</sup>	n/a	n/a	7.6%	6.6%
Area in Square Miles <sup>1</sup>	19.42	21.66	21.66	21.71
Number of Schools (In City of Gillette Only) <sup>5</sup>				
Elementary Schools	9	9	9	10
Junior High Schools	2	2	2	2
High Schools	1	1	1	1
Alternative Transitional Center (For at-risk Students)	1	1	1	1
Total Number of Schools	13	13	13	14
County School Enrollment <sup>5</sup>	8,714	8,986	9,038	8,567
County Student - Teacher Ratio <sup>5</sup>				
Elementary Schools	18.90:1	18.90:1	18.80:1	18.22:1
Secondary Schools	15.06:1	15.06:1	16.23:1	15.76:1

**Source:**

<sup>1</sup> City of Gillette, Planning Division

<sup>2</sup> U.S. Bureau of Labor Statistics

<sup>3</sup> Campbell County Economic Development Corporation and U.S. Census Bureau

<sup>4</sup> Regional Economic Information System, Bureau of Economic Analysis

<sup>5</sup> Campbell County School District

<sup>6</sup> n/a: Data is not yet available. The schedule will be completed as the information becomes available.

<sup>7</sup> Beginning in FY19, the City of Gillette Planning Division no longer collects this data.

<sup>8</sup> Wyoming Department of Administration & Information Economic Analysis Division. This data is only available on a County wide basis, and is presented on a calendar year basis, ending in December 31 of the previous year.

Fiscal Year					
2018	2019	2020	2021	2022	2023
32,252	31,843	31,879	33,403	32,962	33,309
4.3%	3.7%	9.6%	6.9%	3.6%	2.9%
33.5	35.6	35.1	36.0	36.0	n/a
\$ 3,092,300	\$ 3,251,830	\$ 3,200,850	\$ 2,598,834	\$ 2,652,863	n/a
\$ 51,064	\$ 53,438	\$ 52,463	\$ 56,008	\$ 56,374	n/a
30	27	24	33	40	35
\$ 7,448,000	\$ 6,967,500	\$ 7,045,199	\$ 10,602,195	\$ 15,371,674	\$ 14,584,139
16	9	22	18	19	14
\$ 6,261,000	\$ 7,061,500	\$ 7,062,266	\$ 7,599,662	\$ 24,621,565	\$ 67,555,614
7.5%	n/a	n/a	n/a	n/a	n/a
16.9%	n/a	n/a	n/a	n/a	n/a
2.1%	3.0%	2.6%	2.2%	1.4%	1.3%
7.6%	13.6%	18.8%	21.4%	22.9%	25.3%
23.15	23.15	23.19	23.19	23.20	23.20
10	11	11	11	11	11
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
15	16	16	16	16	16
8,603	8,612	8,718	8,409	8,561	8,546
18.82:1	18.98:1	18.48:1	17.42:1	17.15:1	18.09:1
15.23:1	17.04:1	17.45:1	16.81:1	17.62:1	17.52:1

**City of Gillette, Wyoming**  
**Principle Employers in Campbell County <sup>1</sup>**  
**Current Year and Nine Years Ago**

Industry	Fiscal Year 2023 <sup>2</sup>	
	Employees	Percentage of Total County Employment
Mining	5,636	22.99%
Total Government	4,535	18.50%
Retail Trade	2,449	9.99%
Accommodation and Food Services	2,234	9.11%
Construction	1,921	7.84%
Wholesale Trade	1,388	5.66%
Health Care and Social Assistance	1,191	4.86%
Administrative and Waste Services	782	3.19%
Transportation and Warehousing	748	3.05%
Other Services, Except Public Administration	733	2.99%
Professional and Technical Services	716	2.92%
Manufacturing	472	1.93%
Finance and Insurance	433	1.77%
Utilities	317	1.29%
Real Estate and Rental and Leasing	270	1.10%
Information	255	1.04%
Arts, Entertainment and Recreation	165	0.67%
Educational Services	121	0.49%
Management of companies and enterprises	82	0.33%
Agriculture, Forestry, Fishing & Hunting	62	0.25%
<b>Total</b>	<b>24,510</b>	<b>100.00%</b>
<b>Total Campbell County Employment</b>	<b>24,510</b>	

Sources:

Department of Employment and Workforce Services, State of Wyoming

<sup>1</sup> Information for principle employers by specific employer is not available. Employees by industry is utilized instead. The City of Gillette makes up approximately 71.0% of Campbell County's population.

<sup>2</sup> Data presented on a calendar year basis, ending on December 31 of the previous year (i.e. Information for FY2023 ends on December 31, 2022)

Fiscal Year 2014 <sup>2</sup>

Employees	Percentage of Total County Employment
7,874	28.61%
4,911	17.84%
2,399	8.72%
2,158	7.84%
2,414	8.77%
1,721	6.25%
974	3.54%
615	2.23%
940	3.42%
713	2.59%
807	2.93%
553	2.01%
401	1.46%
369	1.34%
301	1.09%
218	0.79%
87	0.32%
68	0.25%
-	-
-	-
27,523	100.00%

**27,523**

**City of Gillette, Wyoming**  
**Full-Time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year			
	2014	2015	2016	2017
General Government				
Finance, Human Resources, Safety	21.25	21.75	22.75	20.5
Judicial and Legal	10.5	11.5	11.75	10
City Hall, Buildings & Grounds	9	9	9	7
Planning & Building Inspection	13	11	11	8
Streets, Traffic	19	18	18	17
Parks	12	12	12	10
Central Administration	17.5	19.75	19.75	14.5
Other	23	23	23	17
Police				
Officers and Civilians	67	68	69	61
Dispatch	9	9	11.5	11
Animal Control/Shelter	6	7	7	6
Other - Grant Funded Positions	3	4	4	2
Code Enforcement	2	2	2	1
Engineering	12	12	12	8
Warehouse & Purchasing	4	4	4	3
Vehicle Maintenance	7	7	7	7
Utilities Administration	12.75	14.75	16.75	16.75
Solid Waste Collection	9	9	9	9
Water & Water Treatment	18	18	18	16
Power	16	16	18	17
Wastewater	11	12	14	13
Total FTE Employees	302	308.75	319.5	274.75
Total Temporary/Seasonal positions <sup>1</sup>	19.8	19.0	19.5	11.0

<sup>1</sup> Seasonal/Intern positions are reported as full time equivalents.

Fiscal Year					
2018	2019	2020	2021	2022	2023
21	22	22	21	20	21
9	8	8	8	7	6
7	8	8	8	10	10
8.5	8.5	8	8	8	8
18	18	18	18	18	18
10	10	10	10	10	14
14	13	13	13	12	11
17.5	19.5	19	19	19	21
65	65	67	67	67	69
11	11	11	11	11	11
7	7	7	7	7	7
2	2	2	2	2	2
1.5	1.5	2	2	2	2
10	10	10	10	9	8
4	4	4	4	4	4
7	7	7	7	7	7
16	17	18	17	17	17
9	9	9	9	9	9
17	17	15	15	16	17
17	16	16	16	14	14
13	16	16	16	17	17
284.5	289.5	290	288	286	293
6.0	14.8	37.0	16.6	17.2	12.6



**City of Gillette, Wyoming  
Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years**

Function/Program	Fiscal Year			
	2014	2015	2016	2017
Police				
Stations	1	1	1	1
Patrol units	38	38	38	38
Public Works				
Refuse collection trucks	8	8	8	8
Streets (miles)	214.4	221.1	222.9	222.9
City parks (acres)	661.1	661.1	661.1	661.2
Bike paths (miles)	46.0	50.8	60.4	75.6
Storm sewers (miles)	96.95	101.17	99.63	101.40
Traffic signals	64	75	98	119
Utilities Department				
Water				
Water lines (miles)	291.4	310.7	340.3	357.6
Fire hydrants	2,269	2,305	2,322	2,324
Storage capacity (thousands of gallons)	22,000	22,000	22,300	22,300
Electric				
Electric lines (miles)-includes both transmission & distribution	344.0	365.0	365.0	374.0
Streetlights	3,233	3,346	3,383	3,418
Transformers	3,108	3,227	3,260	3,377
Number of substations	10	10	10	9
Wastewater				
Sanitary sewers (miles)	190.5	190.5	188.4	188.4
Number of manholes	3,690	3,718	3,776	3,776
Treatment capacity (thousands of gallons)	5,120	5,120	5,120	5,120

Fiscal Year					
2018	2019	2020	2021	2022	2023
1	1	1	1	1	1
38	43	45	50	60	68
8	8	8	8	8	8
232.8	233.1	233.3	233.9	234.4	234.4
678.5	677.9	677.9	677.9	677.9	677.9
75.7	76.9	77.8	84.1	84.3	85.2
101.50	103.30	103.40	106.50	106.60	106.60
123	137	142	146	152	157
372.6	375.8	376.1	378.5	378.7	379.1
2,348	2,372	2,378	2,386	2,389	2,391
22,300	22,300	24,400	24,400	24,400	24,400
376.0	375.0	375.2	374.7	375.4	391.4
3,556	3,571	3,586	3,534	3,554	3,642
3,347	3,348	3,324	3,310	3,305	3,492
9	9	9	9	9	9
188.4	196.0	196.5	197.9	198.8	199.1
3,779	3,926	3,927	3,953	3,965	3,974
5,120	5,120	5,120	5,200	5,200	5,200

**City of Gillette, Wyoming**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year			
	2014	2015	2016	2017
General Government				
Building permits issued	799	856	548	491
Building inspections conducted	8,176	10,430	5,367	3,592
Gas, Electrical, Plumbing & Mechanical Permits	1,537	1,717	1,051	823
Contractor Licences	1,281	1,387	1,325	1,244
Police <sup>1</sup>				
Incidents	33,533	36,433	37,005	31,884
Incident reports taken	8,933	9,172	8,583	7,366
Traffic citations	4,058	4,310	4,729	3,837
Physical arrests	3,686	3,934	4,672	3,816
Public Works				
Refuse collected (In Tons per Year)	13,213	13,565	13,073	11,606
Curbside Yard Waste collected (In Tons per Year)	1,281	692	715	705
Acres of parks mowed	2,480	3,245	1,643	1,905
Miles of streets plowed	54,469	34,825	27,065	34,295
Utilities Department				
Meters read - all Utilities (Water, Electric)	309,233	309,936	312,420	312,156
Utility bills mailed	194,687	199,073	200,928	209,181
Wastewater <sup>1</sup>				
Daily average flows (Million Gallons per Day)	3.1800	3.2500	3.0000	3.0200
Compost sold (In Yards per Year) <sup>1</sup>	3,164	2,789	4,460	4,247
Yard Waste collected-drop-off site (In Tons per Year)	2,031	4,560	4,918	4,318
Electric				
Amount billed	\$ 26,555,552	\$ 27,410,894	\$ 30,159,956	\$ 31,237,842
Water				
New connections	155	259	72	(31)
Average Daily Water Production (In millions of gallons) <sup>1</sup>	4.3	4.0	4.4	4.6
Average Daily Consumption per Capita (gallons) <sup>1 2</sup>	140	126	137	140
Peak Water Demand (in millions of gallons)	11.0	11.0	10.8	11.9

<sup>1</sup> Data presented on a calendar year basis, ending on December 31 of the previous year (i.e. Information for FY2023 ends on December 31, 2022)

<sup>2</sup> As of FY 2015 changed this data to Average Daily Consumption per Capita (gallons) to provide more useful data

Fiscal Year					
2018	2019	2020	2021	2022	2023
459	528	1,840	825	572	530
5,447	4,317	4,296	3,917	3,948	3,968
1,171	981	1,136	824	1,005	875
1,230	1,192	1,261	1,272	1,309	1,309
28,809	29,216	31,236	29,121	28,101	30,412
6,604	7,359	8,023	7,144	7,191	8,662
3,386	3,373	3,398	2,491	4,383	2,830
3,260	3,210	2,369	2,070	997	2,092
11,307	12,632	13,107	12,729	12,536	12,531
747	789	873	784	788	1,119
3,585	3,666	3,370	3,177	2,813	3,011
40,413	47,972	53,206	23,441	22,987	47,285
316,692	315,408	320,184	326,156	322,488	331,116
200,703	174,259	197,509	193,248	202,368	203,443
3.0000	3.2000	3.0180	2.9000	2.9690	3.1245
2,186	1,804	2,079	3,092	3,057	3,009
4,319	3,908	3,218	4,425	3,231	6,144
\$ 31,892,517	\$ 31,805,355	\$ 31,268,569	\$ 31,546,453	\$ 31,964,309	\$ 34,925,775
123	214	85	61	59	49
4.6	4.0	5.5	4.0	4.9	4.8
144	133	167	145	154	151
11.9	9.7	11.5	11.5	13.4	12.1

# SINGLE AUDIT SECTION

# **BENNETT, WEBER & HERMSTAD, LLP**

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

To The Honorable Mayor and City Council Members  
**City of Gillette, Wyoming**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Gillette, Wyoming (City)** as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the **City's** basic financial statements, and have issued our report thereon dated December 19, 2023.

### **Report On Internal Control Over Financial Reporting**

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

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

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

### **Report On Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Bennett, Weber & Hermstad, LLP*

Gillette, Wyoming  
December 19, 2023

# **BENNETT, WEBER & HERMSTAD, LLP**

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

To The Honorable Mayor and City Council Members  
City of Gillette, Wyoming

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited the **City of Gillette, Wyoming's (City)** compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the **City's** major federal programs for the year ended June 30, 2023. The **City's** major federal programs are identified in the summary of independent auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the **City** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

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

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

#### ***Responsibilities of Management for Compliance***

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



### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### ***Report on Internal Control over Compliance***

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

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

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

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

*Bennett, Weber & Hermstad, LLP*

Gillette, Wyoming  
December 19, 2023

**CITY OF GILLETTE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2023

(Page 1 of 2)

Federal Grantor Pass Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures
<u>Department of Health and Human Services</u>			
Passed Through the State of Wyoming Department of Family Services			
Low Income Home Energy Assistance Program	93.568	-	<b>\$ 408,667</b>
Passed Through the State of Wyoming Association of Sheriffs and Chiefs of Police			
Substance Abuse and Mental Health Services			
Projects of Regional and National Significance - 2022 and 2023	93.243	-	<b>\$ 12,816</b>
Center of Disease Control and Prevention			
Health Department Response to Public Health or Healthcare Crises 2022 and 2023	93.391	-	<b>46,000</b>
Total Passed Through the Wyoming Association of Sheriffs and Chiefs of Police			<b>\$ 58,816</b>
Total Department of Health and Human Services			<b>\$ 467,483</b>
<u>Department of Homeland Security</u>			
Passed Through the State of Wyoming, Office of Homeland Security and Emergency Management			
Homeland Security Grant Program	97.067	22-SHSP-GIL-PD-AET	<b>\$ 53,847</b>
<u>Department of Justice</u>			
Direct Awards:			
Bureau of Justice Assistance			
Bulletproof Vest Partnership Program - 2021, and 2022	16.607	-	<b>\$ 6,475</b>
Passed Through the State of Wyoming Division of Criminal Investigation			
Edward Byrne Memorial Justice Assistance			
Grant Program	16.738	-	<b>\$ 41,343</b>
Passed Through the National White Collar Crime Center			
Edward Byrne Memorial Justice Assistance			
Grant Program	16.738	2020-MU-BX-K001	<b>\$ 11,710</b>
Total Edward Byrne Memorial Justice Assistance Grant Program			<b>\$ 53,053</b>
Passed Through the State of Wyoming Office of Attorney General			
Crime Victim Assistance	16.575	2020-V2-GX-0016	<b>\$ 14,915</b>
Violence Against Women Formula Grants	16.588	15JOVW-21-GG-00549-STOP	<b>22,737</b>
Total Passed Through the State of Wyoming Office of Attorney General			<b>\$ 37,652</b>
Total Pass Through Awards			<b>\$ 90,705</b>
Total Department of Justice			<b>\$ 97,180</b>

The accompanying notes are an integral part of this schedule.

(Continued)

**CITY OF GILLETTE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, 2023

(Page 2 of 2)

Federal Grantor Pass Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Total Federal Expenditures
<u>Department of Transportation</u>			
Passed Through the State of Wyoming, Department of Transportation			
Highway Safety Cluster			
National Priority Safety Programs - 2022 and 2023	20.616	-	<b>\$ 61,913</b>
<u>Executive Office of the President</u>			
Passed Through the State of Wyoming Division of Criminal Investigation			
High Intensity Drug Trafficking Areas Program 2022 and 2023			
	95.001	-	<b>\$ 2,455</b>
<u>Department of the Interior</u>			
Passed Through State of Wyoming Department of Environmental Quality			
Abandoned Mine Land Reclamation Program	15.252	-	<b>\$ 705,536</b>
Passed Through State of Wyoming Department of State Parks and Cultural Resources			
Outdoor Recreation Acquisition, Development, and Planning	15.916	-	<b>\$ 269,719</b>
Total Department of the Interior			<b>\$ 975,255</b>
<u>Department of the Treasury</u>			
Passed Through State of Wyoming, State Budget Department			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			
	21.027	-	<b>\$ 3,174,817</b>
Passed Through State of Wyoming, Department of Family Services			
COVID-19 - Emergency Rental Assistance Program	21.023	-	<b>\$ 107,230</b>
Homeowners Assistance Fund	21.026	-	<b>7,716</b>
Total Passed Through the State of Wyoming, Department of Family Services			<b>\$ 114,946</b>
Total Department of the Treasury			<b>\$ 3,289,763</b>
<u>Department of Housing and Urban Development</u>			
Passed Through the Wyoming Community Development Authority			
Community Development Block Grants	14.228	-	<b>\$ 14,560</b>
Total Expenditures of Federal Awards			<b>\$ 4,962,456</b>

The accompanying notes are an integral part of this schedule.

## CITY OF GILLETTE, WYOMING

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2023

#### Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Gillette, Wyoming under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Gillette, Wyoming, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Gillette, Wyoming.

#### Note 2. Summary of Significant Accounting Policies

- (A) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (B) Pass through identifying numbers are presented where available.
- (C) The City of Gillette, Wyoming did not elect to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

#### Note 3. Amounts Passed Through to Subrecipients

The accompanying Schedule does not reflect any amounts as *Passed Through to Subrecipients*, as the City of Gillette, Wyoming did not subgrant (pass through) any federal awards to subrecipients.

**CITY OF GILLETTE, WYOMING**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

Year Ended June 30, 2023

(Page 1 of 2)

**Section I. Summary of Independent Auditor's Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

◦ Material weakness(es) identified? \_\_\_\_\_ yes  X  no  
 ◦ Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes  X  no

*Federal Awards*

Internal control over major federal programs:

◦ Material weakness(es) identified? \_\_\_\_\_ yes  X  no  
 ◦ Significant deficiency(ies) identified? \_\_\_\_\_ yes  X  none reported

Type of auditor's report issued on compliance for major federal programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2CFR200.516(a)? \_\_\_\_\_ yes  X  no

Identification of major federal programs:

*Federal Assistance*

<i>Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Amount Expended</i>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	<u>\$ 3,174,817</u>

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no

(Continued)

**CITY OF GILLETTE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

Year Ended June 30, **2023**

(Page 2 of 2)

**Section II. Financial Statement Findings**

A. Internal Control Findings

There were no internal control findings.

B. Compliance Findings

There were no compliance findings.

**Section III. Federal Award Findings and Questioned Costs**

There were no findings and questioned costs in 2023.

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**CITY OF GILLETTE, WYOMING**

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

Year Ended June 30, **2023**

1) Prior Year Findings:

There were no prior year findings.

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