

Notes to the Financial Statements**Note 10. Litigation and Other Contingent Liabilities**

There are several lawsuits pending against the County for various reasons. The outcome and eventual liability to the County, if any, in these cases is not known at this time; however, management and legal counsel estimate the potential claims against the County, not covered by insurance, resulting from such litigation would not materially affect the basic financial statements of the County.

Two of the County's largest taxpayers have not paid their outstanding taxes owed to the County. At June 30, 2022 the County was in negotiations for payment of these receivables.

Note 11. Transactions with Related Organizations and Component Units***Transactions with Component Units***

The County provided revenues to various component units during the fiscal year. The County also collected payments for the cost of health insurance from various component units. Following are the amounts provided and the amounts received from each component unit during the fiscal year ended June 30, 2022.

	<u>Revenues Provided by the County</u>	<u>Payments Received by the County</u>
	<u>Operating Grants and Contributions</u>	<u>Health Insurance</u>
County Fair	\$ 75,205	\$ 6,064
County Library	20,000	55,569
County Museum	6,101	51,312

Note 12. Pension Plans***Pension Plan Fiduciary Net Position***

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at <http://retirement.state.wy.us>.

All eligible County employees are covered under one of the two following retirement plans:

Public Employees' Pension Plan

The County participates in the Public Employees' Pension Plan (PEPP), a statewide cost-sharing multiple-employer defined benefit, contributory retirement plan administered by the State of Wyoming Retirement System Board. The Plan also covers employees of those political subdivisions and other statutorily allowed entities, which have elected to participate in the Plan. Substantially all County full-time employees are eligible to participate.

Note 12. Pension Plans (Continued)

Public Employees' Pension Plan (Continued)

PEPP members are statutorily required to contribute 9.25% of their annual covered salary and the employer is statutorily required to contribute 9.37% of the annual covered payroll for a total of 18.62%. Legislation enacted in 1979 allows the employer to subsidize all or part of the employee contribution. The County has elected to contribute an additional 7.57% on behalf of eligible employees. Although paid by the County, for purposes of recording the net pension liability these additional contributions are considered to be employee contributions. The County currently pays 17.19% of covered payroll and the employees contribute the remaining portion, 1.43% of covered payroll. The County's contributions to the PEPP for the years ended June 30, 2022, 2021, and 2020 were \$426,268, \$402,219, and \$398,477, respectively, while the employees' portion was \$35,460, \$34,462, and \$35,281, respectively.

For the years ended June 30, 2022, 2021 and 2020, the County's statutorily required contributions to the PEPP pension plan were \$232,352, \$219,786, and \$218,356, respectively.

The County Fair, the County Library, the County Museum, and the Weed and Pest Control also participate in the PEPP pension plan and pay 100% of the required employee contributions. The component unit contributions to the PEPP pension plan for the years ended June 30, 2022, 2021, and 2020 were \$100,356, \$104,242, and \$106,265, respectively, equal to the required contributions for each year.

For the years ended June 30, 2022, 2021 and 2020, the component unit's statutorily required contributions to the PEPP pension plan were \$50,501, \$52,467, \$53,493, respectively.

The amount of contributions designated as employee contributions represents the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion. Through legislation passed during the 2014 legislative session, two tiers of benefits were established for participants of this plan.

- For Tier 1 (first contribution before September 1, 2012), the Plan allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 or 25 years of service but will result in a reduction of benefits based on the length of time remaining to age 60.
- For Tier 2 (first contribution on or after September 1, 2012), the Plan allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 or more years of service but will result in a reduction of benefits based on the length of time remaining to age 65.

All employees may also retire on the basis that the sum of the member's age and service is at least 85.

Note 12. Pension Plans (Continued)

Public Employees' Pension Plan (Continued)

Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of the seven optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. The State Legislature must grant any cost of living adjustment provided to retirees. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions and accumulated interest through date of termination or, if they are vested, they may elect to remain in the Plan and be eligible for unreduced retirement benefits at age 60 (Tier 1 employee) or 65 (Tier 2 employee).

Law Enforcement Pension Plan

The County participates in the Wyoming Law Enforcement Pension Plan (LEPP), a state-wide, cost sharing, multiple-employer defined benefit, contributory retirement plan administered by the State of Wyoming Retirement System Board. The LEPP covers any county sheriff, deputy county sheriff, municipal police officer, Wyoming correctional officer, Wyoming law enforcement academy instructor, University of Wyoming campus police officer, detention officer or dispatcher for law enforcement agencies and certain investigators of the Wyoming Livestock Board, Wyoming Gaming Commission and Wyoming Board of Outfitters.

The LEPP statutorily provides retirement, disability and death benefits according to predetermined amounts primarily determined by salary, age and years of service of the participant. The State Legislature must grant any cost of living adjustment provided to retirees. In addition, a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded. Participants may withdraw from the Plan at any time and receive refunds of participant contributions and accumulated interest.

LEPP members are statutorily required to contribute 8.60% of their annual covered salary and the employer is statutorily required to contribute 8.60% of the annual covered payroll for a total of 17.20%. Legislation enacted in 1979 allows the employer to subsidize all or part of the employee contribution. The County has elected to contribute an additional 2.65% on behalf of eligible employees. Although paid by the County, for purposes of recording the net pension liability these additional contributions are considered to be employee contributions. The County currently pays 11.25% of covered payroll and the police officers contribute the remaining portion, 5.95% of covered payroll.

The County's contributions to the LEPP plan for the years ended June 30, 2022, 2021, and 2020, were \$188,179, \$184,807, and \$190,039, respectively, while the employees' portion was \$94,930, \$97,742, and \$100,509, respectively

For the years ended June 30, 2022, 2021, and 2020, the County's statutorily required contributions to the LEPP pension plan were \$141,555, \$141,275, and \$145,274, respectively.