

City of Cody City Council –

November 6, 2018

(Pre-Meeting to begin at 6:45 p.m. – to Review Meeting Agenda)

Regular Meeting 7:00 p.m.

Meeting Place: City of Cody Council Chambers – 1338 Rumsey Avenue, Cody, WY

Meeting Called to Order

Pledge of Allegiance

Moment of Silence

Roll Call

Mayor’s Recognitions and Announcements

Citizen Recognition – presented by Chief Baker Proclamation –
Cody Apprenticeship Week (11/12/18-11/16/18)

1. Consent Calendar

All items under the consent calendar will be acted upon in one motion unless a Councilmember or member of the public requests that an individual item be taken up under Conduct of Business.

- a. Approval of Minutes: Regular Minutes from October 16, 2018.
- b. Authorize the Mayor to enter into and sign the grant agreement with Wyoming Business Council for the Gunwerks Manufacturing Facility.
- c. Authorize the Mayor to sign Change Order #1 on the ADA Ramp Improvement project.
- d. Authorize the Mayor to sign the Certificate of Substantial Completion on the ADA Ramp Improvement project.
- e. Authorize the Mayor to enter into and sign maintenance agreement between the City of Cody and Long Building Technology.
- f. Approve Vouchers in the amount of \$154,382.73, noting vouchers associated with one cent special purpose tax funds.
- g. Approval a request for the City Council to wave day pass fees for the Recreation Center non-members who are registered for the Teen Recreation Advisory Committee activities.

2. Public Comments: The City Council welcomes input from the public. In order for everyone to be heard, please limit your comments to five (5) minutes per person. The Guidelines for the Conduct of City Council Meetings do not allow action to be taken on public comments.

3. Public Hearing

- a. A public hearing to consider if it is in the public interest to approve a Bar & Grill License for Taproom, LLC dba Wyold West Taproom located at 1022 13th Street.
- b. A public hearing to consider if it is in the public interest to amend the Trailhead Planned Unit Development.

4. Conduct of Business

- a. Vouchers and payroll in the amount of \$670,169.43.
- b. Consider approving a Bar & Grill License to Taproom LLC, dba Wyold West Taproom located at 1022 13th Street.
Staff Reference: Cindy Baker, Administrative Services Officer
Spokesperson: Taproom LLC
- c. Accept the Auditor's report and financial statements for Fiscal Year 2017-2018.
Staff Reference: Leslie Brumage, Finance Officer
Spokesperson: James Steckman, CPA
- d. ORDINANCE 2018-18 SECOND READING AS AMENDED
AN ORDINANCE AMENDING TITLE 8, CHAPTER 3, SECTION 11:
PRIVIES, CESSPOOLS, ETC., DELCARED NUISANCES, REMOVAL
WHERE CITY SEWER AVAILABLE.
Staff Reference: Todd Stowell, City Planner

5. Tabled Items

- a. ORDINANCE 2018-15 SECOND READING
AN ORDINANCE AMENDING THE ACCESSORY DWELLING UNIT
PROVISIONS OF THE CODY ZONING ORDINANCE (TITLE 10 CITY OF
CODY CODE)

6. Matters from Staff Members

7. Matters from Council Members

8. Adjournment

Upcoming Meetings:

November 13, 2018 – Tuesday – Work Session 4:15 p.m.

November 20, 2018 – Tuesday – Regular Council Meeting 7:00 p.m.

PROCLAMATION
November 12-16, 2018 Cody Apprentice Week

WHEREAS, the demand for skilled workers continues to increase in Cody, Apprenticeship is an industry-led proven training model, designed to meet this demand, as well as retrain workers needed to diversify Wyoming's economy for generations to come; and

WHEREAS, Apprenticeship is a unique, flexible, training system that combines industry-directed technical instruction with structured, paid, on-the-job learning experiences, which contributes to increased hiring and retention rates; and

WHEREAS, Apprenticeship training models prepare Cody workers to compete in a diverse economy while keeping pace with technological advancements and occupation-based innovations; and

WHEREAS, today in Cody, five (5) businesses have taken the steps to develop a Department of Labor registered Apprenticeship program to train their technical workforce; and

WHEREAS, Cody employers have developed and led Apprenticeship training programs since the late 1930's, resulting in rewarding technical careers, offering livable wages, most often without college debt; and

WHEREAS, Apprenticeship is a pathway for technical training, higher education, industry licensing, portable and stackable credentialing, required by industry in Cody and Wyoming.

NOW THEREFORE, I, Matthew Hall, Mayor of Cody, Wyoming, do hereby proclaim the week of November 12-16, 2018 as **CODY APPRENTICESHIP WEEK**:

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Executive Seal of the City of Cody to be affixed this 6th day of November, 2018.

Matt Hall
Mayor

City of Cody
Council Proceedings
Tuesday, October 16, 2018

A regular meeting of the Cody City Council was held in the Council Chambers at City Hall in Cody, Wyoming on Tuesday, October 16, 2018 at 7:00 p.m.

Present: Mayor Matt Hall, Council Members Donny Anderson, Karen Ballinger, Jerry Fritz, Glenn Nielson, Landon Greer, and Stan Wolz, City Administrator, Barry Cook, City Attorney Scott Kolpitcke and Administrative Services Officer/Clerk Cindy Baker

Absent: None

Mayor Hall called the meeting to order at 7:00 p.m.

Council Member Greer made a motion seconded by Council Member Fritz to approve the agenda as amended with an addition to the consent calendar. Vote was unanimous.

Council Member Greer made a motion seconded by Council Member Fritz to approve the consent calendar including Regular Minutes from October 2, 2018 & Special Work Session from October 9, 2018; award Bid 2018-12 to Denny Menholt Chevrolet Buick GMC in the amount of \$48,204.00 for two (2) 2019 Chevy Equinox AWD vehicles; approve the street closure of Sheridan Avenue between 9th and 14th Streets from 4:00 pm to 8:00 pm, actual event running 5:00 – 7:30pm, on Saturday, November 24th, for the Annual Christmas Stroll and Parade; approve and authorize the Cody Lions Club to use the Bob Moore Parking Lot on Friday, November 16 through Sunday, November 18, 2018 for the Annual “Turkey Shoot”. Authorize the discharging of .22 cal. Single shot target rifles for this event with conditions outlined by staff; approve Vouchers in the amount of \$166,027.27, noting vouchers associated with one cent special purpose tax funds; approval a request from Park County School District #6 to close Beck Ave from 9th to 10th Street from 6 a.m. to noon to accommodate parking for the Veterans Day program to be held on Monday, November 12, 2018. The City will provide the barricades and signage with school staff providing the placement and removal; authorize the Mayor to sign the Contingency and Development Agreement between the City of Cody, Forward Cody Wyoming Inc. and Gunwerks, LLC as it relates to the Business Ready Community Program; authorize the increase of an additional 367 hours for the provisional mechanic position, to be funded from the Sanitation Division; authorize the Mayor to sign the Consent to Assign Becon Hill Water Storage Tank, SMP connection, and Water Main Extension Project Agreement from Graham, Dietz and Associates to T-O Engineers, Inc. for Professional Engineering Services related to this Project and accept a request for a donated “Buffalo Bill Bench” to be located on the corner of 12th and Sheridan. Noting installation and placement will be coordinated with the City staff. Letter of donation and written notice noting the value needs to be received prior to installation. Vote was unanimous.

Council Member Fritz made a motion seconded by Council Member Anderson to approve Vouchers in the amount of \$1,579,967.64. Council Member Greer recused himself from the vote. Vote was unanimous from remaining Council Members.

ORDINANCE 2018-18 FIRST READING

AN ORDINANCE AMENDING TITLE 8, CHAPTER 3, SECTION 11 – PRIVIES, CESSPOOLS, ETC., DECLARED NUISANCES, REMOVAL WHERE CITY SEWER AVAILABLE. Council Member Ballinger made a motion seconded by Council Member Fritz to approve Ordinance 2018-18 on First Reading. Vote was unanimous.

ORDINANCE 2018-17 – THIRD AND FINAL READING
AN ORDINANCE AMENDING TITLE 9, CHAPTER 2, SECTION 1 OF THE CITY OF
CODY CODE. Council Member Fritz made a motion seconded by Council Member Anderson
to approve Ordinance 2018-17 on Third and Final Reading. Vote was unanimous.

Tabled Item:

ORDINANCE 2018-15 SECOND READING
AN ORDINANCE AMENDING THE ACCESSORY DWELLING UNIT PROVISIONS OF
THE CODY ZONING ORDINANCE (TITLE 10 CITY OF CODY CODE) Mayor Hall called
for a motion to remove from tabled item, no motion was made.

Meeting adjourned at 7:15 p.m.

Mayor Matt Hall

Clerk, Cindy Baker

MEETING DATE: 11/06/18

DEPARTMENT: PUBLIC WORKS

PREPARED BY: LESLIE BRUMAGE

PRESENTED BY: LESLIE BRUMAGE

AGENDA ITEM SUMMARY REPORT

Wyoming Business Council Grant Agreement – Gunwerks Manufacturing Facility

ACTION TO BE TAKEN:

Authorize the Mayor to sign the grant agreement with Wyoming Business Council for the Gunwerks Manufacturing Facility.

SUMMARY OF INFORMATION:

The City of Cody was awarded a pass-through grant in the amount of \$3 million dollars from the Wyoming Business Council's Business Ready Communities Business Committed grant to construct a 36,080 square-foot manufacturing facility for the expansion of Gunwerks' firearms production in Cody.

In order to finalize the grant, the Council must approve and sign the grant agreement which outlines the terms of the grant as well as the City's responsibilities for compliance. The City had previously approved a contingency and development agreement with Forward Cody to manage this project.

In addition, the City was awarded a \$3 million-dollar BRC loan to match the grant funds. The loan agreement will be approved at a later date, once the grant funds are depleted.

FISCAL IMPACT

There are no City funds committed to this project. Forward Cody will submit project invoices to the City for review and submission to Wyoming Business Council for reimbursement under the grant. The City will then reimburse Forward Cody when the grant funds are received. Forward Cody will be responsible for paying all expenses incurred for this project. There will be a pass-through cost of \$3 million dollars and a corresponding pass through revenue of \$3 million dollars. It is expected this project will begin in FY18-19 and all construction services must be completed by June 30, 2021 unless an extension is approved by the Wyoming Business Council.

ATTACHMENTS

1. Wyoming Business Council Grant Agreement

AGENDA & SUMMARY REPORT TO:

None

AGENDA ITEM NO. _____

**BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE CITY OF CODY**

1. **Parties.** The parties to this Grant Agreement (Agreement) are the Wyoming Business Council (Council), whose address is 214 West 15th Street, Cheyenne, Wyoming 82002, and the city of Cody (Grantee), whose address is 1338 Rumsey Ave. Cody, WY 82414.
2. **Purpose of Agreement.** The purpose of this Agreement is to set forth the terms and conditions by which the Council shall provide Business Ready Community Grant and Loan Program (BRC) Business Committed funds to Grantee in an amount not to exceed three million dollars (\$3,000,000.00), to undertake and complete materials, projects and/or services (collectively, the Project) described in Attachment A, Project Summary, and Attachment B, Contingency and Development Agreement; which are attached to and incorporated into this Agreement by this reference. Performance by Grantee of the requirements of this Agreement and compliance with all BRC program rules and regulations is a condition of this Agreement.
3. **Term of Agreement.** This Agreement is effective when all parties have executed it (Effective Date). All construction services shall be completed by June 30, 2021 unless an extension is approved by Council. This Agreement shall terminate on June 30, 2024 unless otherwise amended or terminated in accordance with the terms and conditions specifically provided herein. This Agreement may be extended by agreement of both parties in writing and subject to the required approvals. There is no right, or expectation of extension and any extension will be determined at the discretion of the Council.
4. **Payment.**
 - A. The Council agrees to pay the Grantee for the work described in Section 5 below and in Attachment A, Project Summary. The total payment to Grantee under this Agreement shall not exceed three million dollars (\$3,000,000.00). Payment shall be made from Council's BRC budget pursuant to the schedule shown on Attachment A following Grantee's delivery to Council of invoices detailing services performed in connection with the Project. Payment shall be made within forty-five (45) days after submission of invoice pursuant to Wyo. Stat. § 16-6-602. Grantee shall submit invoices in sufficient detail to ensure that payments may be made in conformance with this Agreement.
 - B. No payment shall be made for work performed before the Effective Date of this Agreement. Should the Grantee fail to perform in a manner consistent with the terms and conditions set forth in this Agreement, payment under this Agreement may be withheld until such time as the Grantee performs its duties and responsibilities to the satisfaction of Council.

5. **Responsibilities of Grantee.** The Grantee agrees to:
- A. Provide services described in Attachment A, Project Summary;
 - B. Provide responsibilities described in Attachment B, Contingency and Development Agreement;
6. **Responsibilities of Council.** The Council agrees to:
- A. Pay Grantee in accordance with Section 4 above.
 - B. At its discretion, assist in providing Grantee access to information, including, without limitation, information concerning BRC program requirements, rules, statutes, and regulations, the Council will cooperate with Grantee whenever possible.
 - C. Council shall have no obligations, other than those specifically set forth herein regarding the Project or its performance.
7. **Special Provisions.**
- A. **Assumption of Risk.** The Grantee shall assume the risk of any loss of state funding, due to the Grantee's failure to comply with state requirements. The Council shall notify the Grantee of any state determination of noncompliance.
 - B. **Budget.** The budget for the Project is described in the Project Grant Expenditure Schedule (Budget) in Attachment A.
 - (i) Grantee agrees it will not exceed any of the line item totals listed in the Budget in Attachment A by more than twenty percent (20%) without prior approval from Council. Such changes will not result in any change in the total Project costs, or a change in the Grant amount.
 - (ii) In the Budget, "Non-Construction Costs" include: appraisal, architectural, engineering, and Project inspection fees; "Construction Costs" include: site work, materials, labor, utilities, and contingencies.
 - (iii) This Agreement is incrementally funded as costs are incurred accordingly to the Budget in Attachment A.
 - (iv) Grantee shall submit one (1) reimbursement request per monthly cycle or one (1) request every thirty (30) days. If more than one (1) request is received during that monthly cycle, the Council may return each additional request to Grantee for submittal in the next appropriate monthly cycle.

- (v) The Council will release funds only after payment vouchers or invoices approved by the Grantee are submitted to the Council. After receipt of cash requests and billing documentation, the Council will pay the amounts of invoices at one hundred percent (100%). Verification of all in-kind contributions must be submitted to the Council.
- (vi) If actual costs of the Project are more than the Budget indicated in Attachment A, Grantee agrees to pay the difference in the amount of funds awarded through the BRC Program and the actual costs of the completed Project. If there is additional funding for the Project, the Grantee must provide the Council with all necessary information regarding the funding.

C. Default and Remedies. In the event the Grantee or any subgrantee of the Grantee under this Agreement defaults or is deficient in the performance of any term of this Agreement or any requirements of the BRC program rules and regulations, then Council shall have the right to exercise all remedies provided by law or in equity, including, without limitation:

- (i) Immediately terminating this Agreement without further liability or obligation of Council;
- (ii) Issuing a letter of warning advising Grantee of the deficiency and putting the Grantee on notice that additional action will be taken if the deficiency is not corrected or is repeated;
- (iii) Recommending, or requesting Grantee to submit proposals for corrective actions, including the correction or removal of the causes of the deficiency;
- (iv) Advising Grantee to suspend disbursement of funds for the deficient activity;
- (v) Advising Grantee to reimburse any amounts improperly expended and reprogram the use of the funds in accordance with applicable requirements;
- (vi) Changing the method of payment to Grantee; and/or
- (vii) Reducing, withdrawing, or adjusting the amount of the Grant.

D. Extension of Construction. Council may, at its discretion, by amendment to this Agreement, extend the construction services date if Grantee provides written justification for the extension and that the completion of construction services will not exceed six (6) months from the construction services date established herein. A construction services date extension of six (6) months or less will not change the termination date established herein.

- E. Kickbacks.** The Grantee certifies and warrants that no gratuities, kickbacks or contingency fees were paid in connection with this Agreement, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Agreement. If the Grantee breaches or violates this warranty, the Council may, at its discretion, terminate this Agreement without liability to the Council, or deduct from the Agreement or consideration, or otherwise recover, the full amount of any commission, percentage, brokerage, or contingency fee.
- F. Monitoring Activities.** The Council shall have the right to monitor all activities related to this Agreement that are performed by the Grantee or its subcontractors. This shall include, but not be limited to, the right to make site inspections at any time and with reasonable notice; to bring experts and consultants on site to examine or evaluate completed work or work in progress; to examine the books, ledgers, documents, papers, and records pertinent to this Agreement; and, to observe personnel in every phase of performance of Agreement related work.
- G. No Finder's Fees.** No finder's fee, employment agency fee, broker fee or other such fee related to this Agreement shall be paid by either party.
- H. Non-Supplanting Certification.** Grantee hereby affirms that BRC Grant funds will be used to supplement existing funds and will not replace (supplant) funds that have been appropriated for the same purpose.
- I. Performance Measures.** Grantee will be required to provide information as requested by the State of Wyoming, by and through the Council, about lease arrangements, job creation, and additional investments. Performance Measures are more particularly described in Attachment A.
- J. Procurement Requirements.** Grantee will be required to provide a letter from a qualified engineer certifying the construction completion of the Project and that all required construction standards were adhered to during the construction of this Project. Upon completion of construction of this Project, Grantee will be required to provide the Council a letter from Grantee's attorney confirming:
- (i) Grantee has followed all procurement standards as per Wyo. Stat. § 15-1-113 and Wyo. Stat. § 16-6-101 *et. seq.*
 - (ii) Grantee has followed the Wyoming Preference Act (Wyo. Stat. § 16-6-201 through 16-6-206); and
 - (iii) Grantee has provided certified cost estimates from a qualified engineer.
- K. Reporting.** Within fifteen (15) calendar days after the conclusion of each calendar quarter during the Term of this Agreement, Grantee shall furnish Council with a progress report. Each progress report shall set forth, in narrative form, the Project work accomplished under the Agreement during the quarter or any other

information requested by Council. At the end of construction of the Project, Grantee shall furnish Council with annual reports for five (5) years of project outcomes against established measures. At the end of the term of this Agreement, Grantee shall furnish Council with a comprehensive report of the Project accomplishments, a cumulative detailed financial report reflecting total grant expenditures, cash and in-kind match expenditures, and private funds leveraged pursuant to this Agreement. Grantee shall provide a letter from a qualified engineer certifying the completion of the Project and that all required construction standards were adhered to relative to the construction of this Project.

- L. Retention of Records.** Grantee agrees to retain all records related to the Project which are required to be retained pursuant to this Agreement or the BRC program rules and regulations for five (5) years following Council's date of notice to Grantee of closeout of the Grant, provided all audit requirements have been fulfilled.
- M. Unused/Misused Funds.** The Council shall be entitled to recover from the Grantee any full or partial payment made under this Agreement for:
 - (i) Any payments used for purposes not authorized or performed outside this Agreement.
 - (ii) Any payments for services the Grantee is unable to provide.
 - (iii) Any payments for services the Grantee did not provide but was required to provide under the terms of this Agreement.

8. General Provisions

- A. Amendments.** Any changes, modifications, revisions or amendments to this Agreement which are mutually agreed upon in writing by the parties hereto shall be incorporated by written instrument, executed by all parties to this Agreement.
- B. Applicable Law, Rules of Construction, and Venue.** The construction, interpretation, and enforcement of this Agreement shall be governed by the laws of the State of Wyoming, without regard to conflicts of law principles. The terms "hereof," "hereunder," "herein," and words of similar import, are intended to refer to this Agreement as a whole and not to any particular provision or part. The Courts of the State of Wyoming shall have jurisdiction over this Agreement and the parties. The venue shall be the First Judicial District, Laramie County, Wyoming.
- C. Assignment Prohibited and Agreement Shall Not be Used as Collateral.** Neither party shall assign or otherwise transfer any of the rights or delegate any of the duties set out in this Agreement without the prior written consent of the other party. Grantee shall not use this Agreement, or any portion thereof, for collateral

for any financial obligation, without the prior written permission of Council.

- D. Audit and Access to Records.** The Council and any of its representatives shall have access to any books, documents, papers, electronic data, and records of the Grantee that are pertinent to this Agreement.
- E. Availability of Funds.** Each payment obligation of the Council is conditioned upon the availability of government funds that are appropriated or allocated for the payment of this obligation and which may be limited for any reason including, but not limited to congressional, legislative, gubernatorial, or administrative action. If funds are not allocated and available for continued performance of the Agreement, the Agreement may be terminated by the Council at the end of the period for which the funds are available. The Council shall notify the Grantee at the earliest possible time of the services that will or may be affected by a shortage of funds. No penalty shall accrue to the Council in the event this provision is exercised, and the Council shall not be obligated or liable for any future payments due or for any damages as a result of termination under this section.
- F. Award of Related Agreements.** The Council may award supplemental or successor agreements for work related to this Agreement or may award contracts to other grantees for work related to this Agreement. The Grantee shall cooperate fully with other grantees and the Council in all such cases.
- G. Compliance with Laws.** The Grantee shall keep informed of and comply with all applicable federal, state and local laws and regulations in the performance of this Agreement.
- H. Confidentiality of Information.** Except when disclosure is required by the Wyoming Public Records Act or court order, all documents, data compilations, reports, computer programs, photographs, data, and other work provided to or produced by the Grantee in the performance of this Agreement shall be kept confidential by the Grantee unless written permission is granted by the Council for its release. If and when Grantee receives a request for information subject to this Agreement, Grantee shall notify Council within ten (10) days of such request and shall not release such information to a third party unless directed to do so by Council.
- I. Entirety of Agreement.** This Agreement, consisting of ten (10) pages; Attachment A, Project Summary, consisting of three (3) pages; and Attachment B, Contingency and Development Agreement, consisting of ten (10) pages, represent the entire and integrated Agreement between the parties and supersede all prior negotiations, representations, and agreements, whether written or oral. In the event of conflict or inconsistency between the language of this Agreement and the language of any attachment or document incorporated by reference, the language of this Agreement shall control.

- J. Ethics.** Grantee shall keep informed of and comply with the Wyoming Ethics and Disclosure Act (Wyo. Stat. § 9-13-101, *et seq.*) and any and all ethical standards governing Grantee's organization.
- K. Extensions.** Nothing in this Agreement shall be interpreted or deemed to create an expectation that this Agreement will be extended beyond the term described herein. Any extension of this Agreement shall be initiated by the Council and shall be accomplished through a written amendment between the parties entered into before the expiration of the original Agreement or any valid amendment thereto and shall be effective only after it is reduced to writing and executed by all parties to the Agreement.
- L. Force Majeure.** Neither party shall be liable for failure to perform under this Agreement if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event and takes all reasonable steps to minimize delays.
- M. Indemnification.** Each party to this Agreement shall assume the risk of any liability arising from its own conduct. Neither party agrees to insure, defend or indemnify the other.
- N. Independent Contractor.** The Grantee shall function as an independent contractor for the purposes of this Agreement and shall not be considered an employee of the State of Wyoming for any purpose. Consistent with the express terms of this Agreement, the Grantee shall be free from control or direction over the details of the performance of services under this Agreement. The Grantee shall assume sole responsibility for any debts or liabilities that may be incurred by the Grantee in fulfilling the terms of this Agreement and shall be solely responsible for the payment of all federal, state, and local taxes which may accrue because of this Agreement. Nothing in this Agreement shall be interpreted as authorizing the Grantee or its agents or employees to act as an agent or representative for or on behalf of the State of Wyoming or the Council or to incur any obligation of any kind on behalf of the State of Wyoming or the Council. The Grantee agrees that no health/hospitalization benefits, workers' compensation, unemployment insurance or similar benefits available to State of Wyoming employees will inure to the benefit of the Grantee or the Grantee's agents or employees as a result of this Agreement.
- O. Nondiscrimination.** The Grantee shall comply with the Civil Rights Act of 1964, the Wyoming Fair Employment Practices Act (Wyo. Stat. § 27-9-105 *et seq.*), the Americans with Disabilities Act (ADA), 42 U.S.C. § 12101, *et seq.*, and the Age

Discrimination Act of 1975 and any properly promulgated rules and regulations thereto and shall not discriminate against any individual on the grounds of age, sex, color, race, religion, national origin, or disability in connection with the performance under this Agreement.

- P. Notices.** All notices arising out of, or from, the provisions of this Agreement shall be in writing either by regular mail or delivery in person at the addresses provided under this Agreement.
- Q. Ownership and Destruction of Documents and Information.** Council owns all documents, data compilations, reports, computer programs, photographs, data, and other work provided to or produced by the Grantee in the performance of this Agreement. Upon termination of services, for any reason, Grantee agrees to return all such original and derivative information and documents to the Council in a useable format. In the case of electronic transmission, such transmission shall be secured. The return of information by any other means shall be by a parcel service that utilizes tracking numbers. Upon Council's verified receipt of such information, Grantee agrees to physically and electronically destroy any residual Council-owned data, regardless of format, and any other storage media or areas containing such information. Grantee agrees to provide written notice to Council confirming the destruction of any such residual Council-owned data.
- R. Prior Approval.** This Agreement shall not be binding upon either party, no services shall be performed, and the Wyoming State Auditor shall not draw warrants for payment, until this Agreement has been fully executed, and approved as to form by the Office of the Attorney General.
- S. Insurance Requirements.** Grantee is protected by the Wyoming Governmental Claims Act, Wyo. Stat. § 1-39-101, et seq., and certifies that it is a member of the Wyoming Association of Risk Management (WARM) pool or the Local Government Liability Pool (LGLP), Wyo. Stat. § 1-42-201, et seq., and shall provide a letter verifying its participation in the WARM or LGLP to the Council.
- T. Publicity.** Any publicity given to the projects, programs or services provided herein, including, but not limited to, notices, information, pamphlets, press releases, research, reports, signs, and similar public notices in whatever form, prepared by or for the Grantee, shall identify the Council as the sponsoring agency and shall not be released without prior written approval from the Council.
- U. Severability.** Should any portion of this Agreement be judicially determined to be illegal or unenforceable, the remainder of this Agreement shall continue in full force and effect, and the parties may renegotiate the terms affected by the severance.
- V. Sovereign Immunity.** Pursuant to Wyo. Stat. § 1-39-104(a), the State of Wyoming and Council expressly reserve sovereign immunity by entering into this

Agreement and the Grantee does not waive governmental immunity. Each of them specifically retains all immunities and defenses available to them as sovereign or governmental entities pursuant to Wyo. Stat. § 1-39-101, et seq., and all other applicable law. The parties acknowledge that the State of Wyoming has sovereign immunity and only the Wyoming Legislature has the power to waive sovereign immunity. Designations of venue, choice of law, enforcement actions, and similar provisions shall not be construed as a waiver of sovereign immunity. The parties agree that any ambiguity in this Agreement shall not be strictly construed, either against or for either party, except that any ambiguity as to immunity shall be construed in favor of immunity.

- W. Taxes.** The Grantee shall pay all taxes and other such amounts required by federal, state, and local law, including, but not limited to, federal and social security taxes, workers' compensation, unemployment insurance, and sales taxes.
- X. Termination of Agreement.** This Agreement may be terminated, without cause, by the Council upon thirty (30) days written notice. This Agreement may be terminated by the Council immediately for cause if the Grantee fails to perform in accordance with the terms of this Agreement. If at any time during the performance of this Agreement, in the opinion of the Council, the work is not progressing satisfactorily or within the terms of this Agreement, then, at the sole discretion of the Council and after written notice to the Grantee, the Council may terminate this Agreement or any part of it.
- Y. Third Party Beneficiary Rights.** The parties do not intend to create in any other individual or entity the status of third-party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties, and obligations contained in this Agreement shall operate only between the parties to this Agreement and shall inure solely to the benefit of the parties to this Agreement. The provisions of this Agreement are intended only to assist the parties in determining and performing their obligations under this Agreement.
- Z. Time is of the Essence.** Time is of the essence in all provisions of this Agreement.
- AA. Titles Not Controlling.** Titles of sections are for reference only and shall not be used to construe the language in this Agreement.
- BB. Waiver.** The waiver of any breach of any term or condition in this Agreement shall not be deemed a waiver of any prior or subsequent breach. Failure to object to a breach shall not constitute a waiver.
- CC. Counterparts.** This Agreement may be executed in counterparts. Each counterpart, when executed and delivered, shall be deemed an original and all counterparts together shall constitute one and the same Agreement. Delivery by the Grantee of an originally signed counterpart of this Agreement by facsimile or

PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

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9. **Signatures.** By signing this Agreement, the parties represent and warrant that they have read and understood it, that they agree to be bound by the terms of the Agreement, that they have the authority to sign it, and that they have received a signed and dated copy of the Agreement.

The Effective Date of this Agreement is the date of the signature last affixed to this page.

WYOMING BUSINESS COUNCIL

Shawn Reese
Chief Executive Officer

Date

Julie Kozlowski, Director
Community Development Division

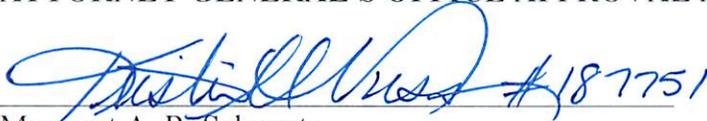
Date

CITY OF CODY

Matt Hall
Mayor

Date

ATTORNEY GENERAL'S OFFICE APPROVAL AS TO FORM

gls  #187751
Margaret A. R. Schwartz
Assistant Attorney General

10-11-18
Date

PDF shall be followed up immediately by delivery of the originally signed counterpart to the Council.

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WYOMING BUSINESS COUNCIL

Shawn Reese
Chief Executive Officer

Date

Julie Kozlowski, Director
Community Development Division

Date

CITY OF CODY

Matt Hall
Mayor

Date

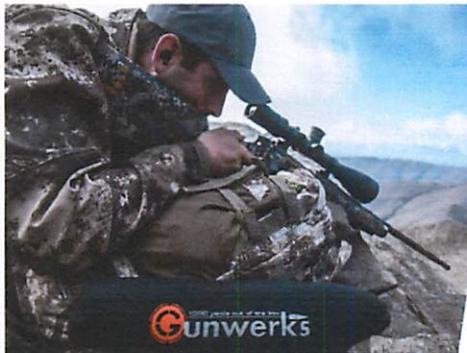
ATTORNEY GENERAL'S OFFICE APPROVAL AS TO FORM


Margaret A. R. Schwartz
Assistant Attorney General

10-11-18
Date

**ATTACHMENT A TO THE
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE CITY OF CODY**

WYOMING BUSINESS COUNCIL



Business Ready Community Grant and Loan Program
**CITY OF CODY
GUNWERKS MANUFACTURING
FACILITY**

**\$3,000,000 BRC Business Committed
Grant and \$3,000,000 BRC Loan**

WBC Recommendation: Fund as requested

Project Description

The city of Cody requests a \$3 million Business Ready Communities (BRC) Business Committed grant and a \$3 million BRC loan to construct a 36,080 square-foot manufacturing facility for the expansion of Gunwerks firearms production. The proposed facility will incorporate 6,600 square feet of warehouse space, 19,000 square feet of manufacturing, 1,500 of retail space and 9,000 square feet of office space. The building will be built on five acres purchased by Gunwerks and valued at \$265,000, on the north side of Cody. The building will be situated on the property to allow for future expansion. Forward Cody, the local economic development organization, will own the building and the land (via a warranty deed). Gunwerks will lease the building and land from Forward Cody and the land value and lease payments will be credited towards the future purchase.

The Business

Gunwerks was launched in Burlington, Wyoming in 2008. The company was founded by Aaron Davidson, CEO and Mike Davidson, Director of Manufacturing Operations, both are passionate about developing a precision shooting system. The company designs and manufactures high precision long range shooting systems including the rifle, optics, rangefinder and ammunition. Gunwerks also offers a series of training programs for long range shooters at a location in Burlington and other locations around Cody. The training classes are typically one day but there are three levels of training to provide customers the opportunity to gain experience and a comfort level with their rifle. The company markets their shooting systems internationally.

Currently located at 2301 Lt. Childers St. which is 11,500 square feet and was adapted from the building's original use a business incubator, this project will allow Gunwerks to vertically integrate and build their own rifle components. The expanded workspace will allow for upgraded equipment to better fulfill the needs of the company and its customers.

Project Goals and Public Benefits

- Creation of 52 jobs with benefits package by end of Year 5.
- Increase payroll over \$3,000,000 by the end of Year 5.
- Retain 58 current positions.
- Expansion will provide the company the opportunity for consolidation and possible relocation of corporate officers from Salt Lake City.
- The fourth company in Cody to employ over 100 people in the manufacturing industry.
- Over \$5 million in capital investment by Gunwerks in new equipment to meet the needs of their customer base.
- Increase in value added Wyoming products, manufactured and built in Cody.

Lease and Loan Recapitulation

Forward Cody will own the building and will lease it to Gunwerks on a triple-net basis for the rates shown in the table below. Lease payments will cover the debt service. Gunwerks will have option to purchase the building between years 6 and 20.

Term	Annual Lease Rate	Monthly Payment
Years 1-5	\$154,416	\$12,868
Years 6-10	\$169,858	\$14,155
Years 11-15	\$186,843	\$15,570
Years 16-20	\$205,528	\$17,127
Total	\$3,583,225	

The city of Cody is requesting \$3,000,000 BRC loan to match the grant funds. The loan will be amortized over 30 years at a rate of 1.5%. The loan will add \$124,917 in interest payment to the WBC account over the life of the loan. The loan will be personally guaranteed by Gunwerks officers. After the loan payment has been paid, any surplus lease payment funds will be used in the Forward Cody Economic Development fund.

Cost estimates were prepared by Point Architects and the building cost per square foot is \$173.64.

Attorney General Opinion

Pending

WBC Deliberations

The board heard from James Klessens, CEO of Forward Cody, on the background of the company and their growth from a shop in Burlington into

Sources	
BRC amount	\$ 3,000,000
Cash Match (BRC Loan)	\$ 3,000,000
In-Kind Match	\$ 265,000
Total eligible project cost	\$ 6,265,000
BRC % of total eligible project costs	48%
Local % of total eligible project costs	52%
Uses	
Land Acquisition Costs	
Land (In-Kind Match)	\$ 265,000
Non-Construction Costs	
Architectural and Engineering fees	\$ 358,000
Other fees (surveys, tests, etc.)	\$ 7,500
Project inspection fees	\$ 10,000
Construction Costs	
Site work	\$ 871,200
<i>Building Components:</i>	
Electrical Systems	\$ 285,950
Mechanical, plumbing, HVAC systems	\$ 304,192
Landscaping	\$ 35,000
Foundation and/or Structural Framing system	\$ 2,829,048
Total Uses	\$ 6,265,000

the incubator space in Cody and hopefully into their own space in Cody. The board also heard from Aaron Davidson, CEO of Gunwerks. He shared that Gunwerks is not just a firearms and ammunition manufacturer, they are a technology company. They have built multiple products from rangefinders and rifle scopes to engineering the composites for rifle stocks. The company intends to create 52 well-paid positions with benefits. Gunwerks also brings an aspect of tourism to Park County and Cody. The Long-Range University they offer brings people to the area for several days to learn to shoot these firearms.

The board asked if the project could be completed with 90% of the requested amount. Mr. Klessens indicated it could not. Additionally, it was determined that the company's request for a BRC loan was reasonable as it could not be readily obtained in the open market.

WBC Recommendation

The WBC unanimously recommends funding as requested contingent on the company securing the equipment financing.

SLIB Decision The SLIB unanimously funded as requested contingent on the company securing the equipment financing.

Project Overview

City of Cody - Gunwerks					
Purpose	The city of Cody is requesting \$3,000,000 Business Ready Communities (BRC) Business Committed grant funds and \$3,000,000 BRC loan funds to construct a 36,080 square foot manufacturing facility for the expansion of Gunwerks firearms production. The proposed facility will incorporate 6,600 square feet of warehouse space, 19,000 square feet of manufacturing, 1,500 of retail space and 9,000 square feet of office space.				
Project Budget	Projected Grant Expenditure Schedule				
	Description	BRC	Match		Total
			BRC Loan	In-Kind	
	Land		\$ 265,000		\$ 265,000
	Non-Construction Costs	\$ 187,750	\$ 187,750	\$ -	\$ 375,500
	Construction Costs	\$ 2,812,250	\$ 2,812,250	\$ -	\$ 5,624,500
Total Project Cost	\$ 3,000,000	\$ 3,000,000	\$ 265,000	\$ 6,265,000	
	Percentage BRC of all cash:		48%		
Performance Measures	Measure		Quantity	Notes	
	Businesses Assisted		1	Gunwerks	
	Return on Investment		2.15%		
	Loan Repayment		\$ 3,124,918		
	Revenue Recapture		\$7,735 (WBC) \$29,498 (Local)	Increases by 10% every five years	
	County Median Wage		\$ 40,040		
	Median Wage of Jobs Created		\$ 60,363	Median wage at Year 5	
	Jobs to be Created (5 Year Projection)		52		
	Jobs to be Retained		58	Number of employees at project	
	Additional Investment		\$ 5,034,600	Equipment purchase over 5 years	
Project Infrastructure	Acres Developed		5	Gunwerks land purchase and In-	
	New Building Construction		36,080	Square feet	
	Cost/Square foot		\$ 173.64		

**ATTACHMENT B TO THE
BUSINESS READY COMMUNITY GRANT AND LOAN PROGRAM
GRANT AGREEMENT BETWEEN THE WYOMING BUSINESS COUNCIL AND
THE CITY OF CODY**

**CONTINGENCY AND DEVELOPMENT
AGREEMENT**

GUNWERKS

THIS AGREEMENT is made and entered into by and between the City of Cody, Wyoming, ("CITY"); Forward Cody Wyoming, Inc. ("FORWARD CODY"); and Gunwerks, LLC ("GUNWERKS") (collectively the "Parties").

WHEREAS the purpose of the Business Ready Community Program ("BRC") is to promote economic development at the city, town, and county level in order to create additional economic health and a stronger state economy; and

WHEREAS the CITY and FORWARD CODY desire to facilitate the location of a larger manufacturing facility for GUNWERKS in Cody, Wyoming, and further desire to procure funds to pay for the improvement of real estate in the community, as well as the construction of a build-to-suit facility for GUNWERKS, including site development and infrastructure (the "Project"); and

WHEREAS the Parties to this Agreement understand and agree that the development of the Project as contemplated under the terms of this Agreement will promote the economic growth of the City of Cody and Park County, Wyoming through the creation of new jobs, the diversification of economic activity, the enhancement of sales taxes, and the improvement of the property tax base; and

WHEREAS the CITY, FORWARD CODY, and GUNWERKS intend to apply for a Business Ready Community grant for the Project, thereby reducing the total investment of the Wyoming Business Council; and

WHEREAS the Wyoming Business Council program which provides grant funding authorizes project administration by a community development organization; and

WHEREAS the City is an eligible Applicant to the Wyoming Business Council for BRC Grants (also referred to as "BRC Funds" or the "BRC Grant"); and

WHEREAS, based upon the previous experience of the CITY and FORWARD CODY, it is of definable benefit and reasonably necessary to the CITY that FORWARD CODY administer the Project, thus eliminating the need to expend CITY resources for Project administration;

WHEREAS the complex nature of this Project will require significant expenditure of time and resources for Project administration, and FORWARD CODY has the necessary expertise and knowledge in the administration of such projects; and

THEREFORE in consideration for the promises and agreements contained herein, and the parties' respective responsibilities, FORWARD CODY, the CITY, and GUNWERKS agree as follows:

I. PURPOSE

The purpose of this Agreement is (a) to facilitate the receipt and administration of BRC Funds for the construction of infrastructure, the improvement of real estate, and the construction of a manufacturing facility in Cody, Wyoming (the "Project") through a grant application made to the Wyoming Business Council, and (b) to define the parties' respective expectancies and obligations with respect to the Project. The application for the funding will be available for review at the offices of the City of Cody or the Wyoming Business Council.

II. TERM

This Agreement shall commence and shall be effective when the last signature is affixed hereto and approval is granted for the BRC Grant and shall remain in full force and effect until five (5) years following the last expenditure of the BRC Funds.

III. RESPONSIBILITIES OF CITY OF CODY

A. The CITY shall Apply for a BRC Grant in the amount of approximately Three Million Dollars (\$3,000,000.00) as well as a loan in the amount of Three Million Dollars (\$3,000,000.00) for the construction of the Project. Said grant request will be completed and submitted to the Wyoming Business Council prior to the July 12, 2018 application deadline.

B. Contingent upon award of the BRC Grant and receipt from FORWARD CODY of invoices substantiating Project costs, the CITY shall act as fiscal agent for the BRC Funds, process all required paperwork, and seek reimbursement from the Wyoming Business Council for amounts paid to or on behalf of FORWARD CODY for the Project.

C. Funds received by the CITY from the BRC Funds will be paid to FORWARD CODY as the CITY's agent and in consideration for FORWARD CODY's performance as described herein. The CITY shall not be obligated to proceed with the Project, if it does not receive the requested funding from the Wyoming Business Council, nor shall the CITY be obligated to expend funds for the Project in excess of the funds received from the Wyoming Business Council.

IV. RESPONSIBILITIES OF FORWARD CODY

A. FORWARD CODY shall Act as the CITY'S agent for the purposes of developing and administering the Project and the BRC funds as described in this Agreement. Forward Cody shall also apply for and administer the BRC funds for the Project.

B. FORWARD CODY shall prepare and make application to the Wyoming Business Council's *Business Ready Communities Program* in the amount of approximately Six Million Dollars (\$6,000,000.00) for the construction of the Project. Said grant request will be completed and submitted to the Wyoming Business Council prior to the July 12, 2018 application deadline.

C. FORWARD CODY shall cooperate with GUNWERKS and shall procure an appropriate team to design and monitor the construction of the Project to meet GUNWERKS' specifications and design criteria, which will allow a competitive procurement process for contracting the construction of the Project.

D. FORWARD CODY shall participate and direct the development and management, the advertising, the bidding, and the award of construction contracts and other procurement related to the Project and shall certify to the Wyoming Business Council that Wyoming Statute §§15-1-113 and 16-6-101, *et seq.* were followed, and that a public and competitive procurement process was used to award all contracts for which grant funds are utilized, including the requirement that preference be given to: Wyoming bidders for contractual services; for Wyoming laborers, workmen, and mechanics; and for materials, supplies, equipment, machinery, and provisions produced, manufactured, supplied, or grown in Wyoming. Provided, however, that FORWARD CODY shall not hire, contract with, bind itself or otherwise commit BRC Funds for construction or development of the Project, until it has consulted with CITY Staff to ensure compliance with state law, applicable building and land use codes, and CITY policies.

E. FORWARD CODY shall require Project contractors to provide payment and performance bonds, as may be necessary, in amounts equal to the total estimated cost of constructing and completing the Project as a completed and functional manufacturing facility that is suitable for GUNWERKS' use according to the specifications and design criteria provided to FORWARD CODY.

F. FORWARD CODY shall enter into a lease with GUNWERKS for its use of the Project facilities, which lease shall be for a period of not less than twenty years, at rates and upon terms and conditions provided in the Lease Agreement executed and submitted to the Wyoming Business Council contemporaneously herewith. The Lease shall include an option for GUNWERKS to purchase the Project property under certain restricted terms

and conditions, said option being exercisable by GUNWERKS in accordance with the Lease Agreement.

G. FORWARD CODY shall provide the CITY any and all required information and/or reports in a timely manner for reporting and reimbursement requests that will be made to the Wyoming Business Council. FORWARD CODY understands and agrees that the CITY will only reimburse costs incurred for the purposes described in this Agreement and for which the Wyoming Business Council reimburses the CITY. FORWARD CODY or GUNWERKS shall repay to the CITY any funds paid by the CITY in furtherance of the Project and not reimbursed by the Wyoming Business Council.

H. FORWARD CODY shall maintain reasonable and responsible accounting procedures and practices, and shall further maintain books, records, documents, and other evidence to sufficiently and properly reflect all transactions relating to this Agreement and any funds provided by or through the CITY, including but not limited to the BRC Funds referenced herein and any and all grants acquired or received by or through the CITY from any source. Such books, records, documents, and other evidence shall be made available upon written request of the CITY for inspection at the offices of either FORWARD CODY, the CITY, or other such location as agreed by the Parties.

I. FORWARD CODY shall retain all required records for five (5) years after receipt of final reimbursement of the BRC Funds is received and all other matters relating to the Agreement are concluded.

J. FORWARD CODY shall comply with all applicable federal, state and local laws, including, but not limited to the Civil Rights Act of 1964.

K. It is agreed that finished or unfinished data, drawings, reports, and any other documentation of any sort—whether physical or digital—that is prepared in accordance with or pursuant to this Agreement shall be considered the property of FORWARD CODY and the parties agree to execute any such documents as may be necessary to evidence such ownership. Upon completion of the services to be performed, or upon termination of this Agreement for cause, or for the convenience of the CITY, FORWARD CODY agrees to provide such documents and information to the CITY.

V. GUNWERKS' RESPONSIBILITIES

A. GUNWERKS shall Provide FORWARD CODY the general specifications and design criteria for the construction of the Project and has separately undertaken to provide and pay for the design of the Project.

B. GUNWERKS shall make available approximately five (5) acres of real property on 24th Street valued at approximately Two Hundred Sixty-Five Thousand Dollars

Dollars (\$265,000.00) for the development of Project, said property being further described as 152 24th Street, Cody, Park County Wyoming.

C. The Members of GUNWERKS shall each execute an Unconditional Guarantee in favor of the City of Cody and Forward Cody guaranteeing performance of both this Agreement and the Lease Agreement executed contemporaneously herewith.

D. GUNWERKS shall be exclusively and solely responsible for any and all costs associated with the Project which may exceed the total amount awarded pursuant to the BRC Grant and loan from the State of Wyoming, if approved in writing by GUNWERKS and shall repay to the CITY any funds paid by the CITY in furtherance of the Project and not reimbursed by the Wyoming Business Council. GUNWERKS understands and agrees that FORWARD CODY will use any and all BRC Funds or State of Wyoming funds it receives for the construction of the Project in order to make the Project suitable for GUNWERKS' reasonable use. Any increases in project scope will be mutually agreed between GUNWERKS and FORWARD CODY and change orders will be executed to reflect changes throughout the construction process. GUNWERKS also agrees that it shall be exclusively responsible for the acquisition and installation of any and all trade fixtures, equipment, or other property which does not become a permanent fixture to the physical building, whether installed or utilized for the Project.

E. GUNWERKS shall enter into a lease agreement with FORWARD CODY for GUNWERKS' use of the Project facilities, which Lease shall be for a period of not less than twenty years, at rates and upon terms and conditions provided in the Lease Agreement executed and submitted to the Wyoming Business Council contemporaneously herewith. The lease shall include an option to purchase the Project property under certain restricted terms and conditions, exercisable by GUNWERKS in accordance with the Lease Agreement.

F. GUNWERKS shall develop its manufacturing facility in Cody, Wyoming and shall create seventy-five (75) new jobs within sixty (60) months from completion of the Project, maintaining an average annual payroll of Three Million Five Hundred Thousand Dollars (\$3,500,000). The positions described herein shall be created incrementally and maintained in Cody during the entire lease term. In connection therewith, GUNWERKS shall be exclusively responsible for any and all relocation costs for the current facility and/or any new employees.

G. GUNWERKS shall, upon request by FORWARD CODY, provide such aggregate economic and business development data as FORWARD CODY may require throughout the lease term for the purpose of reporting to the Wyoming Business Council to help fulfill obligations of the grant agreements. GUNWERKS may mark such information as confidential, but confidentiality shall not be a reason for GUNWERKS to refuse to provide requested data. Failure to provide such data may be deemed to be a default

under the Lease Agreement. FORWARD CODY shall provide any such economic and business development data only to such parties as necessary to meet the reporting requirements of the Wyoming Business Council.

H. Due to the significant expenditure of time, resources, and monies that FORWARD CODY shall invest and contribute toward administration of the Project, GUNWERKS shall be responsible for all costs of development up to the amount agreed upon in the parties' June 25, 2018 Engagement Letter. Prior to the filing of the application for the BRC Grant, GUNWERKS shall execute an engagement letter outlining the project development costs to be thereupon reimbursed to Forward Cody.

VI. GENERAL PROVISIONS

A. Independent Parties: It is specifically understood and agreed that the Parties are independent of and unrelated to one another and that the officers, employees, and agents of one party are not and are not acting as the officers, employees, or agents of the other. No party or person representing any party hereto shall make any representation that he or she is an officer, agent, or employee of any other party.

B. Acceptance Not Waiver: CITY approval of the reports, and work, or of materials furnished hereunder shall not in any way relieve any party of responsibility for the technical accuracy of the work. CITY approval or acceptance of, or payment for, any of the services described herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

C. Termination: This Agreement may be terminated (a) by any party at any time for failure of another party to comply with the terms and conditions of this Agreement, following ten (10) days' notice and an opportunity to cure such non-compliance; (b) by FORWARD CODY or GUNWERKS at any time prior to the disbursement of any grant funds contemplated under this Agreement, or after disbursement of grant funds, but pursuant to the terms and conditions of the Lease Agreement described herein, which shall govern the relationship with respect to the facility and the Project; or (c) upon mutual written agreement by all Parties.

D. Entire Agreement: This Agreement represents the entire and integrated agreement and understanding between the Parties and supersedes all prior negotiations, statements, representations, and agreements. Further, all negotiations, considerations, representations, and understandings between the parties are incorporated in this Agreement, and the Parties each acknowledge that there are no verbal or other representations, warranties, or promises with respect to the Project which are not incorporated in this Agreement. Any agreement hereafter made shall not be effective to change, modify, or discharge this Agreement, in whole or in part, unless such agreement

is in writing and is signed by the party against whom enforcement of the change, modification or discharge is sought.

E. Assignment: Except for the permitted assigns as defined under the lease agreement entered into by the Parties, neither this Agreement, nor any rights or obligations hereunder shall be assigned or delegated by a party without the prior written consent of all other Parties.

F. Invalidity: If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, or if the CITY is advised of any such actual or potential invalidity or unenforceability, such holding or advice shall not invalidate or render unenforceable any other provision hereof. It is the express intent of the parties that the provisions of this Agreement are fully severable.

G. Applicable Law and Venue: The parties understand and agree that this Agreement shall be governed by and interpreted pursuant to the laws of the State of Wyoming without regard to its conflicts of laws principles. If any dispute arises between the parties from or concerning this Agreement or the subject matter hereof, any suit or proceeding at law or in equity shall be brought in the District Court of the State of Wyoming, Fifth Judicial District, sitting at Cody, Wyoming. The foregoing provisions of this paragraph are agreed by the parties to be a material inducement to all parties in executing this Agreement. This provision is not intended nor shall it be construed to waive the CITY'S governmental immunity as provided in this Agreement.

H. Contingencies: All Parties certify and warrant that no gratuities, kick-backs, or contingency fees were paid in connection with this Agreement, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Agreement.

I. Discrimination: All Parties agree they will not discriminate against any person who performs work under the terms and conditions of this Agreement because of race, color, gender, creed, handicapping condition, or national origin.

J. ADA Compliance: All parties agree they will not discriminate against a qualified individual with a disability, pursuant to a law as set forth in the Americans with Disabilities Act, P.L. 101-336, 42 U.S.C. § 12101, *et seq.*, and/or any properly promulgated rules and regulations relating thereto.

K. Governmental/Sovereign Immunity: The parties to this Agreement do not waive their Governmental/Sovereign Immunity, as provided by any applicable law including Wyo. Stat. §1-39-101 *et seq.*, by entering into this Agreement, except to the extent necessary for the parties to pursue a contract action to clarify or enforce the written terms of this Agreement. Designations of venue, choice of law, enforcement

actions, and similar provisions should not be construed as a waiver of sovereign immunity. Any actions or claims against the CITY under this Agreement, to the extent that the same are permissible under the terms of this Section and/or applicable law, must be brought in accordance with the requirements of the act. Further, the other Parties fully retain all immunities and defenses provided by law with regard to any action, whether in tort, contract or any other theory of law, based on this Agreement.

L. Indemnification:

- a. To the fullest extent permitted by law, FORWARD CODY agrees to indemnify and hold harmless the CITY and GUNWERKS, their respective elected and appointed officials, employees, and volunteers from any and all liability for injuries, damages, claims, penalties, actions, demands, or expenses arising from or in connection with work performed by or on behalf of FORWARD CODY for GUNWERKS or the CITY, except to the extent liability is caused by the sole negligence or willful misconduct of GUNWERKS or the CITY or their respective employees.
- b. GUNWERKS shall indemnify, defend, and hold the CITY and FORWARD CODY harmless from and against any and all liability for injuries, damages, claims, penalties, actions, demands, or expenses arising from or in connection with work performed by or on behalf of GUNWERKS for FORWARD CODY or the CITY, except to the extent liability is caused by the sole negligence or willful misconduct of FORWARD CODY or the CITY or their employees.
- c. FORWARD CODY and the CITY agree to require similar indemnity obligations from all contractors, construction managers, and similar participants in the construction of the Project. Further, FORWARD CODY and the CITY agree to require in construction contracts customary provisions for liability coverage and indemnity for the benefit of FORWARD CODY, the CITY, and GUNWERKS which shall be acceptable to GUNWERKS.

M. Third Parties: The parties do not intend to create in any other individual or entity the status of third party beneficiary, and this Agreement shall not be construed so as to create such status. The rights, duties and obligations contained in this Agreement shall operate only between the parties to the Agreement, and shall inure solely to the benefit of the parties to this Agreement.

N. Conflict of Interest: The Parties affirm, to their knowledge, no employee of any party to this Agreement has any personal beneficial interest whatsoever in this Agreement described herein. No staff member of any party, compensated either partially or wholly with funds from this Agreement, shall engage in any conduct or activity which

would constitute a conflict of interest relative to this Agreement. Nothing in this section precludes a party to this Agreement or related companies from bidding, contracting or sub-contracting on all or part of the Project.

O. Force Majeure: No party hereto shall be liable to perform under this Agreement if such failure arises out of causes beyond control, and without the fault or the negligence of said party. Such causes may include, but are not restricted to, Act of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. In every case, however, a failure to perform must be beyond the control and without the fault or the negligence of said party.

P. Limitation on Payment: The CITY'S payment obligation is conditioned upon the availability BRC Funds for the payment of its obligations hereunder. If sufficient funds are not granted and available in the fiscal judgment of the CITY, then this Agreement may be terminated by the CITY at the end of the period for which funds are available. No penalty shall accrue to the CITY in the event this provision is exercised, and the CITY shall not be obligated or liable for any future payments due or for any damages as a result of termination under this provision.

Q. Notices: All notices required and permitted under this Agreement shall be deemed to have been given, if and when deposited in the U.S. Mail, properly stamped and addressed to the party for whom intended at such parties' address listed below, or when delivered personally to such party. A party may change its address for notice hereunder by giving written notice to the other party. Notices shall be delivered as follows:

<p><i>If to the City of Cody:</i> City of Cody Attn: Mayor Matt Hall P.O. Box 2200 Cody, WY 82414</p>	<p><i>With copies to:</i> Scott Kolpitzke, City Attorney P.O. Box 839 Powell, WY 82435</p>
<p><i>If to Forward Cody:</i> Forward Cody Wyoming, Inc. Attn: James Klessens 1131 13ths Street #106 Cody, WY 82414</p>	<p><i>With copies to:</i> M. Cole Bormuth, Legal Counsel Bormuth Law P.O. Box 550 Cody, WY 82414</p>
<p><i>If to GUNWERKS:</i> Aaron Davidson, CEO GUNWERKS 1501 Stampede Ave., Suite 2040, Unit 9002 Cody, WY 82414</p>	<p><i>With copies to:</i> Michael A. LaBazzo, General Counsel PO Box 2016 Cody, WY 82414</p>

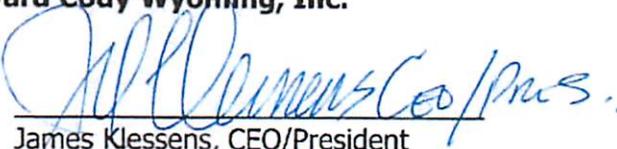
R. Compliance with Laws: All Parties shall comply with all applicable laws, regulations and ordinances, whether Federal, State or Local.

S. Contingent Agreement: The Parties agree that this Agreement is contingent upon receipt of BRC Funds by the CITY and loan funds from the State of Wyoming and is intended to meet the first level of providing convincing evidence of development and public benefit as required by the BRC program. The Parties agree that if the City of Cody or Forward Cody do not receive BRC Funds for this Project from the Wyoming Business Council, no party has any obligation under this Agreement and that this Agreement is void.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed this 3rd day of July, 2018.

Forward Cody Wyoming, Inc.

By: _____


James Klessens, CEO/President

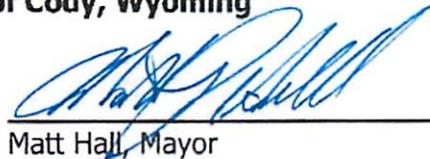
Gunwerks, LLC

By: _____


Aaron Davidson, CEO

City of Cody, Wyoming

By: _____


Matt Hall, Mayor

MCB/jr
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MEETING DATE: 11/6/18

DEPARTMENT: PUBLIC WORKS

PREPARED BY: LESLIE BRUMAGE

PRESENTED BY: PHILLIP BOWMAN

AGENDA ITEM SUMMARY REPORT

2018 ADA Ramp Improvements Change Order

ACTION TO BE TAKEN:

Authorize the Mayor to sign Change Order #1 on the ADA Ramp Improvements project.

SUMMARY OF INFORMATION:

Morrison-Maierle, the engineering firm on this project, has recommended a change order on the construction contract with Harris Trucking and Construction. There are approximately 20 ramps that are incomplete at this point and upcoming weather is expected to interfere with the completion of the remaining ramps. Concrete and asphalt finished products are much more acceptable when weather conditions are appropriate. Cold weather concrete placement can lead to spalling and have other problems that often cannot be recognized immediately during a concrete pour.

The 20 ramps that are not complete will be added to the 2019 phase of the project and the final contract cost with Harris Trucking and Construction will be adjusted in a final pay estimate. This change order will lower the overall contract amount to match what was actually completed in the field.

FISCAL IMPACT

The original contract price was \$481,735, with the reduction in number of ramps constructed the adjusted contract price will be \$404,111, a decrease of \$77,624. The unexpended funds will be budgeted as part of the 2019 phase of this project.

ATTACHMENTS

1. Change order #1

AGENDA & SUMMARY REPORT TO:

None

AGENDA ITEM NO. _____

TO: Rob Kramer
City of Cody Streets Superintendent

FROM: Theresa Gunn, PE
Project Manager

RE: 2018 ADA Ramp Replacement Project 

It was determined at our October 1, 2018 construction meeting with Harris Trucking and Construction, that due to upcoming weather conditions, the project should be modified to be able to finish all work by October 18, 2018 (substantial completion date). Concrete and asphalt finished products are much more acceptable when weather conditions are appropriate. Cold weather concrete placement can lead to spalling and have other aesthetic problems that often cannot be recognized immediately during a concrete pour. Sometimes issues do not appear until the ramps or pavement have gone through a winter weather cycle.

Therefore, we are recommending that the ramps that are currently under construction (mainly north of Stampede Avenue to Newton Avenue and between 19th Street and 23rd Street) be completed by this date. There are approximately 20 ramps that will not be completed under this contract, and these ramps will be added to the 2019 ADA Ramp Replacement project. The final contract cost to Harris Trucking will be adjusted in a final pay estimate once they are complete. A reconciliation change order will be processed lowering their overall contract amount to match what is actually completed in the field. Our engineering fees will only be invoiced for the time worked to finalize the project with the reduction in the number of ramps.

We feel this is the best approach to obtain a quality product. If you have any questions, please do not hesitate to contact me. Thank you.

cc: Austin Reed, RPR
Sterling Christler, Harris Trucking
4463.003 Construction Correspondence/Meetings

Date of Issuance: November 6, 2018

Effective Date: October 22, 2018

Owner: City of Cody, Wyoming

Owner's Contract No.: 2018-01

Contractor: Harris Trucking & Construction Co.

Contractor's Project No.: _____

Engineer: Morrison-Maierle

Engineer's Project No.: 4463.003

Project: 2018 ADA Ramp Improvements

Contract Name: 2018 ADA Ramp Improvements

The Contract is modified as follows upon execution of this Change Order:

Description: *Reconciliation Change Order to include all force account work completed and reconciliation of actual quantities. Items not installed with the project include: 2 detectable warning panels, 9 Type B ramps, and 12 Type A ramps with curb turn fillets. No changes to working days are required.*

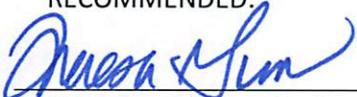
Attachments: *Reconciliation of Quantities – see Attachment 1.*

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES
Original Contract Price: \$ <u>481,735.00</u>	Original Contract Times: Substantial Completion: <u>75 working days</u> Ready for Final Payment: <u>15 working days</u> days or dates
[Increase] [Decrease] from previously approved Change Orders No. ___ to No. ___: \$ <u>N/A</u>	[Increase] [Decrease] from previously approved Change Orders No. ___ to No. ___: Substantial Completion: <u>N/A</u> Ready for Final Payment: <u>N/A</u> days or dates
Contract Price prior to this Change Order: \$ <u>481,735.00</u>	Contract Times prior to this Change Order: Substantial Completion: <u>75 working days</u> Ready for Final Payment: <u>15 working days</u> days or dates
{Increase} [Decrease] of this Change Order: \$ <u>77,623.85</u>	[Increase] [Decrease] of this Change Order: Substantial Completion: <u>N/A</u> Ready for Final Payment: <u>N/A</u> days or dates
Contract Price incorporating this Change Order: \$ <u>404,111.15</u>	Contract Times with all approved Change Orders: Substantial Completion: <u>75 working days</u> Ready for Final Payment: <u>15 working days</u> days or dates

RECOMMENDED:

ACCEPTED:

ACCEPTED:

By: 
Title: Project Manager
Date: 10/23/18

By: _____
Title: Owner (Authorized Signature)
Date: _____

By: 
Title: Contractor (Authorized Signature)
Date: 10/23/18

Approved by Funding Agency (if applicable)

By: N/A Date: _____
Title: _____

City of Cody
 2018 ADA Ramp Replacement
 Change Order No. 1 - Attachment 1
 Reconciliation of Quantities

Bid Item No.	Description	Bid Quantity	Units	Unit Price	Bid Value	Actual Quantity Installed	Total Cost	Quantity Difference	Price Difference
1	Mobilization	1	LS	\$3,550.00	\$3,550.00	0.84	\$2,982.00	-0.16	-\$568.00
2	Taxes, Bonds, Insurance	1	LS	\$5,525.00	\$5,525.00	1.00	\$5,525.00	0	\$0.00
3	General Requirements	1	LS	\$14,900.00	\$14,900.00	0.84	\$12,516.00	-0.16	-\$2,384.00
4	Underground Utility Locating and Mapping	1	LF	\$2,000.00	\$2,000.00	0.84	\$1,680.00	-0.16	-\$320.00
5	Traffic Control	1	LS	\$2,500.00	\$2,500.00	0.84	\$2,100.00	-0.16	-\$400.00
6	Type A Ramp (with curb turn fillet)	74	EA	\$3,815.00	\$282,310.00	63.00	\$240,345.00	-11	-\$41,965.00
7	Type A Ramp (without curb turn fillet)	4	EA	\$2,975.00	\$11,900.00	0.00	\$0.00	-4	-\$11,900.00
8	Type B Ramp	32	EA	\$3,100.00	\$99,200.00	24.00	\$74,400.00	-8	-\$24,800.00
9	Type C Ramp	1	EA	\$3,350.00	\$3,350.00	1.00	\$3,350.00	0	\$0.00
10	Alley Apron Type D	2	EA	\$2,950.00	\$5,900.00	2.00	\$5,900.00	0	\$0.00
11	Detectable Warning Panels Installation	2	EA	\$300.00	\$600.00	0.00	\$0.00	-2	-\$600.00
12	Force Account - See Breakdown Below	1	LS	\$50,000.00	\$50,000.00	1.10626	\$55,313.15	0.10626	\$5,313.15
					ORIGINAL BID AMOUNT		\$481,735.00		
							\$404,111.15		-\$77,623.85

FORCE ACCOUNT BREAKDOWN

20	Curb & Gutter Removal	0	LF	\$8.00	\$0.00	429.5	\$3,436.00	429.5	\$3,436.00
21	Valley Gutter Removal	0	SF	\$2.50	\$0.00	390.0	\$975.00	390	\$975.00
22	Side Walk Removal	0	SF	\$2.00	\$0.00	1777.6	\$3,555.20	1777.6	\$3,555.20
23	Curb turn Fillet Removal	0	SF	\$2.50	\$0.00	0.0	\$0.00	0	\$0.00
24	Sawcut Existing Asphalt Pavement	0	LF	\$1.50	\$0.00	584.5	\$876.75	584.5	\$876.75
25	Sawcut Existing Concrete Sidewalk, Driveway, Curb/Gutter, Valley Gutter Curb Turn Fillet	0	LF	\$7.00	\$0.00	25.0	\$175.00	25	\$175.00
26	Asphalt Pavement Removal (including base material)	0	SY	\$3.00	\$0.00	339.4	\$1,018.33	339.44444	\$1,018.33
27	3" AC Pavement	0	SY	\$54.00	\$0.00	312.4	\$16,867.80	312.36667	\$16,867.80
28	¾" Minus Crushed Base	0	CY	\$32.00	\$0.00	57.4	\$1,837.57	57.424074	\$1,837.57
29	4" Pit Run Sub Base	0	CY	\$28.00	\$0.00	0.0	\$0.00	0	\$0.00
30	Concrete Curb and Gutter (including base material)	0	LF	\$28.00	\$0.00	429.5	\$12,028.00	429.5	\$12,028.00
31	Valley Gutter (including base material)	0	SF	\$7.00	\$0.00	802.5	\$5,617.50	802.5	\$5,617.50
32	Concrete Sidewalk (including base material)	0	SF	\$5.00	\$0.00	1785.6	\$8,928.00	1785.6	\$8,928.00
33	Curb Turn Fillet (including base material)	0	SF	\$9.00	\$0.00	0.0	\$0.00	0	\$0.00
34	Alley Aprons (including base material)	0	SF	\$8.00	\$0.00	0.0	\$0.00	0	\$0.00
					FORCE ACCOUNT TOTALS		\$0.00		\$55,313.15
									\$55,313.15

SUMMARY

ORIGINAL CONTRACT AMOUNT	\$481,735.00
CHANGE ORDER NO. 1	<u>-\$77,623.85</u>
FINAL CONTRACT AMOUNT	\$404,111.15

MEETING DATE: 11/6/18

DEPARTMENT: PUBLIC WORKS

PREPARED BY: LESLIE BRUMAGE

PRESENTED BY: PHILLIP BOWMAN

AGENDA ITEM SUMMARY REPORT

2018 ADA Ramp Improvements Certificate of Substantial Completion

ACTION TO BE TAKEN:

Authorize the Mayor to sign the Certificate of Substantial Completion on the ADA Ramp Improvements project.

SUMMARY OF INFORMATION:

Morrison-Maierle, the engineering firm on this project, has submitted a Certificate of Substantial Completion on the 2018 phase of the ADA Ramp improvements project. A punch list of items to be completed or corrected is attached to the Certificate.

The scope of the project was reduced by 20 ramps due to colder weather conditions preventing continued work this year. Change Order #1 was presented, reducing the original contract amount by \$77,624. The remaining ramps will be included in the 2019 phase of the project.

FISCAL IMPACT

None

ATTACHMENTS

1. Certificate of substantial completion

AGENDA & SUMMARY REPORT TO:

None

AGENDA ITEM NO. _____

CERTIFICATE OF SUBSTANTIAL COMPLETION

Owner: City of Cody, Wyoming	Owner's Contract No.: 2018-01
Contractor: Harris Trucking & Construction Co.	Contractor's Project No.: _____
Engineer: Morrison-Maierle	Engineer's Project No.: 4463.003
Project: 2018 ADA Ramp Improvements	Contract Name: 2018 ADA Ramp Improvements

This final Certificate of Substantial Completion applies to:

- All Work *except Ramps 2A (2), 2B, 15A, 15B, 16A, 16B, 17A, 17B, 18A, 18B, 19A, 19B, 23A, 23B, 23C, 42A, 42B, 43A, 43B, 46A, 46B, 51A*
- The following specified portions of the Work:

October 22, 2018

Date of Substantial Completion

The Work to which this Certificate applies has been inspected by authorized representatives of Owner, Contractor, and Engineer, and found to be substantially complete. The Date of Substantial Completion of the Work or portion thereof designated above is hereby established, subject to the provisions of the Contract pertaining to Substantial Completion. The date of Substantial Completion in the final Certificate of Substantial Completion marks the commencement of the contractual correction period and applicable warranties required by the Contract.

A punch list of items to be completed or corrected is attached to this Certificate. This list may not be all-inclusive, and the failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract.

The responsibilities between Owner and Contractor for security, operation, safety, maintenance, heat, utilities, insurance, and warranties upon Owner's use or occupancy of the Work shall be as provided in the Contract, except as amended as follows:

Amendments to Owner's responsibilities: None
 As follows

Amendments to Contractor's responsibilities: None
 As follows: *Complete ramps 22A, 22B, 22C, 22D, 39A, 40A, 41A, 44A, 45A, and 45B. Another punchlist will be created once these ramps are complete. Contractor shall remain responsible for traffic control and site safety in these locations.*

The following documents are attached to and made a part of this Certificate:

- Preliminary Punch List dated October 23, 2018*
- Preliminary Warranty List dated October 23, 2018.*
- An initial warranty walk through will be completed in April/May 2019 to make necessary landscaping, irrigation, and other repairs needed at that time. A final warranty walk through will be completed 11 months after Substantial Completion in September 2019.*

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents, nor is it a release of Contractor's obligation to complete the Work in accordance with the Contract.

EXECUTED BY ENGINEER:

RECEIVED:

RECEIVED:

By: <u><i>Amosa Munn</i></u> (Authorized signature)	By: _____ Owner (Authorized Signature)	By: <u><i>[Signature]</i></u> Contractor (Authorized Signature)
Title: <u><i>Project Manager</i></u>	Title: _____	Title: <u><i>GM</i></u>
Date: <u><i>10/23/18</i></u>	Date: _____	Date: <u><i>10/23/18</i></u>

City of Cody
2018 ADA Ramp Improvements
Preliminary Punch List
October 23, 2018

- Clean entire site – remove trash, sweep streets, remove excess concrete/pavement
- Return all unused truncated dome panels to City
- 20A – Asphalt clean up.
- 20B – Asphalt clean up. Remove traffic control
- 20C – Asphalt clean up
- 20D – Asphalt clean up. Remove traffic control
- 21A – Concrete in grass.
- 21B – Clean sand slurry out of gutter/ Sweep. Concrete in grass.
- 21D – Clean sand slurry out of gutter/ Sweep.
- 30B – Grind/clean concrete spillage. Straighten street sign.
- 32A – Patch Curb
- 32B – Taper/Transition landscape. Remove all shovel marks.
- 37A – Asphalt clean up. Clean Truncated dome panels.
- 38A – Repair landscaping and cleanup.
- 44B – Repair landscaping and cleanup.

-
- 22A – Review upon ramp completion.
 - 22B – Review upon ramp completion.
 - 22C – Review upon ramp completion.
 - 22D – Review upon ramp completion.
 - 39A – Review upon ramp completion.
 - 40A – Review upon ramp completion.
 - 41A – Review upon ramp completion.
 - 44A – Review upon ramp completion.
 - 45A – Review upon ramp completion.
 - 45B – Review upon ramp completion.

City of Cody
2018 ADA Ramp Improvements
Preliminary Warranty List
October 23, 2018

- 1A - 11th/ Alpine - Excess water to finish.
- 3A - 12th/ Alpine - Excess water to finish.
- 3B - 12th/ Alpine - Excess water to finish, poor quality finish work, puddle in gutter.
- 3C -12th/ Alpine - Excess water to finish.
- 4A -12th/ Meadow - Poor quality finish work.
- 4B - 12th/ Meadow - Poor quality finish work, excess concrete on C/G from sidewalk pour.
- 12A - 15th/ Meadow - Poured on wet slurry.
- 12B - 15th/ Meadow – Poor quality finish work, uneven back of walk ramp.
- 14A - 16th/ Meadow – Poor quality finish work.
- 22D - Blanket mark in the concrete
- 27A - Goodturn/Shoshoni Trail - Valley Gutter- Asphalt thickness 3-5”
- 32A - Gayle Jarvis – 2202 Kerper Blvd S – 254-2040 – cracked curb
- 30B – 22nd/Kerper N – Jim Betters (home owner) 899-0876 - sprinkler, driveway (need to fix sprinkler as soon as water comes on May); unhappy with work and landscape repairs
- 37A – Concrete appeared to be high slump.
- 40A - Concrete appeared to be high slump.
- 50B – 19th/ Stampede- Asphalt appears to already be separating

MEETING DATE: NOVEMBER 6, 2018
DEPARTMENT: PARKS, RECREATION &
PUBLIC FACILITIES
PREPARED BY: MIKE FINK
PRESENTED BY: RICK MANCHESTER

HVAC Systems Asset Preservation Support Agreement

ACTION TO BE TAKEN

Request City Council to allow the Mayor to enter into a maintenance agreement with Long Building Technology.

SUMMARY OF INFORMATION

This past year we have had an agreement with Long Building Technology to help us maintain the Paul Stock Aquatics and Recreation Center, and City Hall buildings. Long went through the buildings HVAC systems and performed preventative maintenance on our systems. They were able to find minor problems and fix them before they became major issues. By maintaining our existing systems we will get a longer life out of our assets.

We would like to continue this maintenance agreement which includes:

- Paul Stock Aquatics and Recreation Center
- Cody Auditorium
- Electric Shop
- Parks Shop, Green House, Glendale Park
- Draw Street Storage Building
- Sanitation and Recycling Center
- Vehicle Maintenance Shop
- Cody City Shop

This agreement would start on November 7, 2018 and run through November 6, 2019.

FISCAL IMPACT

Not to exceed the bid amount by Long Technologies

ALTERNATIVES

1. Enter into Agreement
2. Deny the Agreement

ATTACHMENTS

Long Technologies, contract

AGENDA & SUMMARY REPORT TO

Rick Manchester, Parks, Recreation & Public Facilities Director (307) 587-0400

Mike Fink, Public Facilities and Recreation Superintendent (307) 587-0400

HVAC Systems Asset Preservation Support Agreement

Includes:

HVAC Equipment Preventative Maintenance



Facilities: **City Hall
Cody Auditorium
Paul Stock Aquatic and Recreation
Center**

CUSTOMER

City of Cody
1338 Rumsey Ave
Cody, Wyoming 82414

Contact: Mr. Mike Fink
Facilities Supervisor
Phone # 307-527-7511

COVERAGE LOCATION'S

- City Hall**
- Cody Auditorium**
- Paul Stock Aquatic and Recreation Center**

GENERAL CONDITIONS

AGREEMENT: This Management Agreement is designed to protect and extend the life of your capital investment in the building systems covered by this agreement and to maintain a comfortable and safe environment for your buildings occupants. Additional benefits include maintaining operating expense efficiencies and enhanced system reliability.

Our agreement will be initiated, administered, monitored and updated to maintain the highest level of service and capital investment protection possible. Service will be scheduled, on a regular basis by our Project Management Tasking Software which is based on manufacturers' recommendations, equipment application, run time, age and our own experience.

Predictive Maintenance, PDM, is used on all equipment applicable as listed on the equipment tasking sheets. This allows us to see, and correct, most potential failures long before they cause an emergency shutdown. In performing this service, we use the latest state-of-the-art technology. PDM services such as vibration analysis, oil analysis, eddy current tube analysis, thermography, etc. are provided as identified in the overview task templates.

A detailed set of equipment tasking templates are used to direct the technician. This insures that the Customer receives the complete scope of work purchased. The tasking templates are specifically set up to service the equipment described on the Equipment List included as a part of this agreement. The task templates specifically state the exact service tasks, duration and intervals to be included in this agreement. Due to the proprietary nature of the program, LONG Building Technologies LLC. shall retain and manage all copies of the detailed task templates at all times.

TECHNICIANS: Trained and skilled technicians will perform the work required under this agreement utilizing advanced service procedures and state-of-the art tools and service instrumentation. Ongoing training is given to our technicians to assure maximum service performance.

PERFORMANCE REPORTS: Service performance reports are used to assure consistent communications between the Customer and LONG mechanical Solutions. Hand written service performance reports will be provided after each service visit and shall be signed by the Customer's authorized representative when available. These service performance reports shall describe the work performed, list any problems found and identify recommendations for repairs required.

ACCOUNT STATUS REPORTS: With each invoice, you will also receive a statement showing the work performed during the previous month, the status of any open repairs or system problems and the condition of all equipment at the time of the last inspection.

QUALITY PERFORMANCE: LONG Mechanical Solutions is committed to providing quality service to our customers within the provisions, terms and conditions of this agreement. In order to maintain our high quality

standards, we will periodically ask you for feedback on the services performed under this agreement. We also welcome your unsolicited comments at any time.

COMPLIANCE WITH LAWS AND REGULATIONS: CFC management is an ongoing service provided to all of our customers. LONG Mechanical Solutions will comply with any and all governmental laws or regulations concerning the proper handling of CFC's (Chloro Fluoro Carbons). This CFC service includes all labor, instrumentation and equipment required to detect and locate leaks, recovery of refrigerants and recycling of the refrigerant after repair. Detection may be accomplished using a combination of visual inspection, electronic detection, ultraviolet/die detection and other approved detection procedures.

We shall submit a written CFC leak notification describing all CFC leak problems in detail. A repair proposal will be submitted for approval when such repair is not covered under this agreement.

Duration: This is a 1-year agreement. The agreement will go into effect on November 1, 2018 and will continue through September 30, 2019.

RENEWAL AGREEMENT: After the initial agreement period, a 1-year renewal agreement will be provided 30 days prior to the agreement expiration. Any price adjustment will be made at this time.

PAYMENT FOR SUPPLEMENTAL SERVICES: Additional services, beyond the scope of this agreement, will be furnished upon request with proper authorization. All additional services not covered under this agreement and separately contracted, will be invoiced by LONG and payable by customer at a discounted preferred contract customer rates of 5% below current LONG published time and material service rates.

Facility Cost Summary	Cost Per Facility
CITY HALL	\$1,600.00
CODY AUDITORIUM	\$3,640.00
PAUL STOCK AQUATIC AND RECREATION CENTER	\$9,560.00

YOUR ANNUAL INVESTMENT FOR THIS AGREEMENT IS:

Fourteen Thousand Eight Hundred **\$14,800.00**

Billed semi-annually at \$7,400.00 (payment terms net 30 days).

APPROVAL AND ACCEPTANCE

LONG Mechanical Solutions

City of Cody

Prepared by: *David Kenik*
General Manager

Accepted by: _____

Signature _____ Date / /2018

AGREEMENT TERMS & CONDITIONS

1. **INITIAL INSPECTION** - For full repair labor or full repair material agreements during the first 30 days of this Agreement or upon initial seasonal start-up, if Long should find any equipment covered under this Agreement to be in need of repair or replacement, Long will inform customer in writing of the equipment condition and the proposed corrective action. When Long so notifies customer it is understood that Long will not be responsible for the present or future repair or replacement, or operability of the equipment, until such a time the equipment is restored to a condition acceptable to Long.
2. **WARRANTY** - Long warrants that the work performed hereunder shall be done in a workman like manner and that all parts and components shall be free from defects in workmanship and materials. This warranty shall be effective for a period of ninety (90) days from the date the work is done or the part or component is installed or in the case of full labor and material agreements until the date on which this Agreement terminates, whichever first occurs. Customer remedy, should any breach of the warranty occur, shall be for Long to re-perform defective work or to repair or replace, at Long's option, any parts or components which are shown, to Long's satisfaction, to be defective, provided that notice is given promptly upon discovery of the defect.
3. **RESPONSIBILITIES** - In order to permit LONG to properly perform the services included in this agreement, Customer agrees:
 1. To provide reasonable and timely access to all covered equipment and systems.
 2. To allow Long to start and stop equipment, with proper notice and coordination.
 3. Unless otherwise included in this Agreement, to provide water treatment for the proper functioning of the equipment.
4. **LIMITATIONS OF LIABILITY** - Neither party shall be liable to the other party for personal injuries, consequential, incidental or property damage of any nature arising from causes beyond its reasonable control or without its fault or negligence. Nor shall either party be liable for any delay or default in performing hereunder if such delay or default is caused by any condition or circumstances beyond its reasonable control, such as, but not limited to, governmental restrictions, strikes or other labor troubles, acts of God, interruption or irregularities in electrical power, etc.
5. **EXCLUSIONS** - It is understood that the following are not the responsibility of LONG's under this Agreement:
 1. Day to day operation of the equipment.
 2. Services, repairs or replacement necessitated by misuse, improper operation, continued operation of covered equipment against Long's recommendations.
 3. Correction or replacement of equipment damaged due to corrosion, lack of proper water treatment, electrolytic action, or other causes beyond our control when not identified as Long's responsibility in the agreement.
 4. Inspections, alterations or replacements required by insurance companies, municipal or governmental authorities.
 5. Replacement of major components which cannot be repaired due to age or unavailability of replacement parts.
 6. Replacement or servicing of equipment or components such as pneumatic piping, fuses, starters, circuit breakers, disconnect switches, electrical and control wiring, plumbing, non-moving parts such as pressure vessels, heat exchangers, tubes, panels, duct work, structural supports, and decorative casings unless specifically included in this Agreement.
 7. The work shall not include the detection, abatement, encapsulation, or removal of asbestos or products, materials, or equipment containing asbestos Customer shall notify LONG in writing if any hazardous materials, including without limitation, asbestos, are present at the jobsite. Customer shall take adequate precautions to protect LONG, its employees, agents and

subcontractors from such hazardous materials and will arrange for others to remove or encapsulate such hazardous materials if necessary for the performance of the work.

6. **TERMINATION** - LONG may terminate this Agreement upon written notice to Customer in the event that (1) any sums or monies due and payable under this Agreement are not paid when due; or (2) alterations, additions, or repairs are made to covered equipment by others. Either party may terminate this Agreement upon the expiration date of this Agreement provided that written notice of such termination is received by the other party at least thirty (30) days prior to the expiration date. Long reserves the right to deny service in the event of a past due account balance. Customer may terminate this agreement in the event of non-performance by Long. A written notice identifying non-performance must be sent to LONG allowing 30 days to correct the deficiency. If deficiency persists after 30 days, a second notice must be sent to the president of Long & Associates. If the deficiency persists after a second 30 days, the agreement may be cancelled upon notice to LONG. All account balances due prior to final termination of the agreement 60 days from first notice.
7. **DISPUTES, CHOICE OF LAW AND COSTS** - This contract shall be deemed to have been entered into and shall be governed by the laws of the state of Wyoming. All claims, disputes and controversies arising out of or relating to this contract, or the breach thereof, shall, in lieu of court action, be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Assn., and any judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction. The site of the arbitration shall be Casper, Wyoming unless another site is mutually agreed between the parties. The parties agree that in any arbitration each shall be entitled to discovery of the other party as provided by the Federal Rules of Civil Procedure; provided, however, that any such discovery shall be completed within four (4) months from the date the Demand for Arbitration is filed with the American Arbitration Assn. In the event it becomes necessary for Long to incur any costs or expenses in the collection of monies due, or to enforce any rights or privileges hereunder, Customer shall, upon demand, reimburse LONG for all such costs and expenses (including, but not limited to, reasonable attorney's fees). Actions by Long to collect monies due under this contract may be brought in any court of competent jurisdiction in lieu of arbitration.
8. **ENTIRE AGREEMENT** - When executed by the parties and approved by Long's authorized representative, this Agreement contains the entire agreement between the parties with respect to the services covered herein. No other representations, warranties, or statements (whether expressed in Customer purchase order, Customer contract or otherwise), shall be binding upon Long unless expressly agreed to in writing by LONG's authorized representative.

COVERAGE

1. Annual and /or seasonal scheduled preventative maintenance tasks as per manufacturers recommendations and LONG maintenance procedures.
2. LONG Technicians to complete equipment service tasked reports for service and maintenance provided for all equipment. Completed documents provided to the City upon completion.
3. LONG to replace drive belts provided by the City of Cody annually on listed equipment.
4. Preventative maintenance materials such as grease, oil, cleaning materials are provided

5. Condenser coil cleaning for air conditioning systems provided annually
6. Replacement of evaporative cooler abortion pads annually for Evap1-5 at Auditorium Facility. Replacement pads provided by City of Cody
7. Seasonal inspections for fan system equipment and heating /cooling equipment as noted on equipment listing.
8. Boiler combustion analysis and burner efficiency set up performed annually
9. Post schedule review upon scheduled maintenance completion with City Facilities Supervisor

City of Cody Equipment Asset Coverage per Location

CITY HALL	
EQUIPMENT DESCRIPTION	Location/Area Served
Furnace #1	South Basement
Furnace #2	South Basement
Furnace #3	Main Basement
Furnace #4	Main Basement
Furnace #5	Main Basement
Condensing Unit #1	Roof
Condensing Unit #2	Roof
Condensing Unit #3	Roof
Condensing Unit #4	Roof
Condensing Unit #5	Roof
RTU #1 Nicole Mall	Roof
RTU #2 Nicole Mall	Roof
PAUL STOCK AQUATIC AND RECREATION CENTER	
EQUIPMENT DESCRIPTION	Location/Area Served
Trane Chiller	OUTSIDE
Unilux Boiler #1	BOILER ROOM
Unilux Boiler #2	BOILER ROOM
Taco Hot Water Pump #1 30HP	BOILER ROOM
Taco Hot Water Pump #2 30HP	BOILER ROOM
Domestic Hot Water- Taco Circ Pump	BOILER ROOM
PK Compact HTX and Control Valve	BOILER ROOM
Heat Exchanger 1	HW Supply
Heat Exchanger 2	LAP POOL

Heat Exchanger 3	THEROPY POOL
Heat Exchanger 4	LIESURE POOL
Heat Exchanger 5	SPA
Chilled Water Pump #3 15 HP	BOILER ROOM
Chilled Water Pump #4 15 HP	BOILER ROOM
Pump #1 & #2 Yaskawa VFD W/ Bypass	BOILER ROOM
Glycol Feeder Tank and Pump	BOILER ROOM
(2) Extrol Expansions Tanks	BOILER ROOM
Control Panel CP-3/CP-4 Metasys	BOILER ROOM
Ventilation Fan #1	BOILER ROOM
Ventilation Fan #2	POOL PUMP ROOM
Unit Heater #1	BOILER ROOM
Unit Heater #2	CO2 Room
Air Handling Unit #1 Plus VFD's	POOL ZONE
Air Handling Unit #2	POOL BLEACHERS
Air Handling Unit #3 Plus VFD's	OFFICES
Air Handling Unit #4	SECOND FLOOR
Air Handling Unit #5	GYMNASIUM
Air Handling Unit #6	WEIGHT ROOM
Exhaust Fan #1	ROOF
Exhaust Fan #2	ROOF
Exhaust Fan #3	ROOF
Exhaust Fan #4	ROOF
Exhaust Fan #5	ROOF
Humidifier #1 & #2	Mech Room 4,5,6
Steam Room- Steam Generator	LOCKER ROOM
Variable Air Volume Boxes (22)	ENTIRE BUILDING
Inline Fan(end of hallway Tiny Tots)	Ceiling/Tiny tots
Cody Auditorium	
EQUIPMENT DESCRIPTION	Location/Area Served
Hot Water Boiler	Basement Mechanical
Air Handling Unit	Stage
Unit Heater 1	Club Room
Unit Heater 2	Club Room
Hot Water Pumps	Basement Mechanical
Evaporative Cooler 1-5	Roof

HVAC Systems Asset Preservation Support Agreement

Includes:

HVAC Equipment Preventative Maintenance



Facilities:

- Electric Shop**
- Parks Shop, Green House,
Glendale Park**
- Draw Street Storage Building**
- Sanitation and Recycling Center**
- Vehicle Maintenance Shop**
- Cody City Shop**

CUSTOMER

City of Cody
1338 Rumsey Ave
Cody, Wyoming 82414

Contact: Mr. Mike Fink
Facilities Supervisor
Phone # 307-527-7511

COVERAGE LOCATION'S

- Electric Shop**
- Parks Shop, Green House, Glendale Park**
- Draw Street Storage Building**
- Sanitation and Recycling Center**
- Vehicle Maintenance Shop**
- Cody City Shop**

GENERAL CONDITIONS

AGREEMENT: This Management Agreement is designed to protect and extend the life of your capital investment in the building systems covered by this agreement and to maintain a comfortable and safe environment for your buildings occupants. Additional benefits include maintaining operating expense efficiencies and enhanced system reliability.

Our agreement will be initiated, administered, monitored and updated to maintain the highest level of service and capital investment protection possible. Service will be scheduled, on a regular basis by our Project Management Tasking Software which is based on manufacturers' recommendations, equipment application, run time, age and our own experience.

Predictive Maintenance, PDM, is used on all equipment applicable as listed on the equipment tasking sheets. This allows us to see, and correct, most potential failures long before they cause an emergency shutdown. In performing this service, we use the latest state-of-the-art technology. PDM services such as vibration analysis, oil analysis, eddy current tube analysis, thermography, etc. are provided as identified in the overview task templates.

A detailed set of equipment tasking templates are used to direct the technician. This insures that the Customer receives the complete scope of work purchased. The tasking templates are specifically set up to service the equipment described on the Equipment List included as a part of this agreement. The task templates specifically state the exact service tasks, duration and intervals to be included in this agreement. Due to the proprietary nature of the program, Long & Associates, Inc. shall retain and manage all copies of the detailed task templates at all times.

TECHNICIANS: Trained and skilled technicians will perform the work required under this agreement utilizing advanced service procedures and state-of-the art tools and service instrumentation. Ongoing training is given to our technicians to assure maximum service performance.

PERFORMANCE REPORTS: Service performance reports are used to assure consistent communications between the Customer and LONG mechanical Solutions. Hand written service performance reports will be provided after each service visit and shall be signed by the Customer's authorized representative when available. These service performance reports shall describe the work performed, list any problems found and identify recommendations for repairs required.

ACCOUNT STATUS REPORTS: With each invoice, you will also receive a statement showing the work performed during the previous month, the status of any open repairs or system problems and the condition of all equipment at the time of the last inspection.

QUALITY PERFORMANCE: LONG Mechanical Solutions is committed to providing quality service to our customers within the provisions, terms and conditions of this agreement. In order to maintain our high quality standards, we will periodically ask you for feedback on the services performed under this agreement. We also welcome your unsolicited comments at any time.

COMPLIANCE WITH LAWS AND REGULATIONS: CFC management is an ongoing service provided to all of our customers. LONG Mechanical Solutions will comply with any and all governmental laws or regulations concerning the proper handling of CFC's (Chloro Fluoro Carbons). This CFC service includes all labor, instrumentation and equipment required to detect and locate leaks, recovery of refrigerants and recycling of the refrigerant after repair. Detection may be accomplished using a combination of visual inspection, electronic detection, ultraviolet/die detection and other approved detection procedures.

We shall submit a written CFC leak notification describing all CFC leak problems in detail. A repair proposal will be submitted for approval when such repair is not covered under this agreement.

Duration: This is a 11-month agreement. The agreement will go into effect on October 1, 2018 and will continue through September 30, 2019.

RENEWAL AGREEMENT: After the initial agreement period, a 1-year renewal agreement will be provided 30 days prior to the agreement expiration. Any price adjustment will be made at this time.

PAYMENT FOR SUPPLEMENTAL SERVICES: Additional services, beyond the scope of this agreement, will be furnished upon request with proper authorization. All additional services not covered under this agreement and separately contracted, will be invoiced by LONG and payable by customer at a discounted preferred contract customer rates of 5% below current LONG published time and material service rates.

Facility Cost Summary	Cost Per Facility
ELECTRIC SHOP	\$780.00
PARKS SHOP, GREENHOUSE, GLENDALE PARK	\$1,612.00
DRAW STREET STORAGE BUILDING	\$622.00
SANITATION AND RECYCLING CENTER	\$830.00
VEHICLE MAINTENANCE SHOP	\$416.00
CODY CITY SHOP	\$960.00

YOUR ANNUAL INVESTMENT FOR THIS AGREEMENT IS:

Five Thousand Two Hundred Twenty.....**\$5,220.00**

Billed semi-annually at \$2,610.00 (payment terms net 30 days).

APPROVAL AND ACCEPTANCE

LONG Mechanical Solutions

City of Cody

Prepared by: *David Kenik*
General Manager

Accepted by: _____

Signature _____ Date / /2018

AGREEMENT TERMS & CONDITIONS

1. **INITIAL INSPECTION** - For full repair labor or full repair material agreements during the first 30 days of this Agreement or upon initial seasonal start-up, if Long should find any equipment covered under this Agreement to be in need of repair or replacement, Long will inform customer in writing of the equipment condition and the proposed corrective action. When Long so notifies customer it is understood that Long will not be responsible for the present or future repair or replacement, or operability of the equipment, until such a time the equipment is restored to a condition acceptable to Long.
2. **WARRANTY** - Long warrants that the work performed hereunder shall be done in a workmanlike manner and that all parts and components shall be free from defects in workmanship and materials. This warranty shall be effective for a period of ninety (90) days from the date the work is done or the part or component is installed or in the case of full labor and material agreements until the date on which this Agreement terminates, whichever first occurs. Customer remedy, should any breach of the warranty occur, shall be for Long to re-perform defective work or to repair or replace, at Long's option, any parts or components which are shown, to Long's satisfaction, to be defective, provided that notice is given promptly upon discovery of the defect.
3. **RESPONSIBILITIES** - In order to permit Long to properly perform the services included in this agreement, Customer agrees:
 1. To provide reasonable and timely access to all covered equipment and systems.
 2. To allow Long to start and stop equipment, with proper notice and coordination.
 3. Unless otherwise included in this Agreement, to provide water treatment for the proper functioning of the equipment.
4. **LIMITATIONS OF LIABILITY** - Neither party shall be liable to the other party for personal injuries, consequential, incidental or property damage of any nature arising from causes beyond its reasonable control or without its fault or negligence. Nor shall either party be liable for any delay or default in performing hereunder if such delay or default is caused by any condition or circumstances beyond its reasonable control, such as, but not limited to, governmental restrictions, strikes or other labor troubles, acts of God, interruption or irregularities in electrical power, etc.
5. **EXCLUSIONS** - It is understood that the following are not the responsibility of LONG's under this Agreement:
 1. Day to day operation of the equipment.
 2. Services, repairs or replacement necessitated by misuse, improper operation, continued operation of covered equipment against Long's recommendations.
 3. Correction or replacement of equipment damaged due to corrosion, lack of proper water treatment, electrolytic action, or other causes beyond our control when not identified as Long's responsibility in the agreement.
 4. Inspections, alterations or replacements required by insurance companies, municipal or governmental authorities.
 5. Replacement of major components which cannot be repaired due to age or unavailability of replacement parts.
 6. Replacement or servicing of equipment or components such as pneumatic piping, fuses, starters, circuit breakers, disconnect switches, electrical and control wiring, plumbing, non-moving parts such as pressure vessels, heat exchangers, tubes, panels, duct work, structural supports, and decorative casings unless specifically included in this Agreement.

The work shall not include the detection, abatement, encapsulation, or removal of asbestos or products, materials, or equipment containing asbestos. Customer shall notify Long in writing if any hazardous materials, including without limitation, asbestos, are present at the jobsite. Customer shall take adequate precautions to protect Long, its employees, agents and subcontractors from such hazardous materials and will arrange for others to remove or encapsulate such hazardous materials if necessary for the performance of the work.

6. **TERMINATION** - Long may terminate this Agreement upon written notice to Customer in the event that (1) any sums or monies due and payable under this Agreement are not paid when due; or (2) alterations, additions, or repairs are made to covered equipment by others. Either party may terminate this Agreement upon the expiration date of this Agreement provided that written notice of such termination is received by the other party at least thirty (30) days prior to the expiration date. Long reserves the right to deny service in the event of a past due account balance. Customer may terminate this agreement in the event of non-performance by Long. A written notice identifying non-performance must be sent to LONG allowing 30 days to correct the deficiency. If deficiency persists after 30 days, a second notice must be sent to the president of LONG. If the deficiency persists after a second 30 days, the agreement may be cancelled upon notice to LONG. All account balances due prior to final termination of the agreement 60 days from first notice.
7. **DISPUTES, CHOICE OF LAW AND COSTS** - This contract shall be deemed to have been entered into and shall be governed by the laws of the state of Wyoming. All claims, disputes and controversies arising out of or relating to this contract, or the breach thereof, shall, in lieu of court action, be submitted to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Assn., and any judgment upon the award rendered by the arbitrator(s) may be entered in any court of competent jurisdiction. The site of the arbitration shall be Casper, Wyoming unless another site is mutually agreed between the parties. The parties agree that in any arbitration each shall be entitled to discovery of the other party as provided by the Federal Rules of Civil Procedure; provided, however, that any such discovery shall be completed within four (4) months from the date the Demand for Arbitration is filed with the American Arbitration Assn. In the event it becomes necessary for Long to incur any costs or expenses in the collection of monies due, or to enforce any rights or privileges hereunder, Customer shall, upon demand, reimburse LONG for all such costs and expenses (including, but not limited to, reasonable attorney's fees). Actions by Long to collect monies due under this contract may be brought in any court of competent jurisdiction in lieu of arbitration.
8. **ENTIRE AGREEMENT** - When executed by the parties and approved by Long's authorized representative, this Agreement contains the entire agreement between the parties with respect to the services covered herein. No other representations, warranties, or statements (whether expressed in Customer purchase order, Customer contract or otherwise), shall be binding upon Long unless expressly agreed to in writing by LONG's authorized representative.

COVERAGE

1. Annual and /or seasonal scheduled preventative maintenance tasks as per manufacturers recommendations and LONG maintenance procedures.
2. LONG Technicians to complete equipment service tasked reports for service and maintenance provided for all equipment. Completed documents provided to the City upon completion.
3. LONG to replace drive belts provided by the City of Cody annually on listed equipment.

4. Preventative maintenance materials such as grease, oil, cleaning materials are provided
5. Condenser coil cleaning for air conditioning systems provided annually
6. Seasonal inspections for fan system equipment and heating /cooling equipment as noted on equipment listing.
7. Boiler combustion analysis and burner efficiency set up performed annually
8. Post schedule review upon scheduled maintenance completion with City Facilities Supervisor

Equipment & Asset Coverage per Location

ELECTRIC SHOP	
EQUIPMENT DESCRIPTION	Location/Area Served
Furnace #1	Parks Offices
Condensing Unit #1	Parks Offices
Radiant Tube Heater #1	SHOP
Radiant Tube Heater #2	SHOP
Radiant Tube Heater #3	SHOP
PARKS SHOP, GREENHOUSE, GLENDALE PARK	
EQUIPMENT DESCRIPTION	Location/Area Served
Furnace #1	Parks Offices
Condensing Unit #1	Parks Offices
Radiant Tube Heater #1	SHOP
Radiant Tube Heater #2	SHOP
Radiant Tube Heater #3	SHOP
Radiant Tube Heater #4	SHOP
Ventilation Fan #1	Greenhouse
Ventilation Fan #2	Greenhouse
Greenhouse Unit Heater	Greenhouse
Glendale Park Furnace	Glendale Park
DRAW STREET STORAGE BUILDING	
EQUIPMENT DESCRIPTION	Location/Area Served
Unit Heater #1	SHOP
Unit Heater #2	SHOP
Unit Heater #3	SHOP
Unit Heater #4	SHOP

SANITATION AND RECYCLING CENTER	
EQUIPMENT DESCRIPTION	Location/Area Served
Radiant Tube Heater #1	Sanitation SHOP
Radiant Tube Heater #2	Sanitation SHOP
Radiant Tube Heater #3	Sanitation SHOP
Radiant Tube Heater #4	Sanitation SHOP
Radiant Tube Heater #5	Sanitation SHOP
Radiant Tube Heater #6	Sanitation SHOP
Roof Top Exhaust Fan #1	Sanitation ROOF
Roof Top Exhaust Fan #2	Sanitation ROOF
Roof Top Exhaust Fan #3	Sanitation ROOF
Unit Heater	Recycle Center
VEHICLE MAINTENANCE SHOP	
EQUIPMENT DESCRIPTION	Location/Area Served
Radiant Tube Heater #1	VM Shop
Radiant Tube Heater #2	VM Shop
Radiant Tube Heater #3	VM Shop
CODY CITY SHOP	
EQUIPMENT DESCRIPTION	Location/Area Served
Furnace #1	Office
Furnace #2	Office
Condensing Unit #1	Office
Condensing Unit #2	Office
Radiant Tube Heater #1	SHOP
Radiant Tube Heater #2	SHOP
Radiant Tube Heater #3	SHOP
Radiant Tube Heater #4	SHOP
Unit Heater #1	Wash Bay

Report Criteria:

Invoice.Detail.Input date = 10/30/2018
Invoice.Batch = "1"

Secondary Name	Invoice	Description	Invoice Date	Total Cost
ENGINEERING ASSOCIATES (4140)				
	3810058-A	PROJECT NO 14111.04 WWTF PHASE 2	10/18/2018	17,338.20
Total :				17,338.20
Total ENGINEERING ASSOCIATES (4140):				17,338.20
HARRIS TRUCKING AND CONSTRUCTION CO. (4780)				
	PAY APP 4 ADA	ADA RAMPS	10/01/2018	104,043.36
	RET 4 ADA	ADA RAMPS	10/01/2018	11,560.37
Total :				115,603.73
Total HARRIS TRUCKING AND CONSTRUCTION CO. (4780):				115,603.73
MORRISON-MAIERLE INC (130985)				
	185129	ADA RAMPS	08/31/2018	13,925.08
	185232	ADA RAMPS	09/21/2018	7,375.72
Total :				21,300.80
Total MORRISON-MAIERLE INC (130985):				21,300.80
SCHNEIDER, JEFF (131711)				
	1980	REC CENTER REFUND	10/05/2018	140.00
Total :				140.00
Total SCHNEIDER, JEFF (131711):				140.00
Grand Totals:				154,382.73

Report GL Period Summary

GL Period	Amount
10/18	154,382.73
Grand Totals:	154,382.73

Vendor number hash: 407381
 Vendor number hash - split: 407381
 Total number of invoices: 6
 Total number of transactions: 6

Terms Description	Invoice Amount	Discount Amount	Net Invoice Amount
Open Terms	154,382.73	.00	154,382.73

MEETING DATE: NOVEMBER 6, 2018
DEPARTMENT: PARKS, RECREATION AND
PUBLIC FACILITIES
PREPARED BY: MIKE FINK
PRESENTED BY: RICK MANCHESTER

AGENDA ITEM SUMMARY REPORT **Teen Recreation Advisory Committee**

ACTION TO BE TAKEN:

Request approval for the City Council to wave day pass fees for Recreation Center non-members who are registered for the Teen Recreation Advisory Committee activities.

SUMMARY OF INFORMATION:

For the 2018-2019 school year, the Recreation Center staff has worked with the local schools to form a Teen Recreation Advisory Committee, (TRAC).

TRAC is made up of students in 8th grade through Senior's in high school who have shown an interest in collaborating with the Recreation Center and staff to provide quality recreational programming to the community.

The Shoshone Recreation District is supporting the efforts of these young people and has agreed to give them a \$1,000.00 grant to help them in their endeavors.

We would request that City Council agree to waive any fees that would be associated with the use of the Recreation Center for the TRAC program.

This would include court space and admission to any TRAC related activities or events.

FISCAL IMPACT

None

ALTERNATIVES

1. Approve waiving the TRAC Recreation Center day use fees.
2. Approve waiving the admission fees.
3. Deny the request.

ATTACHMENTS

None

AGENDA & SUMMARY REPORT TO:

Rick Manchester, Parks, Recreation & Public Facilities Director
Mike Fink, Recreation and Public Facilities Superintendent

CITY OF CODY
NOTICE OF APPLICATION FOR A
NEW BAR & GRILL LIQUOR LICENSE

Notice is hereby given that on the 12th day of October, 2018, Taproom LLC, filed an application for consideration of the Bar & Grill liquor license in the office of the clerk of the City of Cody for the following described place: 1022 13Th St., Cody, WY 82414, and protests, if any there be, against the issuance of either license will be heard at the hour of 7:00 pm, or as soon thereafter as practical, on the 6th day of November 2018, in the Council Chambers of City Hall, 1338 Rumsey Avenue, Cody, Wyoming.

Date: October 12, 2018

Cindy Baker

Administrative Services Officer

PUBLISH: October 23rd and October 30th 2018

Report Criteria:

Invoice.Detail.Input date = 10/30/2018
 Invoice.Batch = {NOT LIKE} "1"

Secondary Name	Invoice	Description	Invoice Date	Total Cost
ACKER ELECTRIC INC (270)				
	34861	TROUBLE SHOOT GREEN ACRES PUMP	10/03/2018	110.00
	34862	TROUBLE SHOOT POWER VALLEYVIEW XFER STATION	10/03/2018	55.00
Total :				165.00
Total ACKER ELECTRIC INC (270):				165.00
ANIXTER INC (130622)				
	3963205-02	SYSTEM UPGRADE - URD	10/08/2018	192.29
Total :				192.29
Total ANIXTER INC (130622):				192.29
BACON, PAIGE (131212)				
CODY MOBILE ART STUDIO	025	SEPTEMBER ADULT PAINTING	10/23/2018	28.00
Total :				28.00
Total BACON, PAIGE (131212):				28.00
BIOLYNCEUS, LLC (126954)				
	7450	PROBIOTIC SCRUBBER II	10/02/2018	10,313.60
Total :				10,313.60
Total BIOLYNCEUS, LLC (126954):				10,313.60
BORDER STATES INDUSTRIES, INC (1420)				
	916395963	Wire, primary, 500MCM cu, jacketed, 25KV	10/19/2018	41,608.20
Total :				41,608.20
Total BORDER STATES INDUSTRIES, INC (1420):				41,608.20
CENTURY LINK (10091)				
	101918	UTILITIES	10/19/2018	38.77
Total :				38.77
Total CENTURY LINK (10091):				38.77
CERVANTES, ADAM (131705)				
	14.3910.16	REFUND CREDIT BALANCE	10/17/2018	90.32
Total :				90.32
Total CERVANTES, ADAM (131705):				90.32
CITY OF CODY (2260)				
	103118	UTILITIES	10/31/2018	1,562.63
	103118	UTILITIES	10/31/2018	11,301.74
	103118	UTILITIES	10/31/2018	128.45

Secondary Name	Invoice	Description	Invoice Date	Total Cost
	103118	UTILITIES	10/31/2018	445.91
	103118	UTILITIES	10/31/2018	357.69
	103118	UTILITIES	10/31/2018	854.29
	103118	UTILITIES	10/31/2018	5,922.73
	103118	UTILITIES	10/31/2018	11,559.86
	103118	UTILITIES	10/31/2018	32.98
	103118	UTILITIES	10/31/2018	4,928.56
	103118	UTILITIES	10/31/2018	4,865.05
	103118	UTILITIES	10/31/2018	46.39
	103118	UTILITIES	10/31/2018	1,079.35
	103118	UTILITIES	10/31/2018	1,090.88
	103118	UTILITIES	10/31/2018	1,090.88
	103118	UTILITIES	10/31/2018	520.99
	103118	UTILITIES	10/31/2018	931.08
	103118	UTILITIES	10/31/2018	39.00
Total :				46,758.46
Total CITY OF CODY (2260):				46,758.46
COPPER MOUNTAIN IRRIGATION LLC (131351)				
	17810	TROUBLESHOOT ELECTRIC MOTOR	09/24/2018	568.76
Total :				568.76
Total COPPER MOUNTAIN IRRIGATION LLC (131351):				568.76
CUMBRE PROFESSIONAL GROUP INC (131559)				
CPG ENGINEERS	18CPG009-04	17TH & SHERIDAN INTERSECTION STUDY	09/20/2018	4,972.00
Total :				4,972.00
Total CUMBRE PROFESSIONAL GROUP INC (131559):				4,972.00
CUSTOM GARAGE DOOR LLC (127015)				
	4332	GARAGE DOOR & CONTROL	10/02/2018	507.50
	4332	GARAGE DOOR & CONTROL	10/02/2018	507.50
Total :				1,015.00
Total CUSTOM GARAGE DOOR LLC (127015):				1,015.00
DEPT OF FAMILY SERVICES (125899)				
ATTN: CENTRAL REGISTRY	0233-AUG18	BACKGROUND CHECKS - REC CENTER	09/24/2018	10.00
ATTN: CENTRAL REGISTRY	0233-SEP18	BACKGROUND CHECKS - REC CENTER	10/12/2018	130.00
Total :				140.00
Total DEPT OF FAMILY SERVICES (125899):				140.00
EAGLE RECOVERY, LLC (126679)				
	14782	TOW CPD VEHICLE	10/08/2018	165.00
Total :				165.00
Total EAGLE RECOVERY, LLC (126679):				165.00

Secondary Name	Invoice	Description	Invoice Date	Total Cost
EASTMAN, RINDA (129952)				
	092018	PERSONAL TRAINER - REC CENTER	10/24/2018	279.30
Total :				279.30
Total EASTMAN, RINDA (129952):				279.30
ENGINEERING ASSOCIATES (4140)				
	100218	BAC-T TEST	10/02/2018	25.00
	3810058	PROJECT NO 14111.04 WWTF PHASE 2	10/18/2018	12,483.50
	3810058	PROJECT NO 14111.04 WWTF PHASE 2	10/18/2018	3,814.40
	3810058	PROJECT NO 14111.04 WWTF PHASE 2	10/18/2018	1,040.29
Total :				17,363.19
Total ENGINEERING ASSOCIATES (4140):				17,363.19
FARNSWORTH, KATIE (131703)				
	13.3095.17	REFUND UTILITY DEPOSIT	10/15/2018	8.58
Total :				8.58
Total FARNSWORTH, KATIE (131703):				8.58
FRYE, ROY (131698)				
	101018	WITNESS FEES DOROTHY OLIVER MC-1807-051	10/10/2018	15.00
Total :				15.00
Total FRYE, ROY (131698):				15.00
GLOBAL TECHNOLOGY RESOURCES INC (130118)				
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	184.31
	IS043693	EVAULT CLOUD STORAGE	09/24/2018	184.31
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	42.53
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	42.53
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	42.53
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	42.53
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	56.71
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	85.07
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	184.31
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	184.31
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	184.31
	IS043693	EVAULT CLOUD DATA STORAGE	09/24/2018	184.33
Total :				1,417.78
Total GLOBAL TECHNOLOGY RESOURCES INC (130118):				1,417.78
GOSCMSA (131702)				
	10152018	GOSCMSA DUES - BARRY	10/15/2018	100.00
Total :				100.00
Total GOSCMSA (131702):				100.00
GRAHAM DIETZ & ASSOCIATES (4620)				
GDA ENGINEERS	180317-7437	CEDAR LANE STAKING	10/09/2018	894.65

Secondary Name	Invoice	Description	Invoice Date	Total Cost
Total :				894.65
Total GRAHAM DIETZ & ASSOCIATES (4620):				894.65
HARRIS TRUCKING AND CONSTRUCTION CO (7730)				
PARK COUNTY READY MIX	113905	SAND SLURRY	09/25/2018	1,455.00
PARK COUNTY READY MIX	113905	CONCRETE	09/25/2018	301.00
Total :				1,756.00
Total HARRIS TRUCKING AND CONSTRUCTION CO (7730):				1,756.00
HARRIS TRUCKING AND CONSTRUCTION CO. (4780)				
	131640	ASPHALT	09/30/2018	661.32
Total :				661.32
Total HARRIS TRUCKING AND CONSTRUCTION CO. (4780):				661.32
JONES, AMY (129954)				
	10124	PERSONAL TRAINER - REC CENTER	10/24/2018	1,300.44
Total :				1,300.44
Total JONES, AMY (129954):				1,300.44
LUKAS, CHRISTOPHER (131700)				
	2.1650.44	REFUND UTILITY DEPOSIT	10/09/2018	9.89
Total :				9.89
Total LUKAS, CHRISTOPHER (131700):				9.89
MARTIN, JACK (131701)				
	10.0100.10	REFUND UTILITIES AT 1710 19TH ST	10/15/2018	3,440.59
Total :				3,440.59
Total MARTIN, JACK (131701):				3,440.59
MARTINELLI, APRIL (131706)				
	15.2470.27	REFUND UTILITY DEPOSIT	10/22/2018	267.22
Total :				267.22
Total MARTINELLI, APRIL (131706):				267.22
MARTIN-NEFF, PAMELA (131704)				
	2.2050.25	REFUND UTILITY DEPOSIT	10/16/2018	117.53
Total :				117.53
Total MARTIN-NEFF, PAMELA (131704):				117.53
MSPS (127866)				
MOUNTAIN STATES PIPE & SUPPLY	INV9710	Kamstrup 5/8" x 3/4" meter	10/05/2018	3,660.00
MOUNTAIN STATES PIPE & SUPPLY	INV9710	Kamstrup 5/8" x 3/4" meter	10/05/2018	3,660.00

Secondary Name	Invoice	Description	Invoice Date	Total Cost
MOUNTAIN STATES PIPE & SUPPLY	INV9710	SHIPPING	10/05/2018	55.21
MOUNTAIN STATES PIPE & SUPPLY	INV9710	SHIPPING	10/05/2018	55.21
Total :				7,430.42
Total MSPS (127866):				7,430.42
NORTHWEST PIPE (7400)				
	141617	6" MJ, CI tee	09/27/2018	150.00
	143472	6" MJ, CI Plug	10/01/2018	41.18
	145627	6" Megalug for PVC, w/acc.	10/08/2018	250.16
Total :				441.34
Total NORTHWEST PIPE (7400):				441.34
PARK COUNTY (7670)				
	4084	LEC CONTRACT - DISPATCH	10/01/2018	197.02
	4084	LEC CONTRACT - DISPATCH	10/01/2018	3,349.39
	4084	LEC CONTRACT - DISPATCH	10/01/2018	591.07
	4084	LEC CONTRACT - DISPATCH	10/01/2018	15,564.81
	4084	LEC CONTRACT - CAPITOL EQUIPMENT	10/01/2018	4,500.00
	4084	LEC CONTRACT - MAINTENANCE	10/01/2018	2,298.67
	4084	LEC CONTRACT - CONSOLE	10/01/2018	38.47
	4084	LEC CONTRACT - CONSOLE	10/01/2018	653.93
	4084	LEC CONTRACT - CONSOLE	10/01/2018	115.40
	4084	LEC CONTRACT - CONSOLE	10/01/2018	3,038.83
	4084	LEC CONTRACT - UTILITIES	10/01/2018	1,181.53
Total :				31,529.12
Total PARK COUNTY (7670):				31,529.12
PARK COUNTY CIRCUIT COURT (128493)				
	101718	CV-2016-0757	10/19/2018	312.59
Total :				312.59
Total PARK COUNTY CIRCUIT COURT (128493):				312.59
PARK COUNTY PUBLIC HEALTH (7720)				
	1380	FLU VACCINATION	10/11/2018	75.00
	1380	FLU VACCINATIONS	10/11/2018	100.00
	1380	FLU VACCINATIONS	10/11/2018	490.00
	1380	FLU VACCINATIONS	10/11/2018	75.00
	1380	FLU VACCINATIONS	10/11/2018	205.00
	1380	FLU VACCINATIONS	10/11/2018	75.00
	1380	FLU VACCINATIONS	10/11/2018	260.00
	1380	FLU VACCINATIONS	10/11/2018	175.00
	1380	FLU VACCINATIONS	10/11/2018	265.00
	1380	FLU VACCINATIONS	10/11/2018	160.00
	1380	FLU VACCINATIONS	10/11/2018	75.00
	1381	HEP B VACCINATION	10/12/2018	40.00
Total :				1,995.00
Total PARK COUNTY PUBLIC HEALTH (7720):				1,995.00

Secondary Name	Invoice	Description	Invoice Date	Total Cost
POLLARD WATER.COM (127420)				
	0120496	CHLR COLOR DISK TEST	10/04/2018	82.13
Total :				82.13
Total POLLARD WATER.COM (127420):				82.13
POTTER, JUSTIN (131709)				
	1.210785	REFUND TEMP ELECTRIC METER FEE	10/23/2018	115.00
Total :				115.00
Total POTTER, JUSTIN (131709):				115.00
PROFFIT, DOUGLAS J (128647)				
PROFFITS ENTERPRISES LLC	8266	HILL MOWING CONTRACT	09/30/2018	440.00
Total :				440.00
Total PROFFIT, DOUGLAS J (128647):				440.00
PURCHASE POWER (8240)				
	100518	POSTAGE	10/05/2018	9.02
Total :				9.02
Total PURCHASE POWER (8240):				9.02
QUALITY ASPHALT PAVING, INC (125010)				
	1851	ASPHALT PATCHING	07/26/2018	1,400.00
	1851	ASPHALT PATCHING	07/26/2018	620.00
	1896	ASPHALT PATCHING - KERPER	10/15/2018	1,531.25
	1898	ASPHALT PATCHING - ALLEY	10/15/2018	560.00
Total :				4,111.25
Total QUALITY ASPHALT PAVING, INC (125010):				4,111.25
QUALLS SLATE, VICKIE (131699)				
	101018	WITNESS FEES MARIAN LAMB DIN MC-1809-007	10/10/2018	15.00
Total :				15.00
Total QUALLS SLATE, VICKIE (131699):				15.00
RAPID FIRE PROTECTION, INC (129543)				
	9442	REPAIR RV DUMP PARK	09/28/2018	180.00
	9507	BACKFLOW INSPECTIONS	09/28/2018	1,375.00
Total :				1,555.00
Total RAPID FIRE PROTECTION, INC (129543):				1,555.00
REESY, JESSICA (131707)				
	6.0120.19	REFUND UTILITY DEPOSIT	10/19/2018	97.23
Total :				97.23

Secondary Name	Invoice	Description	Invoice Date	Total Cost
Total REESY, JESSICA (131707):				97.23
ROCKY MOUNTAIN POWER (7570)				
	101718	UTILITIES	10/17/2018	29.03
	101718	UTILITIES	10/17/2018	208.96
Total :				237.99
Total ROCKY MOUNTAIN POWER (7570):				237.99
ROVENNA SIGNS & DESIGN (131710)				
	9084	POLICE CAR DECALS	10/16/2018	732.08
Total :				732.08
Total ROVENNA SIGNS & DESIGN (131710):				732.08
SABER PEST CONTROLL LLC (131183)				
	E107	PEST CONTROL - ELECTRIC	10/08/2018	80.00
	P119	PEST CONTROL -STREETS/VEHICLE MAINT	10/01/2018	50.00
	P119	PEST CONTROL - WATER DEPT	10/01/2018	25.00
	P119	PEST CONTROL - WASTEWATER DEPT	10/01/2018	25.00
	R118	PEST CONTROL - RECYCLING/SANITATION	10/03/2018	60.00
	W118	PEST CONTROL - WASTEWATER DEPT	10/03/2018	50.00
Total :				290.00
Total SABER PEST CONTROLL LLC (131183):				290.00
SECRETARY OF STATE (123386)				
	101018	NOTARY RENEWAL - AIMEE CHILDRESS	10/10/2018	30.00
Total :				30.00
Total SECRETARY OF STATE (123386):				30.00
SLATER JR, ROBERT D (131697)				
	11.1480.29	REFUND UTILITY DEPOSIT	10/05/2018	36.38
Total :				36.38
Total SLATER JR, ROBERT D (131697):				36.38
STOWELL, TODD (130972)				
	101918	REIMBURSE FOR WYOPASS CONFERENCE EXPENSES	10/19/2018	150.00
Total :				150.00
Total STOWELL, TODD (130972):				150.00
SYSTEMS GRAPHICS INC (129162)				
ADVANCED INFO SYSTEMS	14517	OUTSOURCE BILLS	10/03/2018	18.26
ADVANCED INFO SYSTEMS	14517	OUTSOURCE BILLS	10/03/2018	52.51
ADVANCED INFO SYSTEMS	14517	OUTSOURCE BILLS	10/03/2018	47.94
ADVANCED INFO SYSTEMS	14517	OUTSOURCE BILLS	10/03/2018	47.94
ADVANCED INFO SYSTEMS	14517	OUTSOURCE BILLS	10/03/2018	61.65
ADVANCED INFO SYSTEMS	14534	OUTSOURCE BILLS	10/12/2018	33.30
ADVANCED INFO SYSTEMS	14534	OUTSOURCE BILLS	10/12/2018	95.72

Secondary Name	Invoice	Description	Invoice Date	Total Cost
ADVANCED INFO SYSTEMS	14534	OUTSOURCE BILLS	10/12/2018	87.40
ADVANCED INFO SYSTEMS	14534	OUTSOURCE BILLS	10/12/2018	87.40
ADVANCED INFO SYSTEMS	14534	OUTSOURCE BILLS	10/12/2018	112.37
ADVANCED INFO SYSTEMS	14537	OUTSOURCE BILLS	10/22/2018	14.07
ADVANCED INFO SYSTEMS	14537	OUTSOURCE BILLS	10/22/2018	40.45
ADVANCED INFO SYSTEMS	14537	OUTSOURCE BILLS	10/22/2018	36.93
ADVANCED INFO SYSTEMS	14537	OUTSOURCE BILLS	10/22/2018	36.93
ADVANCED INFO SYSTEMS	14537	OUTSOURCE BILLS	10/22/2018	47.47
Total :				820.34
Total SYSTEMS GRAPHICS INC (129162):				820.34
T-O ENGINEERS INC (131708)				
	171133-00011	BEACON HILL WATER TANK	09/13/2018	6,963.81
	171133-00011	BEACON HILL WATER TANK	09/13/2018	3,429.94
Total :				10,393.75
Total T-O ENGINEERS INC (131708):				10,393.75
TRAVELERS CL REMITTANCE CENTER (130089)				
	101218	INSURANCE PREMIUM ADJUSTMENT	10/12/2018	173.00
Total :				173.00
Total TRAVELERS CL REMITTANCE CENTER (130089):				173.00
US POSTMASTER (129112)				
	10082018	2 MONTHS POSTAGE FOR UTILITY BILLING	10/08/2018	310.06
	10082018	2 MONTHS POSTAGE FOR UTILITY BILLING	10/08/2018	865.43
	10082018	2 MONTHS POSTAGE FOR UTILITY BILLING	10/08/2018	788.47
	10082018	2 MONTHS POSTAGE FOR UTILITY BILLING	10/08/2018	761.46
	10082018	2 MONTHS POSTAGE FOR UTILITY BILLING	10/08/2018	974.58
Total :				3,700.00
Total US POSTMASTER (129112):				3,700.00
WESCO RECEIVABLES CORP (10480)				
	242801	CT 200:5 600V	09/28/2018	399.80
Total :				399.80
Total WESCO RECEIVABLES CORP (10480):				399.80
WESTERN UNITED ELECTRIC SUPPLY (10605)				
	4123530	Cabinet, sectionalizing, 3 ph 600 amp	10/01/2018	1,524.70
	4123530	FREIGHT	10/01/2018	327.98
Total :				1,852.68
Total WESTERN UNITED ELECTRIC SUPPLY (10605):				1,852.68
WYOMING DEPARTMENT OF HEALTH (10930)				
PREVENTATIVE HEALTH & SAFETY DI	10009337	WATER SAMPLE TESTING	10/01/2018	240.00

Secondary Name	Invoice	Description	Invoice Date	Total Cost
Total :				240.00
Total WYOMING DEPARTMENT OF HEALTH (10930):				240.00
Grand Totals:				200,876.01
			Payroll 10/17/18	239,048.54
			Payroll 10/31/18	230,244.88

				670,169.43

Report GL Period Summary

:

:

"

MEETING DATE: NOV 6, 2018
DEPARTMENT: ADMINISTRATIVE SERVICES
PREPARED BY: CINDY BAKER
ADMIN SERVICES OFFICER
DEPT. DIR. APPROVAL: _____
CITY ADM. APPROVAL: _____

AGENDA ITEM SUMMARY REPORT

Request for New Bar & Grill Liquor License

ACTION TO BE TAKEN:

Consider approving the request for a New Bar & Grill Liquor License

SUMMARY OF INFORMATION:

Taproom LLC dba: WYOLD West Taproom would like to apply for a new Bar & Grill liquor license for the license term ending 07/31/2019. Currently Taproom, LLC holds a Microbrew permit, which limits the alcohol to malt beverage. They would like to expand their menu and the ability to provide wine and other alcoholic beverages with the display and dispensing to occur with their current set up (Bar area). The Bar & Grill License would allow for this set up, whereas, a restaurant license would require a separate dispensing room to be established in another area of the building for storage and dispensing.

Currently the City of Cody has one unissued Bar & Grill Liquor Licenses.

FISCAL IMPACT

Receive \$3,750.00 in prorated fees and \$1500 for the renewal of the annual Bar & Grill liquor license permit fee, no negative impact.

ALTERNATIVES

1. Approve the Bar & Grill liquor license
2. Deny the Bar & Grill liquor license

ATTACHMENTS

Liquor license application, drawing, lease, statement of financial stability, food service permit application

AGENDA & SUMMARY REPORT TO:

Taproom LLC

NEW OR TRANSFER LIQUOR LICENSE OR PERMIT APPLICATION

FOR LIQUOR DIVISION USE ONLY		
Customer #:	_____	
Trf from:	_____	
Reviewer:	Initials _____	Date _____
Agent:	_____	/ /
Chief:	_____	/ /

To be completed by City/County Clerk

License Fees Annual Fee: \$ _____ Date filed with clerk: 10 / 12 / 2018
 Prorated Fee: \$ 3,750.00 Advertising Dates: (2 Weeks) 10/23/2018 & 10/30/2018
 Transfer Fee: \$ _____ Hearing Date: 11 / 6 / 2018
 Publishing Fee: \$ 149.50
 Publishing Fee Direct Billed to Applicant:
 Local License #: _____
 License Term: 11 / 6 / 2018 Through 7 / 31 / 2019
Month Day Year Month Day Year

LICENSING AUTHORITY: Begin publishing promptly. As W.S. 12-4-104(d) specifies: **NO LICENSING AUTHORITY SHALL APPROVE OR DENY THE APPLICATION UNTIL THE LIQUOR DIVISION HAS CERTIFIED THE APPLICATION IS COMPLETE.**

Applicant: Taproom LLC
 Trade/Business Name (dba): WY Old West Taproom
 Building to be licensed/Building Address: 1022 13th Street
Number & Street
Cody WY 82414 Park
City State Zip County
 Mailing Address: 221 N Bent Street
Number & Street or P.O. Box
Powell WY 82435
City State Zip
 Business Telephone Number: (307) 586-3550 Fax Number: ()
 E-Mail Address: jessica.laughlin@wyoldwest.com
 Brief legal description and the zoning of the licensed building or site for licensed building: W.S. 12-4-102 (a) (vi)

FILING FOR	FILING IN (CHOOSE ONLY ONE)	FILING AS (CHOOSE ONLY ONE)
<input checked="" type="checkbox"/> NEW LICENSE	<input checked="" type="checkbox"/> CITY OF: <u>Cody</u>	<input type="checkbox"/> INDIVIDUAL
<input type="checkbox"/> TRANSFER OF LOCATION	<input type="checkbox"/> COUNTY OF: _____	<input type="checkbox"/> PARTNERSHIP
<input type="checkbox"/> TRANSFER OWNERSHIP	<input type="checkbox"/> ASSIGNMENT LETTER ATTACHED	<input type="checkbox"/> LP/LLP
FORMERLY HELD BY: _____		<input checked="" type="checkbox"/> LLC
		<input type="checkbox"/> CORPORATION
		<input type="checkbox"/> LTD PARTNERSHIP
		<input type="checkbox"/> ORGANIZATION
		<input type="checkbox"/> OTHER _____

TYPE OF LICENSE OR PERMIT (CHOOSE ONLY ONE)

<input type="checkbox"/> RETAIL LIQUOR LICENSE ON-PREMISE ONLY (BAR)	<input type="checkbox"/> RESTAURANT LIQUOR LICENSE	<input type="checkbox"/> MICROBREWERY
<input type="checkbox"/> OFF-PREMISE ONLY (PACKAGE STORE)	<input checked="" type="checkbox"/> BAR AND GRILL	<input type="checkbox"/> WINERY
<input type="checkbox"/> COMBINATION ON/OFF PREMISE (BOTH BAR & PACKAGE STORE)	LIMITED RETAIL (CLUB)	<input type="checkbox"/> DISTILLERY SATELLITE
	<input type="checkbox"/> VETERANS CLUB	<input type="checkbox"/> WINERY SATELLITE
	<input type="checkbox"/> FRATERNAL CLUB	<input type="checkbox"/> COUNTY RETAIL or SPECIAL MALT BEVERAGE PERMIT
	<input type="checkbox"/> GOLF CLUB	SPECIAL DESIGNATIONS
	<input type="checkbox"/> SOCIAL CLUB	<input type="checkbox"/> CONVENTION FACILITY
		<input type="checkbox"/> CIVIC CENTER/EVENT CENTER/PUBLIC AUDITORIUM
		<input type="checkbox"/> GOLF CLUB
		<input type="checkbox"/> GUEST RANCH
		<input type="checkbox"/> RESORT

To Assist the Liquor Division with scheduling inspections: **WHEN DO YOU OPERATE?**

<input checked="" type="checkbox"/> FULL TIME (e.g. Jan through Dec)	<input type="checkbox"/> SEASONAL/PART-TIME	<input type="checkbox"/> NON-OPERATIONAL/PARKED
(specify months of operation)	DAYS OF WEEK (e.g. Mon through Sat)	HOURS OF OPERATION (e.g. 10a - 2a)
from <u>Jan</u> to <u>Dec</u>	from <u>Mon.</u> to <u>Sun.</u>	from <u>11am</u> to <u>11pm</u>

ALL APPLICANTS MUST COMPLETE QUESTIONS 1- 6

- BUILDING OWNERSHIP: Does the applicant? W.S. 12-4-103 (a) (iii)
 - OWN** the licensed building? YES (own)
 - LEASE** the licensed building? (Lease must be through the term of the liquor license) YES (lease)

If Yes, please submit a copy of the lease and indicate:

 - When the lease expires, located on page 1 paragraph 2 of lease.
 - Where the **Sales** provision for alcoholic or malt beverages is located, on page 2 paragraph 11 of lease. (MUST contain a provision for **SALE OF ALCOHOLIC** or **MALT BEVERAGES**.)

2. To operate your liquor business, have you assigned, leased, transferred or contracted with any other person (entity) to operate and assert total or partial control of the license and the licensed building? W.S. 12-4-601 (b) YES NO
3. Does any manufacturer, brewer, rectifier, wholesaler, or through a subsidiary affiliate, officer, director or member of any such firm: W.S. 12-5-401, 12-5-402, 12-5-403
- (a) Hold any interest in the license applied for? YES NO
 - (b) Furnish by way of loan or any other money or financial assistance for purposes hereof in your business? YES NO
 - (c) Furnish, give, rent or loan any equipment, fixtures, interior decorations or signs other than standard brewery or manufacturer's signs? YES NO
 - (d) If you answered **YES** to any of the above, explain fully and submit any documents in connection there within:
Currently Holds Micro Brew Permit Under Taproom LLC
4. Does the applicant have any interest or intent to acquire an interest in any other liquor license issued by this licensing authority? W.S. 12-4-103 (b) YES NO

If "YES", explain: _____

5. **If applicant is filing as an Individual, Partnership or Club:** W.S. 12-4-102 (a) (ii) & (iii)

Each individual, partner or club officer must complete the box below.

True and Correct Name	Date of Birth	Residence Address No. & Street City, State & Zip <i>DO NOT LIST PO BOXES</i>	Residence Phone Number	Have you been a DOMICILED resident for at least 1 year and not claimed residence in any other state in the last year?	Have you been Convicted of a Felony Violation?	Have you been Convicted of a Violation Relating to Alcoholic Liquor or Malt Beverages?
				YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
				YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
				YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
				YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
				YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
				YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>

(If more information is required, list on a separate piece of paper and attach to this application.)

6. **If the applicant is a Corporation, Limited Liability Company, Limited Liability Partnership or Limited Partnership:** W.S. 12-4-102 (a) (iv) & (v)

Each stockholder holding, either jointly or severally, ten percent (10%) or more of the outstanding and issued capital stock of the corporation, limited liability company, limited liability partnership, or limited partnership, and every officer, and every director must complete the box below.

True and Correct Name	Date of Birth	Residence Address No. & Street City, State & Zip <i>DO NOT LIST PO BOXES</i>	Residence Phone Number	No. of Years in Corp or LLC	% of Corporate Stock Held	Have you been Convicted of a Felony Violation?	Have you been Convicted of a Violation Relating to Alcoholic Liquor or Malt Beverages?
J Properties						YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
William Jarvis						YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
Andrew Whitlock						YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
						YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
						YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
						YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
						YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
						YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>

(If more information is required, list on a separate piece of paper and attach to this application)

7. BAR AND GRILL LICENSE:

Have you submitted a valid food service permit or application? W.S. 12-4-413 (a) YES NO

8. RESTAURANT LICENSE:

(a) Give a description of the dispensing room(s) and state where it is located in the building. W.S. 12-4-408 (b) (e.g. 10 x 12 room in SE corner of building): _____

(b) Have you submitted a valid food service permit or application? W.S. 12-4-407 (a) YES NO

(c) Have you attached a drawing of the establishment that includes the restaurant dispensing room(s)? W.S. 12-4-410 (f) YES NO

9. RESORT LICENSE:

Does the resort complex:

(a) Have an actual valuation of at least one million dollars, or have you committed or expended at least one million dollars (\$1,000,000.00) on the complex, excluding the value of the land? W.S. 12-4-401(b)(i) YES NO

(b) Include a restaurant and a convention facility which will seat at least one hundred (100) persons? W.S. 12-4-401(b)(ii) YES NO

(c) Include motel, hotel or privately owned condominium, town house or home accommodations approved for short term occupancy with at least one hundred (100) sleeping rooms? W.S. 12-4-401(b)(iii) YES NO

(d) If no on question (c), have a ski resort facility open to the general public in which you have committed or expended not less than 10 million dollars (\$10,000,000.00)? W.S. 12-4-401(b)(iv) YES NO

(e) Are you contracting/leasing the food and beverage services? W.S. 12-4-403(b)
1. If Yes, have you submitted a copy of the food and beverage contract/lease? YES NO

10. MICROBREWERY LICENSE:

Will the license be held in conjunction with another liquor license? W.S. 12-4-412(b)(iii) YES NO

(a) If "YES", please specify type: RETAIL RESTAURANT RESORT BAR AND GRILL WINERY

(b) Do you self distribute your products? W.S. 12-2-201(a) (Requires wholesaler license with the Liquor Division) YES NO

(c) Do you distribute your products through an existing malt beverage wholesaler? W.S. 12-2-201(g)(i) (Requires authorization to sell license with the Liquor Division) YES NO

11. WINERY LICENSE:

Will the license be held in conjunction with another liquor license? W.S. 12-4-412(b)(iii) YES NO

(a) If "YES", please specify type: RETAIL RESTAURANT RESORT BAR AND GRILL MICROBREWERY

12. LIMITED RETAIL (CLUB) LICENSE:

FRATERNAL CLUBS W.S. 12-1-101(a)(iii)(B)

(a) Has the fraternal organization been actively operating in at least thirty-six (36) states? YES NO

(b) Has the fraternal organization been actively in existence for at least twenty (20) years? YES NO

13. LIMITED RETAIL (CLUB) LICENSE:

VETERANS CLUBS W.S. 12-1-101(a)(iii)(A):

(a) Does the Veteran's organization hold a charter by the Congress of the United States? YES NO

(b) Is the membership of the Veteran's organization comprised only of Veterans and its duly organized auxiliary? YES NO

14. LIMITED RETAIL (CLUB) LICENSE:

GOLF CLUBS W.S. 12-1-101(a)(iii)(D)/W.S. 12-4-301(e):

(a) Do you have more than fifty (50) bona fide members? YES NO

(b) Do you own, maintain, or operate a bona fide golf course together with clubhouse? YES NO

(c) Are you a political subdivision of the state that owns, maintains, or operates a golf course? YES NO

1. Are you contracting/leasing the food and beverage services? W.S. 12-5-201(g) YES NO

2. If Yes, have you submitted a copy of the food and beverage contract/lease? YES NO

15. LIMITED RETAIL (CLUB) LICENSE:

SOCIAL CLUBS W.S. 12-1-101(a)(iii)(E)/W.S. 12-4-301(b):

- (a) Do you have more than one hundred (100) bona fide members who are residents of the county in which the club is located? YES NO
- (b) Is the club incorporated and operating solely as a nonprofit organization under the laws of this state? YES NO
- (c) Is the club qualified as a tax exempt organization under the Internal Revenue Service? YES NO
- (d) Has the club been in continuous operation for a period of not less than one (1) year? YES NO
- (e) Has the club received twenty-five dollars (\$25.00) from each bona fide member as recorded by the secretary of the club and are club members at the time of this application in good standing by having paid at least one (1) full year in dues? YES NO
- (f) Does the club hold quarterly meetings and have an actively engaged membership carrying out the objectives of the club? YES NO
- (g) Have you filed a true copy of your bylaws with this application? YES NO
- (h) Has at least fifty one percent (51%) of the membership signed a petition indicating a desire to secure a Limited Retail Liquor License? (Petition Attached) YES NO

REQUIRED ATTACHMENTS:

- A statement indicating the financial condition and financial stability of the applicant W.S. 12-4-102 (a) (vi).
- Restaurants: include a drawing of the establishment that includes the dispensing room(s) W.S. 12-4-410 (f).
- Attach any lease agreements (especially for resort/political subdivisions leasing out food & beverage services) W.S. 12-4-103 (a) (iii)/ W.S. 12-4-403(b)/W.S. 12-4-301(e).
- If transferring a license from one ownership to another, a form of assignment from the current licensee to the new applicant authorizing the transfer W.S. 12-4-601 (b).

OATH OR VERIFICATION

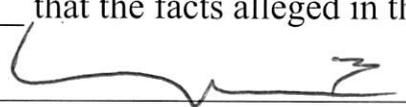
(Requires signatures by **ALL** Individuals, **ALL** Partners, **ONE (1)** LLC Member, or **TWO (2)** Corporate Officers or Directors except that if all the stock of the corporation is owned by **ONE (1)** individual then that individual may sign and verify the application upon his oath, or **TWO (2)** Club Officers.) W.S. 12-4-102(b)

Under penalty of perjury, and the possible revocation or cancellation of the license, I swear the above stated facts, are true and accurate.

STATE OF WYOMING)
) SS.
COUNTY OF Park)

Signed and sworn to before me on this 9th day of October,

20 that the facts alleged in the foregoing instrument are true by the following:

1)		<u>WILLIAM J JAZV'S</u>	<u>operating owner</u>
	(Signature)	(Printed Name)	Title
2)	_____	_____	_____
	(Signature)	(Printed Name)	Title
3)	_____	_____	_____
	(Signature)	(Printed Name)	Title
4)	_____	_____	_____
	(Signature)	(Printed Name)	Title
5)	_____	_____	_____
	(Signature)	(Printed Name)	Title
6)	_____	_____	_____
	(Signature)	(Printed Name)	Title



(SEAL)

Witness my hand and official seal:


Signature of Notary Public

My commission expires: Nov. 17, 2020

Issued by:

**WYOMING DEPARTMENT OF AGRICULTURE
CONSUMER HEALTH SERVICES
2219 CAREY AVE
CHEYENNE, WY 82002
EQUAL OPPORTUNITY IN EMPLOYMENT AND SERVICES**

Retail Food

ACCOUNT # 8469

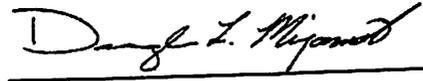
Whereas this party has made application for the licenses listed below in the State of Wyoming according to the law and agrees to comply with all laws, rules and regulations thereto, including the payment of all required fees, there is hereby issued to the applicant this license. This license is not transferable and, unless revoked, shall expire on the date indicated below.

Issued to:

WYOLD WEST TAP ROOM
1022 13TH STR
CODY, WY 82414

EXPIRATION DATE:
6/28/2019

TAPROOM LLC
TAPROOM LLC
221 NORTH BENT STR
POWELL, WY 82435



Director of Dept. of Ag

**THIS LICENSE MUST BE CURRENT
AND POSTED CONSPICUOUSLY
AT THE PHYSICAL LOCATION**

LEASE AGREEMENT

THIS AGREEMENT is made between Andrew D. & Theresia A. Cowan, Cody, Wyoming (LESSOR) AND Wyold West Taproom, Powell, Wyoming (LESSEE).

WITNESSETH:

IN CONSIDERATION of the mutual covenants hereinafter contained, the parties agree as follows:

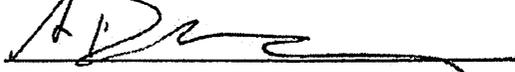
1. **LESSEE** will occupy the property at 1022 13th Street; Cody, WY 82414. The dispensing area will be in the north central portion of the building.
2. The initial term for the lease will commence June 1, 2018 and end May 31, 2019 with an automatic renewal of a one year terms unless the agreement has been terminated with a 30 day written notice from the Lessee to the Lessor prior to the end of the lease. The monthly rate will be \$2,500 per month which will be billed the first day of every lease term and payable in 30 days.
3. **LESSEE** agrees that the premises shall not be altered, changed or remodeled without the prior consent of the **LESSOR** obtained. **LESSOR** shall be responsible for all building structure and roof maintenance. **LESSEE** shall be responsible for maintenance upkeep and replacement needed at the facility during the term of this agreement including but not limited to day to day maintenance, small repairs and all major repairs and replacements as needed.
4. **LESSEE** will repair all damage that may be caused to the described premises by its operation thereof during this term other than: damage by the elements, and acts of God and outside forces over which it has no control, and that upon the expiration of this agreement, or any renewal or continuation thereof, it will surrender said premises to the owner in as good condition as received, such ordinary and reasonable wear and tear and damages by the elements, acts of God and outside forces excepted.
5. **LESSEE** will pay monthly fees and equipment costs for data, communications and utilities. **LESSOR** will pay for property taxes and building insurance.
6. **LESSEE** agrees that it shall indemnify and hold harmless **LESSOR** from any claims or liability for any and all damages or injuries to persons or property that may occur in or on said premises and/or which are the direct or indirect result of **LESSEE'S** operation and maintenance of the tap room and facilities or of activities occurring thereon.

7. Should **LESSEE** fail to perform any of the covenants and agreements herein contained on its part to be kept and performed, then it shall be lawful for the **LESSOR** to re-enter and take full and absolute possession of said premises and to hold and enjoy the same fully and absolutely.
8. **LESSEE** shall not have the right to assign or transfer this agreement or any part of said premises.
9. **LESSEE** upon vacating the premises shall maintain ownership and remove all Furniture, Fixtures, and Equipment (all tap wall items) from the premises as well as the walk in cooler condenser and door.
10. **LESSOR** agrees upon the **LESSEE** vacating the premises they shall not lease the building to another like kind business or operate a like kind business for a period of one year from the time the **LESSEE** vacates the premises.
11. **LESSOR** is aware and agrees to the manufacture and sale of malt beverages in accordance with the Microbrewery License held by the **LESSEE**.

This agreement shall be binding upon the parties and all successors in interest thereto.

DATED this 25TH day of April, 2018.

Andrew D. & Theresia A. Cowan



Wyold West Taproom



Operations Manager, Dr. William Jarvis

AMENDMENT TO LEASE AGREEMENT

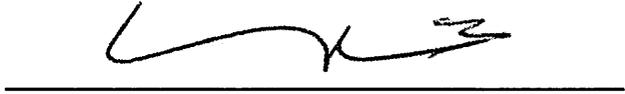
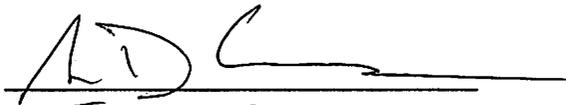
This Amendment to Lease Agreement is made on 29th day of October, 2018, by and between Andrew D. & Theresia A. Cowan, ("Lessor") and Taproom LLC DBA WYOld West Taproom ("Lessee"). Each Lessor and Lessee may be referred to individually as a "Party" and collectively as the "Parties"

This Amendment amends the Lease Agreement dated April 25th, 2018, and any amendments made to it (the "Lease Agreement") for the rent and use of the property located at 1022 13th Street, Cody, Wyoming 82414 (the "Premises"). Lessor and Lessee now wish to amend certain provisions of the Lease Agreement. In consideration of the premises and mutual covenants below and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Page one, paragraph two is amended to extend the initial term for the lease to end July 31st, 2019.

Andrew D. & Theresia A. Cowan

WWT Operations Manager, William Jarvis



Theresia A Cowan

Date 10-30-18

Date _____

LEASE ADDENDUM

This document, known as the "addendum", is created this 30th day of October, 2018 shall be added to the lease agreement dated the 3rd day of May, 2018 by and between the Landlord known as Andrew D. & Theresia A. Cowan and the Tenant known as Taproom LLC DBA WYOld West Taproom for the leased property located at 1022 13th Street, City of Cody, State of Wyoming, Zip Code 82435.

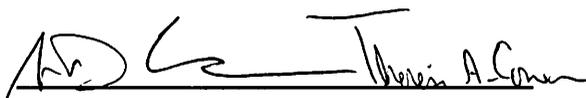
The aforementioned lease agreement is hereby amended as follows:

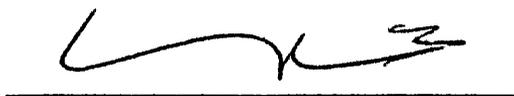
12. **LESSOR** is aware and agrees to the sale of alcohol, wine and malt beverages in accordance with the Bar and Grill License held by the **LESSEE**.

We, **LESSOR**, Andrew D. & Theresia A. Cowan, and **LESSEE**, Taproom LLC DBA WYOld West Taproom, agree to aforementioned amendment to the lease agreement. Any changes made are legally binding upon signature of both parties.

Andrew D. & Theresia A. Cowan

WWT Operations Manager, William Jarvis





Date 10-30-18

Date _____



Pinnacle Bank

October 9, 2018

To Clerk and Recorder of Park County Wyoming:

Taproom, LLC has a checking account in good standing with Pinnacle Bank. They are considered in good financial condition.

Please contact me with any questions at 307-527-7186.

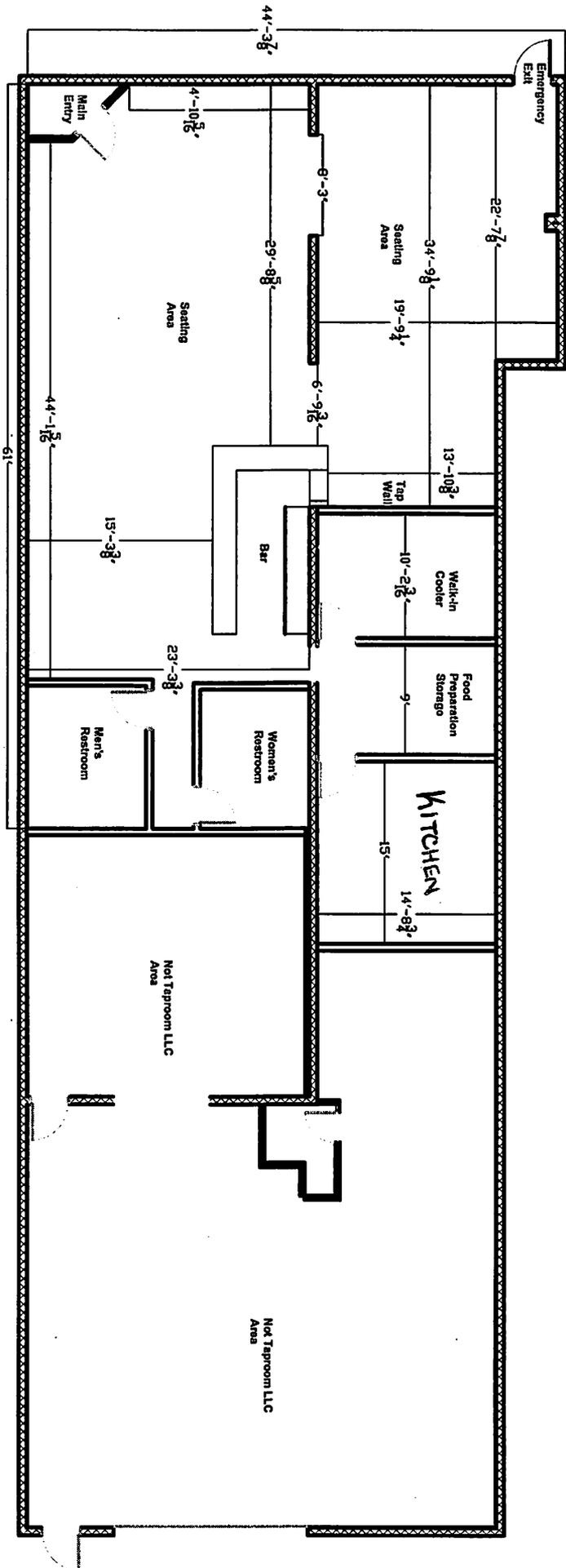
Sincerely,

Garrett Growney

Vice President, Commercial Lending



MEMBER FDIC



MEETING DATE: 11/06/18

DEPARTMENT: ADMINISTRATIVE SERVICES

PREPARED BY: LESLIE BRUMAGE

PRESENTED BY: LESLIE BRUMAGE

AGENDA ITEM SUMMARY REPORT

Acceptance of the June 30, 2018 Audit Report & Financial Statements

ACTION TO BE TAKEN:

Accept the auditor's report and related financial statements for the fiscal year ending June 30, 2018.

SUMMARY OF INFORMATION:

James Seckman, CPA completed the audit of the City's financial statements for the fiscal year ended June 30, 2018 and issued an Independent Auditor's Report and Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters

An audit workshop was held on October 31, 2018 with James Seckman to provide a detailed review of the reports to a committee of Council and staff members. The Council members present were: Donny Anderson, Karen Ballinger and Stan Wolz. Staff members present were Leslie Brumage and Barry Cook.

FISCAL IMPACT

None

ATTACHMENTS

1. Basic Financial Statements for the fiscal year ended June 30, 2018

AGENDA & SUMMARY REPORT TO:

James Seckman 307-754-2141 jbseckman@tctwest.net

AGENDA ITEM NO. _____



CITY OF CODY

WYOMING

Basic Financial Statements

JUNE 30, 2018

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City of Cody, Wyoming
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 For the fiscal year ended June 30, 2018

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CERTIFIED PUBLIC ACCOUNTANT

James B. Seckman, CPA, P.C.

PROFESSIONAL CORPORATION

544 Gateway Drive
Powell, Wyoming 82435

307-754-2141
Fax 307-754-7061

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Cody, Wyoming

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cody, Wyoming, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cody, Wyoming, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CERTIFIED PUBLIC ACCOUNTANT

James B. Seckman, CPA, P.C.

PROFESSIONAL CORPORATION

544 Gateway Drive
Powell, Wyoming 82435307-754-2141
Fax 307-754-7061**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-11 and 55-58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

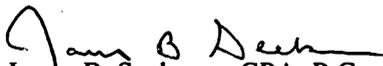
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cody, Wyoming's basic financial statements. The combining nonmajor fund financial statements on pages 60 - 61 and the schedule of changes in net pension liability and related ratios on page 62, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements and the schedule of changes in net pension liability and related ratios are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 5, 2018, on our consideration of the City of Cody'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 of Cody's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards in considering the City of Cody's internal control over financial reporting and compliance.


James B. Seckman, CPA, P.C.City of Cody, Wyoming
October 5, 2018

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

The management of the City of Cody, Wyoming offers the readers of the City's financial statements this narrative overview and analysis for the year ended June 30, 2018. When read in conjunction with the financial statements, this section's financial highlights, overview and analysis should assist the reader in gaining a more complete knowledge of the City's financial performance.

Financial Highlights

- The City of Cody's net position at the close of the current fiscal year was \$87,845,759. Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$66,116,276 (75%) include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Restricted net position of \$2,844,653 (3%) is restricted by constraints imposed from outside the City such as voters, grantors, laws or regulations, or by policy of the City Council.
 - (3) Unrestricted net position of \$18,884,830 (22%) represents the portion available to maintain the City's continuing obligations to citizens and creditors.
- Total net position increased by \$4,207,350 over the prior fiscal year. The governmental-type net position increased by \$3,045,099 and the business-type net position increased by \$1,162,251.
- Total expenses during the year were \$27,599,094 compared to total revenues of 31,806,444.
- The unassigned fund balance for the General Fund was \$7,881,265 or approximately 72% of total General Fund expenditures for the fiscal year.
- The City's total debt increased \$251,352 due to changes in compensated absence accruals, customer deposit balances, and the clean water state revolving fund loan in the Wastewater Fund
- The City's net pension liability decreased by \$243,839.
- Assessed Valuation: the assessed valuation for the City of Cody for 2018 was \$134,066,678, an increase of \$5,961,514 or approximately 5% over 2017.

Overview of the Financial Statements

The annual report consists of three parts: 1) Management's Discussion and Analysis (this section), 2) the basic financial statements, and 3) required supplementary information. The basic financial statements include two kinds of statements that present different views of the City. The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status similar to a private-sector company. The remaining statements are fund financial statements that focus on individual parts of the City government, reporting City operations in more detail than what is presented in the government-wide statements.

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City government	The activities of the City that are not proprietary such as administration, police, streets, and parks & recreation	Activities the City operates similar to private businesses such as the solid waste, water, wastewater, and electric utilities
Required financial statements	Statement of Net Position, Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balance	Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that become due during the year or soon thereafter, no capital assets are included	All assets and liabilities both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the fiscal year, expenditures when goods or services have been received and payment is due	All revenues and expenses during the year, regardless of when cash is received or paid

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Cody's finances, in a manner similar to a private-sector business. The *statement of activities* presents information reflecting how Cody's net position has changed during the fiscal year just ended.

The government-wide financial statements distinguish the functions of Cody 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 include general government, administrative services, public safety, parks, public facilities, recreation, and public works. The business-type activities include solid waste collection, water, wastewater and electric.

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 Cody, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

of the funds of the City of Cody can be divided into two categories: governmental funds and proprietary funds.

- **Governmental Funds.** Governmental funds are used to account for essentially the same functions reported in governmental activities in the government-wide financial statements. These funds focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- **Proprietary funds.** Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long- and short-term financial information.

Notes to the Financial Statements

The notes to the financial statements are considered an integral part of the basic financial statements since they provide additional information needed to gain a full understanding of the data provided in both the government-wide and fund financial statements.

Supplemental Information

In addition to the basic financial statements, which include the accompanying notes, this report also presents *required supplemental information*. Included is a budgetary comparison for the General Fund, the Specific Purpose Tax Fund, and Lodging Tax Fund comparing actual results (using the basis of budgeting) with the original budget and the final amended budget.

Other supplemental information included with the basic financial statements are the combining balance sheet and combining statement of revenues, expenditures and changes in fund balance schedules for the non-major governmental funds (special revenue and capital projects), and schedule of net changes in pension liability and pension contributions.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The largest portion of Cody's net position (75%) reflects its investment in capital assets (e.g. land, buildings, machinery & equipment, and infrastructure), less any debt used to acquire those assets that is still outstanding. These assets are used to provide services to citizens; consequently, they are not available for future spending.

The following summary of net position and changes in net position are presented for the current fiscal year, 2017-2018 with comparison totals for the prior fiscal year 2016-2017

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

Condensed Statement of Net Position as of June 30 each year

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 15,086,081	\$12,113,387	\$ 16,879,693	\$15,809,667	\$ 31,965,774	\$27,923,054
Capital assets	29,801,290	29,208,044	36,314,986	35,819,419	66,116,276	65,027,463
Deferred outflows - pensions	1,773,015	1,306,563	431,215	499,327	2,204,230	1,805,890
Total assets & deferred outflows	\$ 46,660,386	\$42,627,994	\$ 53,625,894	\$52,128,413	\$100,286,280	\$94,756,407
Long-term debt outstanding	158,356	\$157,249	\$ 1,838,599	\$1,379,917	\$ 1,996,955	\$1,537,166
Other current liabilities	633,691	668,008	1,646,941	1,765,564	2,280,632	2,433,572
Deferred inflows	1,750,623	750,319	296,142	36,933	2,046,765	787,252
Net pension liability	4,621,666	4,601,467	1,494,503	1,758,541	6,116,169	6,360,008
Total liabilities	\$ 7,164,336	\$6,177,043	\$ 5,276,185	\$4,940,955	\$ 12,440,521	\$11,117,998
Net position						
Net investment in capital assets	\$ 29,801,290	\$29,208,044	\$ 36,314,986	\$35,819,419	\$ 66,116,276	\$65,027,463
Restricted	2,844,653	666,964	-	-	2,844,653	666,964
Unrestricted	6,850,107	6,575,943	12,034,723	11,368,039	18,884,830	17,943,982
Total net position	\$ 39,496,050	\$36,450,951	\$ 48,349,709	\$47,187,458	\$ 87,845,759	\$83,638,409

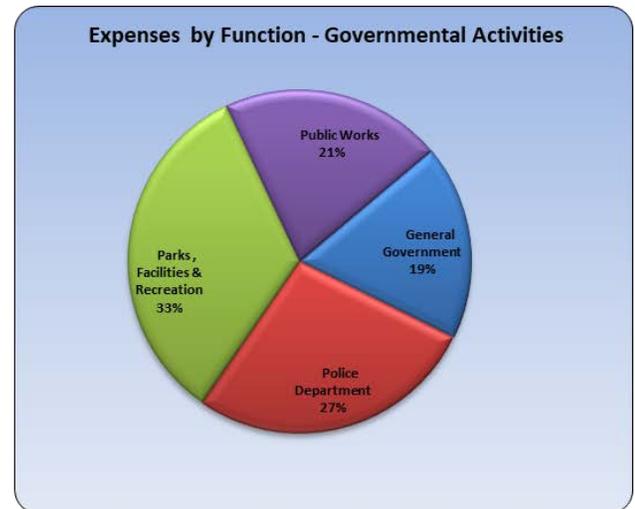
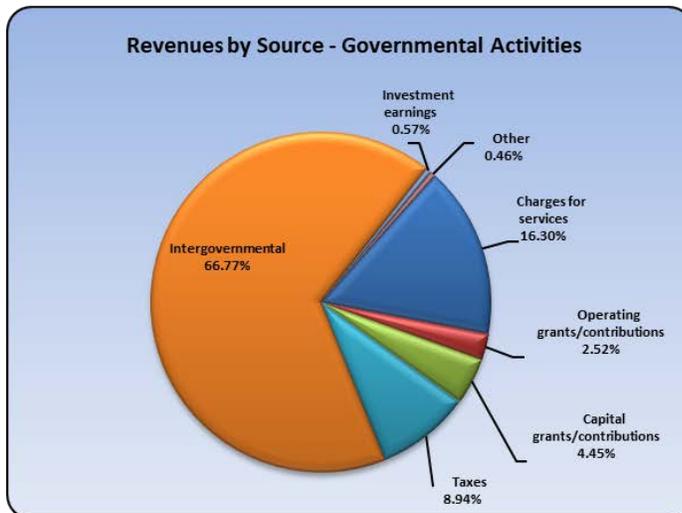
Changes in Net Position as of June 30 each year

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues						
Charges for services	\$ 1,908,357	\$1,962,588	\$ 19,555,985	\$19,014,450	\$ 21,464,342	\$20,977,038
Operating grants/contributions	294,637	299,210	4,377	4,378	299,014	303,588
Capital grants/contributions	520,617	1,439,124	448,637	747,130	969,254	2,186,254
General revenues						
Taxes	1,046,436	1,010,139	-	-	1,046,436	1,010,139
Intergovernmental	7,817,360	5,594,531	-	-	7,817,360	5,594,531
Investment earnings	66,200	59,540	46,616	42,796	112,816	102,336
Other	54,147	37,849	43,075	74,377	97,222	112,226
Total Revenues	11,707,754	10,402,981	20,098,690	19,883,131	31,806,444	30,286,112
Expenses:						
General Government	2,020,670	1,933,761	-	-	2,020,670	1,933,761
Police Department	3,004,569	2,816,010	-	-	3,004,569	2,816,010
Parks, Facilities & Recreation	3,668,249	3,607,903	-	-	3,668,249	3,607,903
Public Works	2,297,497	2,166,677	-	-	2,297,497	2,166,677
Proprietary	-	-	16,608,109	16,329,016	16,608,109	16,329,016
Total Expenses	10,990,985	10,524,351	16,608,109	16,329,016	27,599,094	26,853,367
Other Sources:						
Transfers-internal activity	2,328,339	2,136,531	(2,328,339)	(2,136,531)	-	-
Total Transfers	2,328,339	2,136,531	(2,328,339)	(2,136,531)	-	-
Change in net position	3,045,108	2,015,161	1,162,242	1,417,584	4,207,350	3,432,745
Net position - July 1	36,450,942	34,435,790	47,187,467	45,769,874	83,638,409	80,205,664
Net position - June 30	\$ 39,496,050	\$36,450,951	\$ 48,349,709	\$47,187,458	\$ 87,845,759	\$83,638,409

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

Governmental Activities

The following charts illustrate governmental revenues by source and the governmental expenses by function as reported on the statement of changes in net position.



Governmental activities during Fiscal Year 2017-2018 increased Cody's net position by \$3,045,099. The following information describes key changes for the year:

Assets and Deferred Outflows of Resources

- Current and other assets including cash, investments, accounts receivable (net of allowance) and due from other governments increased \$2,972,694
- Capital assets increased \$593,246
- Deferred outflows related to pensions increased \$466,452

Liabilities and Deferred Inflows of Resources

- Current liabilities including accounts payable, accrued liabilities, customer deposits, due to other governments and other payables increased 1,107
- Long term debt outstanding including compensated absences decreased \$34,317
- Deferred inflows related to property taxes, and pensions increased \$1,000,304
- Net pension liability increased \$20,199

Revenues

- Charges for services decreased \$54,231
- Grants and contributions decreased \$923,080
- Taxes and intergovernmental revenues increased \$2,259,126
- Investment earnings and miscellaneous revenues increased \$22,958

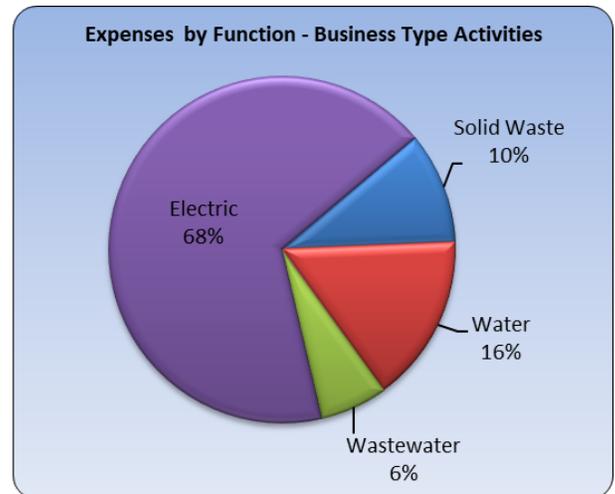
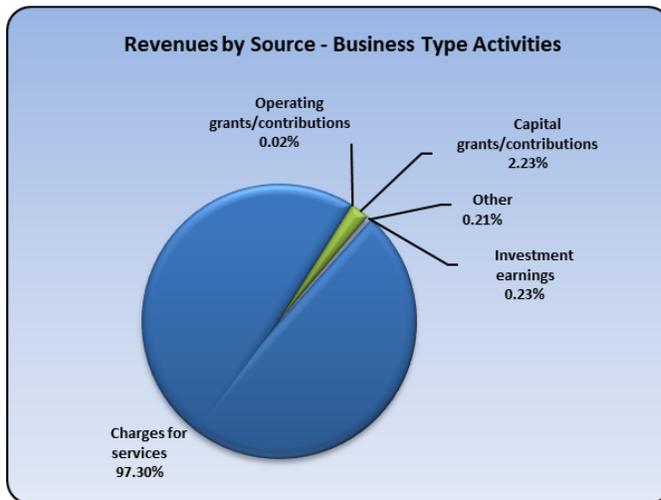
Expenses

- General Government increased \$86,909
- Police Department increased \$188,559
- Parks, Facilities and Recreation increased \$60,346
- Public Works increased \$130,820

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

Business-type Activities

The following charts illustrate business-type revenues by source and the business-type expenses by function as reported on the statement of changes in net position.



Business-type activities during Fiscal Year 2016-2018 increased Cody's net position by \$1,162,251. The following information describes key changes for the year:

Assets and Deferred Outflows of Resources

- Current and other assets including cash, investments, accounts receivable (net of allowance) and due from other governments increased \$1,070,026
- Capital assets increased \$495,567
- Deferred outflows related to pensions decreased \$68,112

Liabilities and Deferred Inflows of Resources

- Current liabilities including accounts payable, accrued liabilities, customer deposits, due to other governments and other payables decreased \$118,623
- Long term debt outstanding including compensated absences and the CWSRF loan increased \$458,682
- Deferred inflows related to pensions increased \$259,209
- Net pension liability decreased \$264,038

Revenues

- Charges for services increased \$541,535
- Grants and contributions decreased \$298,494
- Investment earnings and miscellaneous revenues decreased \$27,482

Expenses

- Solid Waste increased \$38,484
- Water increased \$108,832
- Wastewater increased \$60,433
- Electric increased \$71,404

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

General Fund Budgetary Changes

The City adopts an annual budget for all funds. The City Council may adopt budget amendments during the year for supplemental appropriations which are generally contingent upon new or additional revenue sources or the spending of reserves.

There was an increase in revenue of \$911,956 and an increase in expense appropriations of \$1,077,434 between the original and final amended budget in the General Fund. This was mainly due to grants awarded after the original budget was approved, the carry-over of an incomplete pass through grant from the prior fiscal year, and an employee retirement payout.

Debt Administration

As of June 30, 2018, the City of Cody's outstanding debt totaled \$8,621,449, an increase of \$251,352 over fiscal year 2016-2017. The City's debt consisted of the following:

City of Cody -Outstanding Debt						
As of June 30 each year						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Accrued Compensated Absence Payable	\$361,881	\$334,162	\$212,078	\$196,559	\$573,959	\$530,721
Customer Deposit Liability	8,399	20,006	201,694	222,221	\$210,093	\$242,227
Loans Payable	-	-	1,721,228	1,237,141	1,721,228	1,237,141
Net Pension Liability	4,621,666	4,601,467	1,494,503	1,758,541	6,116,169	6,360,008
Total Outstanding Debt	<u>\$4,991,946</u>	<u>\$4,955,635</u>	<u>\$3,629,503</u>	<u>\$3,414,462</u>	<u>\$8,621,449</u>	<u>\$8,370,097</u>

Capital Assets

The City of Cody's net investment in capital assets for its governmental and business-type activities as of June 30, 2018 amounted to \$66,116,276. This investment in capital assets includes land, easements, buildings & improvements, machinery, equipment, infrastructure associated with the water, wastewater and electric distribution systems, as well as streets, trails and park facilities. The following summary of capital assets is presented for the current fiscal year, 2017-2018 with comparison totals for the prior fiscal year 2015-2016. Additional information pertaining to capital assets activity is available in the notes to the financial statements.

City of Cody's Capital Assets Net of Depreciation						
As of June 30 each year						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$2,418,607	\$2,418,607	\$614,332	\$614,332	\$3,032,939	\$3,032,939
Intangibles	76,400	76,400	24,900	24,900	101,300	101,300
Buildings	14,078,495	14,078,495	1,623,979	1,623,979	15,702,474	15,702,474
Improvements	5,704,790	5,302,369	139,788	139,788	5,844,579	5,442,157
Furniture & Fixtures	730,562	318,164	-	-	730,562	318,164
Machinery & Equipment	5,770,230	5,284,886	4,541,543	4,414,625	10,311,773	9,699,511
Infrastructure	17,940,331	17,701,575	52,600,787	48,435,311	70,541,117	66,136,886
Construction in Progress	467,404	404,845	347,322	2,882,513	814,726	3,287,358
Total Assets	<u>\$47,186,819</u>	<u>\$45,585,340</u>	<u>\$59,892,652</u>	<u>\$58,135,449</u>	<u>\$107,079,470</u>	<u>\$103,720,789</u>
Less Accumulated Depreciation	<u>\$ (17,385,528)</u>	<u>\$ (16,377,296)</u>	<u>\$ (23,577,665)</u>	<u>\$ (22,316,030)</u>	<u>\$ (40,963,194)</u>	<u>\$ (38,693,326)</u>
Total Net Assets	<u>\$29,801,290</u>	<u>\$29,208,044</u>	<u>\$36,314,986</u>	<u>\$35,819,419</u>	<u>\$66,116,276</u>	<u>\$65,027,463</u>

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

Major capital asset acquisitions during the current fiscal year include:

- Construction in Progress \$753,202
 - Beacon Hill electric tie line
 - Wastewater treatment facility upgrade phase 2
 - Beacon Hill water tank
 - ADA ramp construction
 - Chip sealing

- Furniture & Fixtures \$412,398
 - Mentock Park playground
 - Diving board replacement
 - Swim starting blocks replacement

- Improvements other than Buildings \$412,398
 - Trailhead open space development
 - Beck Lake fishing pier
 - Hugh Smith park baseball field improvements

- Infrastructure \$4,404,230
 - Water main replacements
 - Wastewater treatment facility upgrade phase 1
 - Electric line replacements
 - Street reconstruction & overlays
 - Curb & gutter construction

- Machinery & Equipment \$882,120
 - Transformers
 - Replacement vehicles & equipment
 - Police body and in-car camera system
 - Fitness equipment replacements

Significant Variations and Currently Known Facts

The State of Wyoming, by constitution, does not have a state personal income tax; therefore it operates primarily using sales and use, gasoline, severance and mineral royalty taxes. As a result, the City of Cody relies heavily on sales and use tax and a limited array of other revenues passed through from the State and well as locally generated revenues such as franchise fees, business licenses, and charges for services to provide services to the community. There are also a limited number of recurring and non-recurring federal, state and local grants that benefit the City of Cody. For business-type services such as solid waste collection, water distribution, wastewater treatment and electric distribution the users of the services pay a related fee or charge associated with the activity.

In Fiscal Year 2017-2018 there was a slim increase of less than 1% in taxes (property tax, franchise fees and lodging tax) and an increase in the intergovernmental revenues (sales & use tax, severance taxes & royalties, motor vehicle & gasoline taxes, cigarette taxes and supplemental state funding) of approximately 40%. The majority of this increase is due to receiving a full year of specific purpose taxes for the ADA ramp, chip sealing, and wastewater treatment facility projects. Cody is mainly a tourist-driven economy and due to the reliance on state revenue sources the City of Cody is vulnerable to changes in the economic conditions in the State of Wyoming including fluctuations in the mineral industry. Therefore, we cannot anticipate nor predict what the local economy will do with any certainty.

City of Cody, Wyoming
Management Discussion and Analysis
June 30, 2018

During the 2016 State of Wyoming Legislative session the county wide consensus grant program through the Office of State Lands and Investments was not funded. This resulted in an expected loss of approximately \$1.6 million in capital grant funding for the City of Cody in the next biennium. Additionally, direct distribution funding for cities and towns in Wyoming is in jeopardy due to the downturn in mineral revenues. This funding is derived from “over-the-cap” mineral revenues that flow through the State’s general fund. Previous years’ distributions have been made annually however for the upcoming fiscal year only half the distribution will be made as scheduled. Although the Legislature fully funded the allocation in 2017-2018, with some modification to the distribution formula, it is unknown if this funding source will continue in the future and if so, at what level.

The City of Cody participates in various federal and state pass through grant opportunities, partnering with local businesses to make improvements to existing businesses, bring new businesses to the community and provide affordable housing options. The City sponsored a Wyoming Business Council grant in the amount of \$750,000 last fiscal year as a pass through to Wyoming Authentic Products to expand their manufacturing facility in Cody. This project has experienced some delays however we anticipate that construction will begin in spring of 2019. The City also received a second loan from the State Lands and Investments Board through the clean water state revolving fund for phase 2 of the wastewater treatment plan upgrade. The total project cost is \$6,000,000 and is being funded through the wastewater fund reserves, the specific purpose tax, a state mineral royalty grant, and the CWSRF loan. The new loan has a 20-year repayment schedule at zero percent interest and a partial principal forgiveness component.

The City was also awarded a \$6 million-dollar pass-through financing package from Wyoming Business Council for the expansion of the Gunwerks firearms production facility. Over the next five years, the project is expected to create 52 jobs, retain 58 jobs, increase payroll over \$3 million dollars, and provide the business opportunity for consolidation and relocation of corporate officers from Utah.

During fiscal year 2017-2018 the City hired a consultant to perform a compensation analysis to determine where the City’s pay plan fit into the general market for similar positions. The City Council implemented the plan effective July 1, 2018. Under the new plan the step and grade scale changed from seven steps to fourteen steps, allowing those employees who have been the top of their scale the ability to earn annual merit increases. Placing employees in the new step and grade scale resulted in an average 2% wage increase for employees.

Requests for Information

The City of Cody’s financial statements are designed to provide its users (citizens, taxpayers, customers, investors and creditors) with a general overview of Cody’s finances and to demonstrate Cody’s accountability. Questions concerning any of the information presented in this report or requests for additional information should be sent to:

Attn: Finance Officer,
City of Cody
PO Box 2200
Cody, WY 82414
finance@cityofcody.com

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City of Cody, Wyoming
Statement of Net Position
June 30, 2018

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and cash equivalents	\$ 7,700,993	\$ 10,117,370	\$ 17,818,363
Investments	4,655,976	3,346,669	8,002,645
Accounts receivable, net of allowance	-	2,750,718	2,750,718
Franchise tax receivable	52,912	-	52,912
Court fine receivable, net of allowance	46,480	-	46,480
Property Taxes, net of allowance	674,116	-	674,116
Due from other governments	1,355,161	8,121	1,363,282
Other receivables, net of allowance	179,400	-	179,400
Inventory	326,570	455,121	781,691
Prepaid expenses	84,975	-	84,975
Restricted assets:			
Cash and cash equivalents	9,498	201,694	211,192
Capital assets:			
Land and construction in progress	2,886,004	961,665	3,847,669
Other capital assets, net of depreciation	26,915,286	35,353,321	62,268,607
Total Assets	<u>44,887,371</u>	<u>53,194,679</u>	<u>98,082,050</u>
	15,086,081	16,879,693	31,965,774
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred outflows related to pensions	<u>1,773,015</u>	<u>431,215</u>	<u>2,204,230</u>
Total Assets and Deferred Outflows of Resources	<u>46,660,386</u>	<u>53,625,894</u>	<u>100,286,280</u>
LIABILITIES:			
Accounts payable	227,243	1,283,071	1,510,314
Accrued liabilities	190,956	33,829	224,785
Compensated Absences	203,525	94,707	298,232
Customer deposits	8,399	201,694	210,093
Other payables	2,469	33,640	36,109
Due to other governments	1,099	-	1,099
Long-term liabilities:			
Compensated Absences	158,356	117,371	275,727
CWSRF Loan	-	1,721,228	1,721,228
Net Pension Liability	4,621,666	1,494,503	6,116,169
Total Liabilities	<u>5,413,713</u>	<u>4,980,043</u>	<u>10,393,756</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred inflows related to property taxes	656,926	-	656,926
Deferred inflows related to pensions	<u>1,093,697</u>	<u>296,142</u>	<u>1,389,839</u>
Total Deferred Inflows of Resources	<u>1,750,623</u>	<u>296,142</u>	<u>2,046,765</u>
Total Liabilities and Deferred Inflows of Resources	<u>7,164,336</u>	<u>5,276,185</u>	<u>12,440,521</u>
NET POSITION			
Net investment in capital assets	29,801,290	36,314,986	66,116,276
Restricted for:			
Capital projects	2,836,466	-	2,836,466
Public Safety	8,187	-	8,187
Unrestricted	<u>6,850,107</u>	<u>12,034,723</u>	<u>18,884,830</u>
Total Net Position	<u>\$ 39,496,050</u>	<u>\$ 48,349,709</u>	<u>\$ 87,845,759</u>

See accompanying notes to the basic financial statements

City of Cody, Wyoming
Balance Sheet
Governmental Funds
June 30, 2018

	MAJOR FUNDS				Total Governmental Funds
	General	Lodging Tax Fund	Specific Purpose Tax Fund	Non-Major Governmental Funds	
ASSETS:					
Cash and cash equivalents	\$ 4,714,015	\$ 11,777	\$ 2,298,582	\$ 676,619	\$ 7,700,992
Investments	2,650,207	-	-	2,005,769	4,655,976
Restricted cash and cash equivalents	9,498	-	-	-	9,499
Accounts receivable, net of allowance					
Franchise tax receivable	52,912	-	-	-	52,912
Court fine receivable, net of allowance	46,480	-	-	-	46,480
Other receivables, net of allowance	179,400	-	-	-	179,400
Property tax, net of allowance	674,116	-	-	-	674,116
Due from other governments	831,158	12,832	511,171	-	1,355,161
Inventory	326,570	-	-	-	326,570
Prepaid expenses	84,975	-	-	-	84,975
Total Assets	9,569,331	24,609	2,809,753	2,682,388	15,086,081
LIABILITIES					
Liabilities:					
Accounts payable	222,856	-	4,387	-	227,243
Accrued wages and related charges	190,956	-	-	-	190,956
Customer deposits	8,399	-	-	-	8,399
Due to other governments	1,099	-	-	-	1,099
Other payables	2,338	-	-	-	2,338
Total Liabilities	425,648	-	4,387	-	430,035
DEFERRED INFLOWS OF RESOURCES:					
Deferred Revenue	90,204	-	-	-	90,204
Deferred Property Tax	656,926	-	-	-	656,926
Total Deferred Inflows of Resources	747,130	-	-	-	747,130
Total Liabilities & Deferred Inflows of Resources	1,172,778	-	4,387	-	1,177,165
Fund Balances:					
Nonspendable:					
Inventory/prepaid expenses	411,545	-	-	-	411,545
Restricted for:					
Police forfeitures	8,187	-	-	-	8,187
Public Improvements	-	-	2,805,366	-	2,805,366
Convention Center	21,100	-	-	-	21,100
PEG Grant	10,000	-	-	-	10,000
Committed:					
Assigned:					
Capital Assets	-	-	-	2,682,388	2,682,388
Open space contributions	64,456	-	-	-	64,456
Community Support	-	24,609	-	-	24,609
Unassigned	7,881,265	-	-	-	7,881,265
Total Fund Balances	8,396,553	24,609	2,805,366	2,682,388	13,908,916
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 9,569,331	\$ 24,609	\$ 2,809,753	\$ 2,682,388	\$ 15,086,081

See accompanying notes to the basic financial statements

City of Cody, Wyoming
Balance Sheet
Governmental Funds
June 30, 2018

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position:

Total Fund Balances - Governmental Funds	\$ 13,908,916
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of: \$ 17,385,524	29,801,290
Certain long-term assets are not available to pay for current fund liabilities and therefore are deferred in the funds:	
Court fine receivable	31,145
Severance taxes	58,928
	90,073
Certain long-term liabilities are not due and payable from current financial resources and therefore are not reported in the funds:	
Accrued compensated absences	(361,881)
	(361,881)
Change in accounting principle related to net pension liability	(3,942,348)
Net Position of Governmental Activities:	\$ 39,496,050

See accompanying notes to the basic financial statements

City of Cody, Wyoming
Statement of Revenues, Expenditures Changes in Fund Balances
Governmental Funds
for the fiscal year ended June 30, 2018

	MAJOR FUNDS				Total Governmental Funds
	General	Lodging Tax Fund	Specific Purpose Tax Fund	Non-Major Governmental Funds	
Revenues:					
Taxes (intergovernmental & service generated)	\$ 4,912,987	\$ 127,867	\$ 2,655,011	\$ -	\$ 7,695,865
Royalties	454,160	-	-	-	454,160
State and Federal Funding	796,834	-	-	-	796,834
Fines & Forfeitures	148,193	-	-	-	148,193
Charges for Services:					
Penalties & Fees	105,397	-	-	-	105,397
Parks & Recreation Fees	1,281,359	-	-	-	1,281,359
Public Works	284,232	-	-	-	284,232
Licenses & Permits	79,296	-	-	-	79,296
Facility Rental	26,771	-	-	-	26,771
Investment Income	38,261	-	-	27,940	66,201
Contributions & Donations	271,267	-	-	-	271,267
Miscellaneous	53,780	-	-	-	53,780
Total Revenues	8,452,537	127,867	2,655,011	27,940	11,263,355
Expenditures:					
Current:					
Mayor & Council	452,190	23,326	-	-	475,516
City Administrator	156,108	-	-	-	156,108
Administrative Services	1,267,335	-	-	-	1,267,335
Police Department	2,708,863	-	-	-	2,708,863
Parks Maintenance	697,525	-	-	-	697,525
Public Facilities	489,227	-	-	-	489,227
Recreation Center	1,725,276	-	-	-	1,725,276
Community Development	696,545	-	-	-	696,545
Streets	841,272	-	-	-	841,272
Vehicle Maintenance	170,845	-	-	-	170,845
Capital Outlay	363,024	-	467,403	529,453	1,359,880
Total Expenditures	9,568,210	23,326	467,403	529,453	10,588,392
Excess(deficiency) of revenues over expenditures	(1,115,673)	104,541	2,187,608	(501,513)	674,963
Other Financing Sources(Uses):					
Transfers In(Out)	2,080,776	(126,187)	-	407,741	2,362,330
Sale of Governmental Assets	10,025	-	-	-	10,025
Total Other Financing Sources(Uses)	2,090,801	(126,187)	-	407,741	2,372,355
Net Change in Fund Balance	975,128	(21,646)	2,187,608	(93,772)	3,047,318
Fund Balances - Beginning	7,421,425	46,255	617,758	2,776,160	10,861,598
Fund Balances - Ending	\$ 8,396,553	\$ 24,609	\$ 2,805,366	\$ 2,682,388	\$ 13,908,916

See accompanying notes to the basic financial statements

City of Cody, Wyoming
Statement of Revenues, Expenditures Changes in Fund Balances
Governmental Funds
for the fiscal year ended June 30, 2018

**Reconciliation of the Statement of Revenues, Expenditures & Changes in Fund Balances of Governmental Funds
to the Statement of Activities**

Net changes in fund balances - total governmental funds	\$ 3,047,318
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays and issue costs as expenditures while governmental activities report depreciation and amortization expense to allocate those expenditures over the life of the assets:	
Capital asset purchases capitalized	1,325,992
Capital assets transferred from business-type funds	-
Capital asset disposal	(9,658)
Depreciation expense	(1,184,060)
	<u>132,274</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
Contributed assets	460,980
Deferred revenue	(16,949)
	<u>444,031</u>
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 governmental funds:	
Pension expense	(550,796)
Accrued compensated absences	(27,719)
	<u>(578,515)</u>
 Change in Net Position of Governmental Activities	 \$ 3,045,108

City of Cody, Wyoming
Statement of Net Position
Proprietary Funds
June 30, 2018

	Business-Type Activities - Enterprise Funds				Total
	Solid Waste Fund	Water Fund	Wastewater Fund	Electric Fund	Proprietary Funds
ASSETS:					
Current Assets:					
Cash and cash equivalents	\$ 1,887,598	\$ 3,342,127	\$ 2,157,644	\$ 2,730,001	\$ 10,117,370
Investments	999,479	725,457	237,859	1,383,874	3,346,669
Restricted cash and cash equivalents	-	-	-	201,694	201,694
Accounts receivable, net of allowance	326,714	491,994	199,467	1,732,543	2,750,718
Due from other governments	-	8,121	-	-	8,121
Inventory	-	63,251	-	391,870	455,121
Total Current Assets	3,213,791	4,630,950	2,594,970	6,439,982	16,879,693
Non-current Assets:					
Capital Assets:					
Land and other non-depreciable assets	232,916	85,980	541,379	101,390	961,665
Other capital assets, net of depreciation	1,277,424	9,705,808	13,650,938	10,719,151	35,353,321
Total Non-current Assets	1,510,340	9,791,788	14,192,317	10,820,541	36,314,986
Total Assets	\$ 4,724,131	\$ 14,422,738	\$ 16,787,287	\$ 17,260,523	\$ 53,194,679
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred Outflows Related to Pensions	101,059	85,775	47,878	196,503	431,215
Total Deferred Outflows of Resources	101,059	85,775	47,878	196,503	431,215
LIABILITIES:					
Current Liabilities:					
Accounts payable	\$ 219,291	\$ 189,647	\$ 66,163	\$ 807,970	\$ 1,283,071
Sales tax payable	-	-	-	33,640	33,640
Accrued expenses	8,720	6,392	3,784	14,933	33,829
Customer deposits	-	-	-	201,694	201,694
Accrued compensated absences	26,617	20,503	10,734	36,853	94,707
Total Current Liabilities	254,628	216,542	80,681	1,095,090	1,646,941
Non-current Liabilities:					
Net Pension Liability	350,249	297,279	165,936	681,039	1,494,503
Compensated Absences	26,615	25,748	19,702	45,306	117,371
Loans payable, net	-	-	1,721,228	-	1,721,228
Total Non-current Liabilities	376,864	323,027	1,906,866	726,345	3,333,102
Total Liabilities	631,492	539,569	1,987,547	1,821,435	4,980,043
DEFERRED INFLOWS OF RESOURCES:					
Deferred Inflows Related to Pensions	69,403	58,907	32,881	134,951	296,142
Total Deferred Inflows of Resources	69,403	58,907	32,881	134,951	296,142
NET POSITION					
Net investment in capital assets	1,510,340	9,791,788	14,192,317	10,820,541	36,314,986
Unrestricted	2,613,955	4,118,249	622,420	4,680,099	12,034,723
Total Net Position	\$ 4,124,295	\$ 13,910,037	\$ 14,814,737	\$ 15,500,640	\$ 48,349,709

See accompanying notes to the basic financial statements

City of Cody, Wyoming
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
for the fiscal year ended June 30, 2018

	Business-Type Activities - Enterprise Funds				Total Proprietary Funds
	Solid Waste Fund	Water Fund	Wastewater Fund	Electric Fund	
Operating Revenues:					
Charges for Services:					
Solid waste charges	\$ 2,269,572	\$ -	\$ -	\$ -	\$ 2,269,572
Recycling revenue	56,769	-	-	-	56,769
Water charges	-	3,269,369	-	-	3,269,369
Water crane sales	-	14,861	-	-	14,861
Wastewater charges	-	-	1,355,593	-	1,355,593
Electric charges	-	-	-	12,421,410	12,421,410
Miscellaneous	-	5,379	389	33,020	38,788
Total Operating Revenues	2,326,341	3,289,609	1,355,982	12,454,430	19,426,362
Operating Expenditures:					
Personal Services	622,240	385,298	286,492	912,581	2,206,611
Utility Purchases	799,366	1,567,429	-	9,351,616	11,718,411
Materials, Maintenance & Services	210,396	305,078	282,685	515,859	1,314,018
Depreciation expense	107,276	342,552	438,443	441,390	1,329,661
Total Operating Expenses	1,739,278	2,600,357	1,007,620	11,221,446	16,568,701
Operating Income(Loss)	587,063	689,252	348,362	1,232,984	2,857,661
Non-Operating Revenues(Expenses):					
Investment income	13,922	10,105	3,313	19,276	46,616
Development fees	-	-	-	12,819	12,819
Hook up fees	-	29,800	-	29,651	59,451
Plant investment fees	-	-	63,325	-	63,325
Tap fees	-	23,214	-	-	23,214
Impact Fees	-	-	2,572	-	2,572
Miscellaneous	1,313	10,007	-	-	11,320
Interest expense and fiscal charges	-	-	(39,403)	-	(39,403)
Total Non-Operating Revenues(Expenses)	15,235	73,126	29,807	61,746	179,914
Net Income(Loss) before contributions & transfers	602,298	762,378	378,169	1,294,730	3,037,575
Capital contributions	-	132,739	291,313	58,575	482,627
Operating contributions	4,377	-	-	-	4,377
Transfers in(out)	(469,386)	(424,093)	(299,456)	(1,169,393)	(2,362,328)
Changes in Net Position	137,289	471,024	370,026	183,912	1,162,242
Total Net Position - beginning	3,987,006	13,439,013	14,444,711	15,316,728	47,187,467
Total Net Position - ending	\$ 4,124,295	\$ 13,910,037	\$ 14,814,737	\$ 15,500,640	\$ 48,349,709

See accompanying notes to the basic financial statements

City of Cody, Wyoming
Statement of Cash Flows
Proprietary Funds
for the fiscal year ended June 30, 2018

	Business-Type Activities - Enterprise Funds				Total Proprietary Funds
	Solid Waste Fund	Water Fund	Wastewater Fund	Electric Fund	
Cash Flows From Operating Activities					
Receipts from customers	\$ 2,259,260	\$ 3,196,641	\$ 1,777,677	\$ 12,122,631	\$ 19,356,209
Payments to suppliers	(883,199)	(1,941,984)	(459,903)	(9,876,554)	(13,161,640)
Payments to employees	(597,422)	(369,485)	(277,023)	(875,946)	(2,119,876)
Other receipts/payments	-	5,379	389	33,020	38,788
Net Cash Provided by(used in) Operating Activities	<u>778,639</u>	<u>890,551</u>	<u>1,041,140</u>	<u>1,403,151</u>	<u>4,113,481</u>
Cash Flows From Non-Capital Financing Activities					
Operating grants	4,377	-	-	24,585	28,962
Proceeds from hook up fees	-	29,800	-	29,651	59,451
Proceeds from tap fees	-	23,214	-	-	23,214
Miscellaneous income(expense)	1,312	10,007	-	-	11,319
Other Non-Capital Financing Activities	2	(2)	(13)	2	(11)
Operating transfers in(out)	(469,386)	(424,093)	(299,456)	(1,169,393)	(2,362,328)
Net Cash Provided by(used in) Noncapital Financing Activities	<u>(463,695)</u>	<u>(361,074)</u>	<u>(299,469)</u>	<u>(1,115,155)</u>	<u>(2,239,393)</u>
Cash Flows From Capital and Related Financing Activities					
Purchase of capital assets	(116,476)	(119,015)	(1,012,469)	(387,506)	(1,635,466)
Purchase of Investments	-	-	-	-	-
Contributed capital revenues	-	57,606	222,861	-	280,467
Other Capital Financing Activities	-	-	-	(12,176)	(12,176)
Proceeds from development fees	-	-	-	12,819	12,819
Proceeds from plant investment & impact fees	-	-	65,897	-	65,897
Proceeds from loans and grants	-	-	484,204	-	484,204
Principal paid on capital debt	-	-	(117)	-	(117)
Interest and fiscal charges paid on capital debt	-	-	(39,403)	-	(39,403)
Net Cash Used in Capital and Related Financing Activities	<u>(116,476)</u>	<u>(61,409)</u>	<u>(279,027)</u>	<u>(386,863)</u>	<u>(843,775)</u>
Cash Flows From Investing Activities					
Interest and dividends	13,922	10,105	3,314	19,276	46,617
Net Cash Provided by(Used in) Investing Activities	<u>13,922</u>	<u>10,105</u>	<u>3,314</u>	<u>19,276</u>	<u>46,617</u>
Net Increase(Decrease) in Cash and Cash Equivalents	212,390	478,173	465,958	(79,591)	1,076,930
Balances - beginning of year	2,674,687	3,589,411	1,929,545	4,395,160	12,588,803
Balances - end of year	<u>\$ 2,887,077</u>	<u>\$ 4,067,584</u>	<u>\$ 2,395,503</u>	<u>\$ 4,315,569</u>	<u>\$ 13,665,733</u>
Reconciliation of Operating Income(Loss) to Net Cash Provided by Operating Activities					
Operating income(loss)	\$ 587,063	\$ 689,252	\$ 348,362	\$ 1,232,984	\$ 2,857,661
Adjustments reconcile operating income to net cash provided(used) by operating activities:					
Depreciation	107,276	342,552	438,443	441,390	1,329,661
Change in assets and liabilities:					
Receivables	(67,081)	(87,589)	422,084	(278,252)	(10,838)
Inventory	-	(258)	-	18,000	17,742
Accounts payable	126,563	(69,219)	(177,218)	(22,727)	(142,601)
Accrued expenses	2,108	1,600	869	3,356	7,933
Sales tax payable	-	-	-	(4,352)	(4,352)
Customer deposit liability	-	-	-	(20,527)	(20,527)
Pension Expense	14,830	12,591	7,026	28,836	63,283
Accrued compensated absences	7,880	1,622	1,574	4,443	15,519
Net Cash Provided by(Used in) Operating Activities	<u>\$ 778,639</u>	<u>\$ 890,551</u>	<u>\$ 1,041,140</u>	<u>\$ 1,403,151</u>	<u>\$ 4,113,481</u>
Non-Cash Activities:					
Loss on sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Contributed capital assets	<u>\$ -</u>	<u>\$ 75,133</u>	<u>\$ 68,452</u>	<u>\$ 33,990</u>	<u>\$ 177,575</u>

See accompanying notes to the basic financial statements

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City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. FINANCIAL REPORTING ENTITY
- B. BASIS OF PRESENTATION
- C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING
- D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION
- E. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES
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- C. DEPOSITS AND INVESTMENTS REQUIREMENTS
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NOTE 3. DETAIL NOTES - TRANSACTION CLASSIFICATION

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- B. RECEIVABLES
- C. RESTRICTED ASSETS
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- G. INTERFUND BALANCES AND ACTIVITIES
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- A. EMPLOYEE PENSION PLANS
- B. RISK MANAGEMENT
- C. LEASES
- D. COMPENSATED ABSENCES
- E. RELATED PARTY TRANSACTIONS
- F. COMMITMENTS
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- I. SUBSEQUENT EVENTS/OTHER

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City's accounting and financial reporting policies conform to accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent sections of this Note.

1.A. FINANCIAL REPORTING ENTITY

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61.

The reporting entity is comprised of the primary government only. The primary government of the City of Cody consists of all funds and departments that are not legally separate from the City.

The City of Cody (City) is a municipal corporation located in Park County, Wyoming. The elected Mayor and six-member City Council represent the governing body responsible for the activities related to City government within the jurisdiction of the City. The government receives funding from local, state and federal government sources and must comply with the accompanying requirements of these funding sources.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organizations; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt.

The City of Cody has no component units presented in the financial statements.

Related Organizations

Based on the foregoing criteria, the following related organizations are not included in the financial reporting entity:

Wyoming Municipal Power Agency - provides electrical generation and distribution services to its eight-member communities.

Shoshone Municipal Pipeline - operates a pipeline and water treatment facility to sell water to the six communities participating in the joint powers venture.

Yellowstone Regional Airport Joint Powers Board – created in 1980 to construct, maintain, equip, operate and conduct an airport and incidental facilities.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Northwest Improvement Projects Joint Powers Board – this board is currently inactive. The City of Cody and the City of Powell are members of the Joint Powers Board.

The Lodging Tax Joint Powers Board – determines the disposition of lodging tax receipts to three communities in Park County, Wyoming.

The City appoints one or two representatives to serve on each of these joint powers boards. However, in each case there are at least 5 other board members selected by other entities. Each board hires its own management, sets its own rates and is responsible for its own expenses. The City is not liable for losses of any of the boards and does not provide a significant amount of funding for any of the boards.

1.B. BASIS OF PRESENTATION

Government-Wide Financial Statements:

The statement of net position and statement of activities display information about the City as a whole. They include all financial activities of the reporting entity except for fiduciary activities, of which the City maintains none. Eliminations have been made to minimize the double reporting of transactions involving internal activities. Individual funds are not displayed in these statements. Instead, the statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between the expenses and program revenues directly associated with the different governmental functions and business-type activities to arrive at the net revenue or expense of the function or activity prior to the use of taxes and other general revenues. Program revenues include (1) fees, fines and service charges generated by the program or activity, (2) operating grants and contributions that are restricted to meeting the operational requirements of the program or activity, and (3) capital grants and contributions that are restricted to meeting the capital requirements of the program or activity.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Separate financial statements are presented for the two major fund categories: governmental and proprietary. An emphasis of the fund financial statements is placed on major governmental and enterprise funds. The General Fund is always reported as a major fund. Other funds are considered major if they meet the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund is at least 10% of the corresponding total for all funds of that category or type, AND

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

-
- b. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund that are at least 5% of the corresponding total for all governmental and enterprise funds combined.
 - c. A fund not meeting the criteria of (a) and (b), however management has elected to report the fund as a major fund due to its significance to users of the financial statements.
 - d. GASB Statement No. 34 permits governments to report as a major fund any other governmental or enterprise fund that the government's officials believe is important to financial statement users.

All remaining governmental and enterprise funds not meeting the above criteria are aggregated and reported as non-major funds. The funds of the financial reporting entity are described below:

GOVERNMENTAL FUNDS

General Fund

The General Fund is the primary operating fund of the City. It is used to account for all activities except those legally or administratively required to be accounted for in other funds. This fund is always a major fund.

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for certain purposes. The reporting entity includes the following special revenue fund:

Lodging Tax Fund - accounts for revenues and expenditures of lodging taxes which are to be used to support community functions and activities. This fund is a major fund by the election of management.

Capital Projects Funds

Capital Projects funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes the following capital projects funds, of which all are non-major funds:

Public Improvements Fund - accounts for proceeds specifically required for the use of public improvements for governmental type activities and for proceeds designated for capital improvements by the management.

Vehicle Replacement Fund - accounts for transfers from other funds within the primary government which is for the purchase vehicles and equipment. Transfers are based upon each department's vehicles and assigned replacement schedules to allocate appropriate funds to cover future replacements. Although projects such as construction are not being performed, the City considers this a capital project fund.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Specific Purpose Tax Fund – accounts for proceeds received from the additional on-cent specific purpose sales tax voted in by Park County residents in 2016. Expenditures from this fund are restricted to the specific projects identified on the ballot. This fund is a major fund by the election of management.

Proprietary Funds

Proprietary funds include enterprise and internal service funds. Enterprise funds are used to account for business-like activities for services provided to the general public. Internal service funds are used to account for business-like activities provided and charged to other funds or entities within the reporting entity. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Non-operating revenues of the proprietary funds include such items as investment earnings and subsidies. The reporting entity includes the following proprietary funds, each of which are major funds:

Solid Waste Fund - accounts for the activities of the department responsible for maintaining a dependable system for collecting and disposing of solid waste and recyclable materials in the City.

Water Fund - accounts for activities of the department responsible for providing a safe, potable water supply and an irrigation water supply to the community.

Wastewater Fund - accounts for the activities of the department responsible for maintaining a dependable system for collecting and treating the City's wastewater.

Electric Fund - accounts for activities of the department responsible for providing a dependable electric supply to the community.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe **how** transactions are recorded within the financial statements. Basis of accounting refers to **when** transactions are recorded regardless of the measurement focus applied.

Measurement Focus

Government-wide and Proprietary Fund Financial Statements

In the government-wide Statement of Net Position and the Statement of Activities, and the proprietary and fiduciary fund statements the "economic resources" measurement focus is applied. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position and cash flows. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported.

Governmental Fund Financial Statements

In the governmental fund financial statements, a "current financial resources" measurement focus is applied. Under this focus, only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

Government-wide, Proprietary and Fiduciary Fund Financial Statements

In the government-wide Statement of Net Position and Statement of Activities, and the proprietary fund financial statements the accrual basis of accounting is applied. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic assets are used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental Fund Financial Statements

In the governmental fund financial statements, the modified accrual basis of accounting is applied. Under the modified accrual basis of accounting revenues are recognized when "measurable and available". Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City has defined "available" as collected within 60 days after year end. Sales and use taxes, franchise taxes, lodging taxes, court fines and interest are considered susceptible to accrual. Expenditures, including capital outlay, are recorded when the related fund liability is incurred, except for long-term debt principal and interest, claims and judgments, and accrued compensated absences, which are recorded as expenditures to the extent they have matured. Proceeds of general long-term debt and capital leases are reported as other financial sources.

1.D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION/FUND EQUITY

Cash and Cash Equivalents

Cash and cash equivalents include all demand deposit accounts. Investments in open-ended mutual fund money market accounts are also considered cash equivalents and are reported at the funds current share price.

Investments

Investments consist of U.S. government securities and bonds, and certificates of deposit. These investments are purchased with the intention of holding to maturity and are therefore reported at cost.

Receivables

Material receivables in governmental funds and governmental activities include revenue accruals such as sales tax, franchise tax, grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in accordance with GASB 33. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available at the fund level.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Proprietary-type funds and business-type activities material receivables consist of all revenues earned at year -end and not yet received. Utility accounts receivable comprise the majority of proprietary fund receivables.

Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

Prepaid Items

Payments made to vendors for service that will benefit periods beyond June 30, 2018, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as non-spendable as this amount is not available for general appropriation.

Inventories

The City records consumable materials and supplies as an asset when purchased and expended as consumed. Such inventory is valued at average cost.

Capital Assets and Depreciation

The accounting treatment of property, plant and equipment (capital assets) depends on whether the assets are used in governmental fund type or proprietary fund type operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, property, plant and equipment are accounted for as capital assets. The City's capitalization threshold varies by asset classification and category. The range of asset capitalization threshold by asset classification is noted below:

Classification	Threshold
Land	\$5,000
Intangibles	\$5,000
Buildings	\$25,000
Other Improvements	\$25,000
Machinery & Equipment	\$ 5,000
Furniture & Fixtures	\$ 5,000
Infrastructure	\$5,000 - \$25,000

All capital assets are valued at historical cost or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. General infrastructure assets (such as roads, bridges, and traffic systems) acquired prior to July 1, 2006, are reported at estimated historical cost using deflated replacement costs. The cost of normal maintenance and repairs to these assets that do not add materially to the value of the asset or significantly extend the assets' useful lives are not capitalized. Interest costs, net of interest earned on any invested capital debt proceeds, are capitalized when incurred by proprietary funds.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Depreciation of all exhaustible capital assets is recorded as an operating expense in proprietary fund financial statements and as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net position. Depreciation is calculated over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Asset Type	Useful Life
Buildings	30 – 50 Years
Other Improvements	10 Years
Intangibles	1-5 Years
Machinery & Equipment	5 – 10 Years
Furniture & Fixtures	5 Years
Infrastructure	5 – 50 Years

In the government funds financial statements, capital assets acquired are accounted for as capital outlay expenditures.

Restricted Assets

Restricted assets include cash and investments of enterprise funds and business-type activities that are legally restricted as to their use. The primary restricted assets are related to customer utility deposits.

Long-Term Debt

Accounting treatment of long-term debt varies depending upon the source of repayment and the measurement focus applied, and whether the debt is reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental activities, business-type activities, proprietary fund and component unit resources are reported as liabilities incurred. The long-term debt consists primarily of accrued compensated absences, liability for claims, notes payable, and revenue bonds payable. This long-term debt is reported net of unamortized premiums, discounts, and amounts deferred from refundings, if applicable.

Long-term debt of governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

As of June 30, 2018, the City of Cody is not obligated in any manner for special assessment debt.

Compensated Absences

The City's policies regarding vacation and compensatory time permit employees to accumulate varying amounts as determined by management.

The City's sick leave policy caps sick leave accruals at 720 hours and employees with balances in excess of 720 as of the adoption date are allowed to keep all of the hours accrued until such time that the employees use the hours below 720. Eligible employees may be able to convert a

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

portion of their accrued sick leave towards the employee's 457 Deferred Compensation account or Health Savings account or a combination of both based on a longevity percentage table upon an eligible separation of employment.

Vacation time off with pay is available to regular full time and regular part time employees. The amount of paid vacation time employees receive each year increases with the length of their employment. Full time employees may carry 80 hours of accrued vacation leave and part time employees may carry 40 hours of accrued vacation leave into a new calendar year. Vacation time off is paid at the employee's base rate of pay at the time of vacation

The estimated liabilities for vested benefits also include salary-related payments such as employment taxes. Compensated absences are reported as accrued in the government-wide, proprietary and component unit financial statements. Governmental funds report only the matured compensated absences payable to currently terminating employees.

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements may report a separate section for deferred outflows of resources. This separate financial statement element represents a decrease of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the financial statements may include a separate section for deferred inflows of resources. This separate financial statement element represents an increase of net position that applied to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City reports deferred outflows and inflows as follows:

Unavailable Revenues – Certain long-term assets are not available to pay for current liabilities and are therefore deferred on the governmental funds Balance Sheet. Property taxes are reported on the government-wide Statement of Net Position and are recorded as receivables when levied or assessed; however, they are reported as deferred revenue until the “available” criterion has been met. Other unavailable deferred revenue on the government-wide Statement of Net Position include prepaid lease revenue. The City has deferred revenue that qualifies for reporting on the Balance Sheet in this category in the amount of \$90,024 which represents court fines, and severance taxes.

Pension Plan Items – in the government-wide and proprietary funds statements of net position, a deferred outflow or inflow of resources is reported for the unrecognized items not yet charged to pension expense related to the net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the Wyoming Retirement System (WRS) plans and additions to/deductions from WRS's fiduciary net position have been determined on the same basis as they are reported by WRS.

At June 30, 2018, the City of Cody reported on the government-wide Statement of Net Position a deferred outflow in the amount of \$2,204,230 and a deferred inflow of \$1,389,839 for its

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

proportionate share of the Wyoming Retirement System's net pension liability. See Notes 4.A. for additional information regarding the pension liability.

Equity Classifications

Government-Wide and Proprietary Fund Financial Statements:

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the government-wide financial statements. Net position is classified in the following categories:

- a. Net investment in capital assets – Consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction or improvement of the assets.
- b. Restricted net position – Consists of amounts restricted by creditors, grantors, contributors or laws or regulations of other governments.
- c. Unrestricted net position – Consists of the net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

Governmental Fund Financial Statements:

In the fund financial statements, governmental fund balance is presented in five possible categories:

- a. Nonspendable – resources which cannot be spent because they are either (a) not in spendable form or; (b) legally or contractually required to be maintained intact.
- b. Restricted – resources with constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- c. Committed – resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner. The commitment or use of Committed Resources is accomplished through an Ordinance or Resolution of the City Council, usually during the annual budget process or subsequent budget amendment.
- d. Assigned – resources neither restricted nor committed for which a government has as stated intended use as established by the governing body. The assignment or use of Assigned Resources is accomplished by Council action.
- e. Unassigned – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund
- f. balance amount.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Application of Net Position:

It is the City of Cody's policy to first use restricted net position, prior to the use of unrestricted net position, when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Application of Fund Balance:

When both restricted and unrestricted fund balances are available for use, it is the City's policy to use externally restricted fund balances first. Furthermore, committed fund balances are reduced first, followed by assigned fund balances and then unassigned fund balances when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

1.E. INTERNAL AND INTERFUND BALANCES AND ACTIVITIES

In the process of aggregating the financial information for the government-wide financial statement, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Vehicle Maintenance Allocation: The City of Cody operates a Vehicle Maintenance department in the General Fund. The main function of this department is to provide maintenance and repair services on fleet vehicles and equipment. Under City policies, certain interdepartmental services performed by one department for another are credited to the performing department and charged to the receiving department to reflect the accurate cost of programs. For reporting purposes, the Enterprise Fund charges are shown as transfers in/out between funds. The General Fund activities are credited to the performing department and charged as an expense to the receiving departments. The cost allocation is calculated annually based on each department's percentage of use; therefore, actual costs are not being allocated. The cost allocation for this fiscal year was distributed as follows:

Fund	Allocation Value
General Fund	\$ 136,432
Solid Waste Fund	148,072
Water Fund	8,366
Wastewater Fund	11,025
Electric Fund	20,704
Total	\$ 324,599

Government-Wide Financial Statements:

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

- a. Internal balances – amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are reported as internal balances.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

- b. Internal activities – amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide statement of activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds are not eliminated in the statement of activities.
- c. Primary government and component unit activity and balances – resource flows between the primary government and the discretely-presented component units are reported as if they were external transactions.

Fund Financial Statements:

Interfund activity, if any, within and among the governmental, proprietary fund and fiduciary categories is reported as follows in the fund financial statements:

- a. Interfund loans – amounts provided with a requirement for repayment are reported as interfund receivables and payables.
- b. Interfund services – sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
- c. Interfund reimbursements – repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
- d. Interfund transfers – flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

1.F. REVENUES, EXPEDITURES, AND EXPENSES

Sales Tax

The City presently levies a five-cent sales tax on taxable sales within the City which includes the four-cent State tax plus a one-cent specific purpose tax levied in Park County. The sales tax generated from the four-cent tax is collected by the State and remitted to the City the month following receipt by the State. The sales tax recorded is allocated to General Fund operations. The one-cent specific purpose sales tax is collected by the State and remitted to Park County monthly. Park County disburses the tax to the other three municipalities in the county based on each entity's percentage of approved tax-funded projects. Sales tax resulting from sales occurring prior to year end and received by the City after year end have been accrued and are included under the caption, *Due from other governments* since they represent taxes on sales occurring during the reporting period.

City of Cody, Wyoming
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Property Tax

The Park County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed after the end of each month.

Property Tax Calendar

August 10	Taxes are levied and become an enforceable lien on the properties
September 1	First of two equal installment payments is due
November 10	First installment is delinquent
March 1	Second installment is due
May 10	Second installment is delinquent

Property taxes are considered “measurable” when levied and recorded as receivables when levied or assessed however they are reported as deferred revenue until the “available” criterion has been met. The City of Cody has recorded a receivable and a deferred inflow of resources for levied property taxes.

Grants

The City participates in various grant activities depending on the applicable projects and/or grants available. Expenditures from certain grants are subject to audit by the grantor, and the City is contingently liable to refund amounts received in excess of allowable expenditures.

Expenditures & Expenses

In the government-wide statement of activities expenses including depreciation of capital assets are reported by function or activity. In the governmental fund financial statements expenditures are reported by class (further reported by function) as current, capital outlay and debt service. In proprietary fund financial statements, expenses are reported by object or activity.

1.G. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

1.H. RECENTLY ISSUED ACCOUNTING STANDARDS

New Accounting Standards

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. Any requirements applicable to the City of Cody will be implemented by the effective date.

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GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost occurred. Interest cost incurred before the end of the construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. The City of Cody implemented the requirements of this statement effective June 30, 2018 and reported interest incurred prior to the end of a construction period as an expense in the Wastewater Fund.

GASB Statement No. 90, *Majority Equity Interests – an amendment of GASB statements No. 14 and No. 61*. The primary objective of this statement is to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization. The requirements of this statement are effective for reporting periods beginning after December 15, 2018. The requirements of this statement are not applicable to the City of Cody.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the City and its component units are subject to various federal, state and local laws and contractual regulations.

2.A. DEFICIT FUND BALANCES OR NET POSITION

Wyoming Statutes prohibit the creation of a deficit fund balance in any individual fund of the City. For the year ended June 30, 2018, the City had not incurred a fund balance deficit in any individual fund.

2.B. BUDGET REQUIREMENTS

The City of Cody’s budget is prepared on a fiscal year basis beginning each July 1st and running through the following June 30th. The budget must present a complete financial plan for the City, setting forth all estimated revenues, expenditures, and other financing sources for the ensuing fiscal year, together with the corresponding figures for the previous fiscal year. In estimating the anticipated revenues, consideration must be given to any unexpected surpluses and the historical percentage of tax collections. Further, the budget must show a balanced relationship between the total proposed expenditures and the total anticipated revenues with the inclusion of beginning funds.

All incorporated first-class cities and towns must comply with the provisions of the Uniform Municipal Fiscal Procedures Act (W.S. 16-4-101 through W.S. 16-4-124) in preparing its budget. This act requires:

1. All departments must submit their budget requests to the budget officer by May 1st of each year. The budget officer must prepare a tentative budget for each fund and file it with the governing body no later than May 15th of each year.
2. The budget shall be in a format which best serves the needs of the municipality.

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3. The budget must contain actual revenues and expenditures for the last completed fiscal year, estimated total revenues and expenditures for the current fiscal year, and estimated available revenues and expenditures for the ensuing budget year, and the year-to-year change in estimated revenues.
 4. Each budget must contain the estimates developed by the budget officer together with specific work programs and other supportive data requested by the governing body, and must be accompanied by a budget message which outlines the proposed financial policies for the budget year and explains any changes from the previous year.
 5. The proposed budget for the city or town must be reviewed and considered by the governing body in a regular or special meeting called for this purpose. After holding a public hearing, the governing body must adopt the budget (W.S. 16-4-109).
 6. A summary of the budget the governing body proposes to adopt must be entered into the minutes.
 7. The summary of the proposed budget must be published at least one (1) week before the date of the public hearing in a newspaper having general circulation in that locality, or if there is none, by posting the notice in three (3) conspicuous places within the municipality. Copies of publications of hearings shall be furnished to the director of the state department of audit.
 8. No appropriation in the final budget of any fund can be in excess of the estimated expendable revenue with the inclusion of beginning funds for the fund for the budget year (W.S. 16-4-110).
 9. No later than the day after the public hearing, the governing body must make the necessary appropriations and adopt the budget which, will be in effect for the next fiscal year barring further amendment.
 10. A copy of the adopted budget, certified by the budget officer, must be furnished to the County Commissioners on or before July 31st (W.S. 39-2-401) for the necessary property tax levies (W.S. 16-4-111).

2.C. DEPOSITS AND INVESTMENTS REQUIREMENTS (POLICIES)

In accordance with State law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Wyoming or political subdivision debt obligations or surety bonds. Investments of a City are limited by State law to the following:

City of Cody, Wyoming
Notes to Basic Financial Statements
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- a. Direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State of Wyoming is pledged.
 - b. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
 - c. With certain limitation, negotiable certificates of deposit, prime banker's acceptances, prime commercial paper and repurchase agreements involving securities which are authorized investments under State Statutes.
 - d. County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county municipality or school district.
 - e. Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
 - f. Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous paragraphs a, b, c and d.

2.D. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Related Party Payables

The City of Cody had \$897,183 payable to the following related parties at June 30, 2018: \$157,968 in the Water Fund payable to Shoshone Municipal Pipeline and \$739,215 payable to Wyoming Municipal Power Agency. Further disclosure of related party transaction is reported in Note 4E.

Accrued Expenses

The City of Cody reported \$224,785 in accrued expenses as of June 30, 2018. Accrued expenses consist of wages earned by employees through June 30, 2018 which had not yet been paid and related payroll liabilities such as FICA. Due to the dates and report filing of certain payroll related expenses for items such as worker's compensation and retirement these items are also included in the accrual. These items were not paid prior to June 30, 2018 for their respective liability.

2.E. DEBT RESTRICTIONS AND COVENANTS

General Long-Term Debt

As required by State Statutes, the City may not incur any indebtedness that would require payment from resources beyond the current fiscal year revenue without first obtaining voter approval. For the year ended June 30, 2018 the City incurred no such debt or obligations.

City of Cody, Wyoming
Notes to Basic Financial Statements
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NOTE 3. DETAIL NOTES ON TRANSACTION CLASSIFICATION

The following notes present detail information to support the amounts reported in the basic financial statements for its various assets, liabilities, equity, revenues and expenditures/expenses.

3.A. DEPOSITS AND INVESTMENTS

The City's investment policy is adopted pursuant to the requirements of W.S. 9-4-831(h). It is the policy of the City of Cody to invest public funds in a manner which will provide a reasonable rate of investment return while assuring the maximum holding of principal, meeting the daily cash flow demand of the City of Cody, and conforming to all federal, state, and local laws and regulations governing the investment of public funds. This policy applies to the investment of all public funds maintained by the City of Cody and except for cash held for certain restricted purposes the City of Cody consolidates cash balances from all funds to maximize investment earnings. Investment income is allocated to the various funds based on their respective participation and in accordance with Generally Accepted Accounting Principles.

Deposits with Financial Institutions

The City of Cody maintains funds on deposit at a local bank branch in non-interest bearing checking accounts. At June 30, 2018, the carrying amount of the City's cash and cash equivalents was \$18,029,555. The deposits with financial institutions as of the same date totaled \$17,864,751. The difference between the carrying amount and the bank balance are the result of transactions in transit. The deposits were collateralized as follows:

Balance at June 30, 2018	Pledged Collateral	FDIC Insurance	Total Bank Collateral	Bank Collateral Over(under) Requirements
\$ 17,864,751	\$ 18,973,579	\$ 250,000	\$ 19,223,579	\$ 1,358,828

Investments

The City of Cody maintains investments in direct obligations of the U.S. Government, its agencies and instrumentalities to which the full faith and credit of the U.S. Government is pledged. It is the City's policy to purchase investments and hold them to maturity, therefore investments are reported at cost rather than fair market value. State law does not allow governments to invest in corporate bonds, stocks or mutual funds and limits investments in commercial paper to short term maturities (not greater than 270 days) and to the top ratings issued by nationally recognized statistical rating organizations.

As of June 30, 2018, the City of Cody held the following investments:

Issuing Agency	Original Cost	Par Value	Market Value at June 30, 2018
Money Funds Federated Capital Reserve	\$22,585	\$22,585	\$22,585
U.S. Government Bonds	\$7,980,060	\$7,993,000	\$7,832,663
Total	\$8,002,645	\$8,015,585	\$7,855,248

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Investment and Deposit Risk

Custodial credit risk is the risk that, in the event of bank failure, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party (Wells Fargo Bank).

Bank Deposits – The City of Cody maintained 100% pledging of its deposits in financial institutions. FDIC covered \$250,000 of the bank balance while the remaining balance was secured by the pledging of additional collateral. At June 30, 2017, the collateral on the City of Cody’s deposits exceeded the amount on deposit by \$1,358,828.

Federated Capital Reserve Money Funds - Money funds held as investments are collateralized through the Securities Investor Protection Corporation (SIPC) which protects securities up to \$500,000. As of June 30, 2018, the collateral on the City of Cody’s money funds deposit exceeded the amount on deposit by \$477,414.

Third Party Payment Processors – the City of Cody utilizes third party payment processors for the collection of electronic payments from customers via credit card or automatic bank account debits. These transactions are processed through a financial institution and covered under the FDIC insurance. Funds are transferred to the City’s bank accounts weekly and pending transfers do not exceed \$250,000. As of June 30, 2018, the collateral on the City of Cody’s third-party payment processor’s balance exceeded the amount on deposit by \$157,758.

Interest rate risk is the risk that is associated with declines or rises in interest rates which cause an investment in a fixed-income holding to increase or decrease in value. The City’s policy provides that to the extent practicable, investments are matched with anticipated cash flows and are diversified to minimize the risk of loss resulting from an over-concentration of assets in a specific maturity period or single issuer. The City’s investments are laddered with varying maturities based on cash flow needs. The majority of the City’s investments will mature within 1 to 3 years.

Year of Maturity	% of Total	Par Value
2018	33%	\$2,640,000
2019	16%	\$1,240,000
2020	16%	\$1,245,000
2021	10%	\$830,000
2022	9%	\$835,000
2023	11%	\$843,000
2025	5%	\$360,000
Grand Total		\$7,993,000

Concentration of credit risk is the risk of loss attributed to the magnitude of the City’s investment in a single issuer. The City of Cody invests only in U.S. backed securities and bonds issued by different government agencies. The City’s investments are diversified by the following issuers:

City of Cody, Wyoming
Notes to Basic Financial Statements
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Issuer	% of Total	Par Value
Federal Farm Credit Banks	28%	\$2,258,000
Federal Home Loan Mortgage Association (Freddie Mac)	18%	\$1,445,000
Federal National Mortgage Association (Fannie Mae)	54%	\$4,290,000
Grand Total		\$7,993,000

Call risk is the risk that is specific to bond issues and refers to the possibility that an instrument will be called prior to maturity and usually goes hand in hand with reinvestment risk. The City of Cody's investments are split as follows:

Type	% of Total	Par Value
Callable	14%	\$1,133,000
Non-Callable	86%	\$6,860,000
Grand Total		\$7,993,000

Reinvestment risk is the risk that in a declining- interest rate environment, investments offered do not provide the same level of income. Falling interest rates lead to a decline in cash flow from an investment when its principal is reinvested at lower rates.

Market risk is the risk that the value of a holding will increase or decline as a result of changes in market conditions. The City of Cody has a "buy and hold" policy meaning that bonds are held until maturity.

Credit risk is the risk that an insurer of investments will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by nationally recognized statistical rating organizations. Obligations of the U.S. Government are backed by the full faith and credit of the U.S. Government. The City's investments in U.S. Government issued securities were rated AAA by Moody's and AA+ by Standard and Poor's.

Fair Value of Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs to measure the fair value of the asset. The fair value hierarchy is made up of three levels:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. Examples include US Government and agency securities, foreign government debt, listed equities, and money market securities.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). Examples include corporate bonds, mortgage-backed securities, bank loans, loan commitments, less liquid listed equities, municipal bonds and certain OTC derivatives.

City of Cody, Wyoming
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Level 3 – unobservable inputs for the asset or liability. Examples include distressed debt, private equity, exotic or non-standard derivatives.

Fair value measurements are categorized in their entirety based on the lowest level input that is significant to the entire measurement.

Investments ad Fair Value as of June 30, 2018				
Issuer	Level 1	Level 2	Level 3	Total
US Government Agency Securities	\$ 7,832,662	\$ -	\$ -	\$ 7,832,662

3.B. RECEIVABLES

As required by GASB #33, there is a court fine receivable recorded on the books in the amount of \$245,217 with an uncollectible allowance recorded of \$198,737. Many of the outstanding fines fall into the category of over 120 days past due, however, they are typically years past due and not considered collectible. Many of these accounts have been sent to collections.

A significant portion of the charges for services receivables are due from residents of Cody, Wyoming for utility services. Other receivables in the governmental funds consist of billings through the City's accounts receivable system for items such as building permits, miscellaneous items, licenses, etc. Proprietary funds accounts receivable consists of usage and tap fees billed to customers (solid waste, water, wastewater, and electric). They are as follows:

	Governmental	Enterprise Funds	Total
Accounts Receivable – billed	\$ 216,515	\$ 1,093,480	\$ 1,309,995
Accounts Receivable – unbilled	6,327	1,820,740	1,827,067
Allowance for Uncollectible Accounts	(43,442)	(163,502)	(206,944)
Accounts Receivable, net of allowance for uncollectible accounts	\$ 179,400	\$ 2,750,718	\$ 2,930,118

3.C. RESTRICTED ASSETS

The restricted assets as of June 30, 2018 totaled \$211,192 and are comprised of customer deposits and advance grant revenue (see Note 3.F.) and were as follows:

Type of Restricted Assets	Governmental Funds	Enterprise Funds
General Fund	\$9,498	\$-
Electric Fund	-	201,694
Total Restricted Assets	\$9,498	\$201,694

City of Cody, Wyoming
Notes to Basic Financial Statements
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3.D. DUE FROM OTHER GOVERNMENTS

Due from other governments consists of those revenues due from outside governmental agencies such as the county, state and federal government. The following is a schedule of those receivables and related deferred revenues:

	Governmental		Business-Type
	Receivable	Deferred	Receivable
Sales and Use Tax	\$566,820	\$-	\$-
Specific Purpose Sales Tax	511,171	-	-
Severance Tax	58,928	58,928	-
Cigarette Tax	13,224	-	-
Lodging Tax	12,832	-	-
Lottery Proceeds	14,317	-	-
Motor Vehicle Tax	32,392	-	-
Gasoline Tax	79,428	-	-
Grants	66,049	-	8,121
Total	\$1,355,161	\$58,928	\$8,121

The amount shown on this schedule for Governmental deferred revenue (\$58,928) differs from deferred revenue total shown on the Governmental Funds Balance Sheet deferred revenue (\$90,204) due to certain deferred revenue not derived from intergovernmental sources.

3.E. CAPITAL ASSETS

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

GOVERNMENTAL CAPITAL ASSETS					
	Balance at July 1, 2017	Adjustments	Additions	Disposals	Balance at June 30, 2018
Land	\$ 2,418,607	\$ -	\$ -	\$ -	\$ 2,418,607
Construction in Progress	404,845	-	467,404	(404,845)	467,404
Buildings	14,078,495	-	-	-	14,078,495
Intangibles	76,400	-	-	-	76,400
Improvements	5,302,369	-	402,422	-	5,704,790
Furniture & Fixtures	318,164	-	412,398	-	730,562
Machinery & Equipment	5,284,886	-	679,744	(194,399)	5,770,230
Infrastructure	17,701,575	-	238,755	-	17,940,331
Total Assets	45,585,340	-	2,200,723	(599,244)	47,186,819
Accumulated Depreciation	(16,377,299)	-	(1,184,065)	175,837	(17,385,525)
Net Capital Assets	\$ 29,208,042	\$ -	\$ 1,016,657	\$ (423,406)	\$ 29,801,290

City of Cody, Wyoming
Notes to Basic Financial Statements
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PROPRIETARY CAPITAL ASSETS					
	Balance at July 1, 2017	Adjustments	Additions	Disposals	Balance at June 30, 2018
Land	\$ 614,332	\$ -	\$ -	\$ -	\$ 614,332
Intangibles	24,900	-	-	-	24,900
Construction in Progress	2,882,513	-	285,799	(2,820,990)	347,322
Buildings	1,623,979	-	-	-	1,623,979
Improvements	139,788	-	-	-	139,788
Machinery & Equipment	4,414,625	-	202,377	(75,459)	4,541,543
Infrastructure	48,435,311	-	4,165,476	-	52,600,787
Total Assets	58,135,449	-	4,653,651	(2,896,449)	59,892,652
Accumulated Depreciation	(22,316,026)	-	(1,329,664)	68,016	(23,577,673)
Net Capital Assets	\$ 35,819,423	\$ -	\$ 3,323,988	\$ (2,828,432)	\$ 36,314,986

3.F. LONG-TERM DEBT

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental funds (Government Activities Long-Term Debt) and the amounts to be repaid from proprietary funds (Business-Type Activities Debt).

As of June 30, 2018, the City's long-term debt consisted of the following:

Accrued Compensated Absences: Accrued compensated absences reported in the governmental activities are comprised of accrued vacation leave, sick leave and compensatory time.

Customer Deposit Liability: Utility customers without acceptable credit history are required to pay a meter deposit to obtain utility services. Utility deposits are refundable after 18 consecutive months of on-time payment history. Other customer deposits include encroachment deposits, landscaping deposits and bid bonds. Other deposits are refundable upon completion of the requirements of each type of deposit, typically within 12 months.

Loans Payable: The City of Cody issued debt in the Wastewater Fund in the amount of \$1,721,345 for the wastewater treatment facility upgrade and expansion project Phase 1. This is a \$3.6 million project which was completed over two fiscal years. The loan is funded through the Wyoming Office of State Lands and Investments using federal dollars from the U.S. Environmental Protection Agency Safe Clean Water Act. The loan is payable in annual installments over a 20-year period at 2.5% interest. As of June 30, 2018, the City had drawn down \$1,721,345 in loan funds and paid \$117 in principal and \$39,286 in accrued interest.

The City has assigned and pledged to the Wyoming State Loan and Investment Board all revenues generated from the Wastewater user fees and Wastewater enterprise fund unrestricted reserves as reimbursement for the annual loan payments which the City will make to the Clean Water State Revolving Fund (CWSRF) necessary to meet the amortized annual payment of principal and interest. The City of Cody charges a wastewater plant fee based on water tap size which is assessed monthly to all users of the City's sewer system.

City of Cody, Wyoming
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This fee generates approximately \$220,000 annually which exceeds the annual debt service payment requirement.

The annual requirements to retire the debt outstanding as of June 30, 2018 are as follows:

Fiscal Year	Principal	Interest	Total
2019	\$67,970	\$6,720	\$74,690
2020	69,646	40,765	110,411
2021	71,361	39,047	110,408
2022	73,123	37,288	110,411
2023	74,926	35,485	110,411
2024-2028	403,273	148,785	552,058
2029-2033	455,505	96,553	552,058
2034-2038	505,424	37,559	542,983
Total	\$1,721,228	\$442,202	\$2,163,430

Net Pension Liability: Under GASB 68/71 the City of Cody is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate share of collective net pension liability under cost-sharing employer plans.

CHANGES IN LONG TERM DEBT					
	Balance at July 1, 2017	Additions	Deductions	Balance at June 30, 2018	Amounts Due within a Year
Governmental Activities:					
Accrued Compensated Absences	\$334,162	\$27,719	-	\$361,881	\$203,525
Customer Deposits	20,006	-	(11,607)	8,399	8,399
Net Pension Liability	4,601,467	20,199	-	4,621,666	-
Total Governmental Activities	4,955,635	47,918	(11,607)	4,991,946	211,924
Business-Type Activities:					
Accrued Compensated Absences	\$196,559	\$15,519	-	\$212,078	\$94,707
Customer Deposits	222,221	-	(20,527)	201,694	201,694
Loans Payable (CWSRF)	1,237,141	484,204	(117)	1,721,228	-
Net Pension Liability	1,758,541	-	(264,038)	1,494,503	-
Total Business-Type Activities	3,414,462	499,723	(284,682)	3,629,503	296,401
Total Long-Term Debt	\$8,370,097	\$547,641	(\$296,289)	8,621,449	\$508,325

3.G. INTERFUND BALANCES AND ACTIVITIES

The City of Cody utilizes inter-fund transfers for both operating and capital purposes such as allocations to the Vehicle Replacement Fund, operating transfers from the Lodging Tax fund to the General Fund to finance community events and activities paid for by General Fund departments, and operating transfers from the Proprietary Funds to the General Fund to pay for costs associated with accounting, utility billing, and other administrative services paid for by the General Fund. Inter-fund transfers for the year ended June 30, 2018 were as follows:

City of Cody, Wyoming
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	General Fund	Lodging Tax Fund	Vehicle Replacement Fund	Solid Waste Fund	Water Fund	Wastewater Fund	Electric Fund
Operating Transfer	\$1,190,154	(\$126,188)	\$-	(\$136,320)	(\$243,543)	(\$196,292)	(\$487,811)
Vehicle Replacement	(234,506)	-	407,741	(75,160)	(13,591)	(26,668)	(57,816)
Franchise Fees	936,963	-	-	(109,834)	(158,594)	(65,472)	(603,063)
Vehicle Maintenance	188,167	-	-	(148,072)	(8,366)	(11,025)	(20,704)
Total	\$2,080,777	(\$126,188)	\$407,741	(\$469,386)	(\$424,094)	(\$299,457)	(\$1,169,394)

The amount shown in this chart differs from the transfers shown on the Statement of Activities due to the following capital contributions recorded as other financing sources due to the purchase of capital assets by the Vehicle Replacement Fund:

Fund	Amount
Electric	33,991
Total	\$ 33,991

The amount shown on this schedule (\$33,991) for capital contributions differs from capital contributions total shown on the Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds capital contributions (\$482,627) due to contributed capital received from outside agencies.

At fund level, the purchase by the governmental fund is recorded as capital outlay expenditure and is a capital contribution in the proprietary fund. However, for the government-wide financial statements this activity is treated as a transfer between funds and activity is eliminated.

3.H. FUND BALANCES AND NET POSITION

Components of Fund Balances

As of June 30, 2018, fund balances components consisted of the following:

Fund	Non-Spendable	Restricted	Committed	Assigned
General Fund	\$ 411,545	\$ 39,287	\$ -	\$ 64,546
Vehicle Replacement Fund	-	-	-	2,682,388
Lodging Tax Fund	-	-	-	24,609
Specific Purpose Tax Fund	-	2,805,366	-	-
Total	\$ 411,545	\$ 2,844,653	\$ -	\$ 2,771,453

Net Asset Restrictions

In the governmental activities at the government-wide level there is a restriction in the amount of \$2,844,653 due to certain assets being restricted to a specific use such as the specific purpose tax fund (\$2,805,366), police forfeiture funds (\$8,187), PEG grant (\$10,000) and convention center project (\$21,100).

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

NOTE 4. OTHER NOTES

4.A. EMPLOYEE PENSION PLANS

The City and all full-time and regular part-time employees participate in the Wyoming Retirement System (WRS), a cost-sharing multi-employer public employee retirement system. WRS pays employees a defined benefit depending upon years of service and earnings using an accrued benefit cost method.

Wyoming Retirement System has two tiers of benefits for City employees:

Tier 1: For employees who have made a contribution to the Plan for service prior to September 1, 2012, benefits are calculated using a multiplier of 2.125 percent for the first 15 years of service and 2.25 percent for years of service above 15 and the employee's three-year highest average salary. Employees under this tier are eligible for full retirement at age 60 or the Rule of 85 (age plus years of service in WRS equals 85 or more).

Tier 2: For employees who made their first contribution to the Plan for service on or after September 1, 2012 or if an employee terminated employment before being vested, or took a refund and then were reemployed on or after September 1, 2012, benefits are calculated using a multiplier of 2 percent for all years of service and the employee's five-year highest average salary. Employees under this tier are eligible for full retirement benefits at age 65 or the Rule of 85.

City employees are eligible for a reduced benefit when: Under Tier 1 the employee reaches age 50 and are vested; Under Tier 2 the employee reaches age 55 and are vested or Under either Tier if the employee completes 25 years of service at any age. Law enforcement employees are eligible for full retirement after reaching age 60 and are vested or at any age with 20 years of service. Early retirement benefits are available with a reduced benefit after reaching age 50 and are vested. All eligible City employees are covered under one of the following two plans:

Public Employee Pension Plan

By State Statute, the employer-allocated portion for public employees is 8.37% and the employee-allocated portion 8.25% for a total contribution rate of 16.62%. The City of Cody pays a higher percentage of the contributions at 12.19% and the employee pays 4.43% of the total contribution amount.

Fiscal Year Ending	Employee Contribution	Employer Contribution	Total Contribution
June 30, 2018	\$186,462	\$512,611	\$699,073
June 30, 2017	\$185,985	\$511,790	\$697,775
June 30, 2016	\$197,551	\$548,749	\$746,300
June 30, 2015	\$183,155	\$472,752	\$655,907

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Law Enforcement Pension Plan

Law enforcement employees participate at a higher contribution level of 17.2%. By State Statute, the employer-allocated portion is 8.60% and the employee-allocated portion is 8.60% of which the City paid 11.69% and employees paid 5.51%.

Fiscal Year Ending	Employee Contribution	Employer Contribution	Total Contribution
June 30, 2018	\$71,515	\$151,726	\$223,241
June 30, 2017	\$68,186	\$144,663	\$212,849
June 30, 2016	\$74,939	\$149,844	\$224,783
June 30, 2015	\$80,592	\$140,213	\$220,805

As of June 30, 2018, the amount owed to the WRS plan for the legally required contributions was \$70,411 in the following funds:

Fund	Payable Amount
General Fund	\$ 51,113
Solid Waste Fund	4,831
Water Fund	3,772
Wastewater Fund	2,108
Electric Fund	8,587
Total	\$ 70,411

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

The WRS has public employee and law enforcement employee plan assets of \$7,988,768,131 and a total pension liability of \$10,354,153,071, creating a net pension liability of \$2,365,384,940. The pension net position as a percent of total pension liability is 77.16%. The City of Cody's prorated share of the net pension liability is \$6,116,169. Of this amount \$4,621,666 is attributable to the General Fund and \$1,494,503 is attributable to the Enterprise Funds. The City's net pension liability is based on the ratio of actual contributions paid to WRS by the City to the total paid by all participants of the plan. The City's prorated share of the net pension liability is based on the ratio of actual contributions paid to WRS by the City to the total paid by all participants of the plan, which amounts to .25857%. The measurement date of the unfunded pension liability was December 31, 2017.

At June 30, 2018 the City reported a total liability of \$6,116,169 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation at January 1, 2017. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities. At December 31, 2017, the City's liability as well as their proportion and increase from its proportion measured at December 31, 2016 were as follows for each plan in which the City participates:

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

	Pension Liability at June 30, 2018	Proportion at December 31, 2017	Increase(Decrease) from December 31, 2016
Public Employee Pension Plan	\$5,405,072	.2371331%	(.0019622)%
Law Enforcement Pension Plan	711,097	.08264306%	.0582938%
Total	\$6,116,169		

At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow		Deferred Inflow	
	Public Employees	Law Enforcement	Public Employees	Law Enforcement
Net difference between projected & actual earnings	\$684,002	\$191,830	\$881,979	\$258,120
Difference between actual and expected experience	-	5,597	189,059	60,681
Assumption changes	525,192	335,377	-	-
Amortizing deferred outflows & deferred inflows	-	-	-	-
Contributions subsequent to measurement date	350,356	111,887	-	-
Total	\$1,559,550	\$644,681	\$1,071,038	\$318,801

The City reported \$2,204,230 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability in the year end June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as follows:

Fiscal Year Ended June 30	Deferred Outflows of Resources	Deferred Inflows of Resources
2018	\$753,847	\$475,325
2019	760,459	479,494
2020	650,248	410,002
2021	39,676	25,017
Total	\$2,204,230	\$1,389,839

Actuarial Assumptions

An experience study was conducted covering the five-year period ending December 31, 2016. The net pension liability as of December 31, 2017 is based on the results of an actuarial valuation as of January 1, 2017 rolled forward to a measurement date of December 31, 2017. The following actuarial assumptions applied to all periods included in the measurement:

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

<i>Public Employee Pension Plan</i>	
Actuarial cost method	Entry age normal
Inflation	3.25%
Salary increases	4.25% to 6.00%, including inflation
Payroll growth rate	4.25%
Cost of living increase	0.00%
Investment rate of return	7.75%, net of pension plan investment expense
Post-retirement mortality	RP-2000 Combined Mortality Table, generational projected with Scale BB Males: Set back 1 year with a 104% multiplier Females: No set back with a 90% multiplier
Pre-retirement mortality	RP-2000 Combined Mortality Table, generational projected with Scale BB Males: Set back 5 years with a 104% multiplier Females: Set back 4 years with a 90% multiplier

<i>Law Enforcement Pension Plan</i>	
Actuarial cost method	Entry age normal
Inflation	3.25%
Salary increases	4.75% to 8.00%, including inflation
Payroll growth rate	4.25%
Cost of living increase	0.00%
Investment rate of return	7.75%, net of pension plan investment expense
Post-retirement mortality	RP-2000 Combined Mortality Table, generational projected with Scale BB Males: No set back with a 104% multiplier Females: Set forward 1 year with a 90% multiplier
Pre-retirement mortality	RP-2000 Combined Mortality Table, generational projected with Scale BB Males: Set back 4 years with a 104% multiplier Females: Set back 3 years with a 90% multiplier

Asset Allocation

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 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. For each major asset class that is included in the pension plans target asset allocation as of January 1, 2018, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Rate of Return
Cash	0.00%	.40%
Fixed Income	20.00%	1.77%
Equity	45.00%	6.88%
Marketable Alternatives	17.50%	3.30%
Private Markets	17.50%	7.11%
Total	100.00%	5.27%

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for both the public employee plan and the law enforcement plan. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

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

Primary Government Pension Plans	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Public Employee Plan	\$8,169,167	\$5,405,072	\$3,099,854
Law Enforcement Plan	1,526,230	711,097	47,513
Total	\$8,342,397	\$6,116,169	\$3,147,367

Wyoming Retirement System Reports

Financial reporting information pertaining to the City's participation in the Wyoming Retirement System (WRS) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71. The WRS was established through State Statutes W.S. 9-3-401 through W.S. 9-3-432. The WRS issues a publicly available Comprehensive Annual Financial Report that includes its financial statements and required supplementary information. Contact the Wyoming Retirement System for additional information or a summary plan description detailing the provisions of the plan, including benefits, actuarial assumptions, discount rates, investments held, expected rates of return, discount rate sensitivity and cost of living adjustments at 6101 Yellowstone Road, Suite 500, Cheyenne, Wyoming 82002, or by calling 307-777-7691. The information is also available on their website at www.retirement.state.wy.us

4.B. RISK MANAGEMENT

Liability

The City is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these various risks of loss through participation in the Wyoming Local Government Liability Pool (LGLP). The City pays an annual actuarially determined assessment to LGLP for liability coverage. The coverage provides \$250,000 per claimant, but not more than \$500,000 per occurrence for all claimants. The deductible per occurrence is \$5,000. The contribution to the plan in the current year was \$46,968. Should claims exceed LGLP deposits, each participant is liable and will be assessed for its proportionate share whether or not it continues to participate in the plan, should LGLP terminate, the City would receive its proportionate share of excess funds remaining in the LGLP account. The City has incurred no losses of significance in excess of coverage provided by LGLP in the last three years.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Health Insurance

The City also participates in the Wyoming Association of Municipalities Joint Powers Insurance Coverage (WAM-JPIC) as a means to acquiring health and life insurance at competitive rates. The package is acquired by pooling resources with other governmental entities. The City pays 100% of the cost for single coverage and 90% of the cost for dependent coverage with employees paying the other 10%. In addition, the City contributes 50% of the employees' annual deductible into a health savings account (H.S.A.) for each covered employee. Employees with family coverage receive \$1,300 per year (contributed at \$54.16 per pay period) and employees with other than family coverage receive \$625 per year (contributed at \$26.07 per pay period). The total cost for health insurance and H.S.A contribution for the City in the current fiscal year was \$1,475,825.

Property Insurance

Buildings and equipment are adequately insured under commercial insurance policies. The City has incurred no losses of significance in excess of coverage provided by the commercial carriers in the last three years. Total costs for property insurance for the City in the current fiscal year were \$58,979.

4.C. LEASES

The City has entered into a lease agreement with the Cody Council on Aging, Inc. for a building constructed by the City for use as a senior center. The annual fair market value under the lease is approximately \$87,000. The term of the lease is 30 years beginning January 1, 2002 with valuation adjustments to be considered every five years. The annual lease payment is considered an in-kind contribution from the City to the Cody Council on Aging, a 501(c) (3) organization.

4.D. COMPENSATED ABSENCES

Accumulated vacation, sick leave and compensatory pay of the City's employees vest every other week and is recorded as a liability in the respective City funds. The General Fund's accrued vacation pay and sick leave is reported as a liability on the government-wide financial statements. Liabilities of the proprietary funds are reported within those funds at the fund level and government-wide level of financial statements. See Note 3.F. for further disclosure of the liabilities.

4.E. RELATED PARTY TRANSACTIONS

Jointly Governed Organizations

The City paid the following jointly governed organizations for the following during the fiscal year ended June 30, 2018:

Organization	Purpose	Amount Paid	Amount Owed as of June 30, 2018
Shoshone Municipal Pipeline	Wholesale water	\$1,567,429	\$157,968
Wyoming Municipal Power Agency	Wholesale electricity	\$9,351,616	\$739,215
Yellowstone Regional Airport	Operating contribution	\$177,355	\$0

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Purchases from Elected Officials

During the fiscal year ended June 30, 2018 the City of Cody purchased materials and services from a business owed by a council member in the amount of \$72,547.

4.F. COMMITMENTS

Construction Commitments

At June 30, 2018, the following construction commitments were outstanding of which some are being performed by City of Cody employees/departments:

Project	Department	Actual as of June 30, 2018	Anticipated Remaining Cost
Wastewater treatment facility phase 2	Wastewater	\$166,952	\$6,000,000
Beacon Hill Tie Line Phase 2	Electric	94,390	49,024
Beacon Hill Water Tank	Water	85,980	3,246,802
Chip Sealing	Public Works	61,287	711,345
ADA Ramp Construction	Public Works	406,117	593,883
	Total	\$814,726	\$10,601,054

4.G. CONTINGENCIES

Contingencies

Grant Program Involvement – in the normal course of operations the City participated in various federal and state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by the granting or loan agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Litigation – the City is a party to various legal proceedings which normally occur in the course of government operations. The financial statements do not include accrual or provisions for loss contingencies that may result from these proceedings. While the outcome of the above noted proceedings cannot be predicted, due to the insurance coverage maintained by the City and the State Statute relating to judgments, the City feels that any settlement or insurance would not have a material adverse effect on the financial condition of the City.

4.H. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains four business-type activities which provide solid waste, water, wastewater and electric services. Only the Water Fund and the Electric Fund are required to have segment information presented, however Management has chosen to show limited segment information on each Proprietary Fund in this Note. Each fund is a major fund therefore the full segment information can be easily seen in the proprietary funds financial statements. Segment information for the year ended June 30, 2018 as follows:

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

	Solid Waste Fund	Water Fund	Wastewater Fund	Electric Fund	Combined Total
Total Assets	\$4,724,131	\$14,422,738	\$16,787,287	\$17,260,523	\$53,194,679
Current Assets	3,213,791	4,630,950	2,594,970	6,439,982	16,879,693
Capital Assets	1,510,340	9,791,788	14,192,317	10,820,541	36,314,986
Current Liabilities	254,628	216,542	80,681	1,095,090	1,646,941
Net Position Capital Assets	1,510,340	9,791,788	14,192,317	10,820,541	36,314,986
Net Position Unrestricted	2,613,955	4,118,249	622,420	4,680,099	12,034,723
Operating Revenues	2,326,341	3,289,609	1,355,982	12,454,430	19,426,362
Operating Expense	1,739,278	2,600,357	1,007,620	11,221,446	16,568,701
Operating Income (Loss)	587,063	689,252	348,362	1,232,984	2,857,661
Interest Income	13,922	10,105	3,313	19,276	46,616
Development Fees	-	-	-	12,819	12,819
Hook-up Fees	-	29,800	-	29,651	59,451
Plant Investment Fees	-	-	63,325	-	63,325
Impact Fees	-	-	2,572	-	2,572
Tap Fees	-	23,214	-	-	23,214
Transfers Out	469,386	424,093	299,456	1,169,393	2,362,328
Change in Net Position	137,289	471,024	370,026	183,912	1,162,242
Net Position Beginning	3,987,006	13,439,013	14,444,711	15,316,728	47,187,467
Net Position Ending	4,124,295	13,910,037	14,814,737	15,500,640	48,349,709
Net Cash Flow Operations	778,639	890,551	1,041,140	1,403,151	4,113,481
Net Cash Flow Non-Capital	(463,695)	(361,074)	(299,469)	(1,115,155)	(2,239,393)
Net Cash Flow Capital	(116,476)	(61,409)	(279,027)	(386,863)	(843,775)
Net Cash Flow Investing	13,922	10,105	3,314	19,276	46,617
Beginning Cash	2,674,687	3,589,411	1,929,545	4,395,160	12,588,803
Ending Cash	\$2,887,077	\$4,067,584	\$2,395,503	\$4,315,569	\$13,665,733

4.I. SUBSEQUENT EVENTS/OTHER

The following actions were taken by the City Council subsequent to the June 30th end of the fiscal year but prior to the issue date of this report:

Awarded Quote 2018-07 for a used SUV to Denny Menholt for a 2016 Chevrolet Equinox in the amount of \$19,785.

Authorized the Mayor to sign the funding relinquishment letters to the Wyoming State Loan and Investments Board for undisbursed funds for the mineral royalty grant and the clean water state revolving fund loan pertaining to the wastewater treatment facility project phase 1 in the amount of \$217,160.

Approved the software agreement and authorized the Mayor to sign the agreement between the City of Cody and Sun Ridge Systems for the National Crime Statistics Exchange Grant Project in the amount of \$60,000.

Approved the uncollectible account write offs in the amount of \$59,341.22.

Awarded Bid #2018-08 to Jack's Truck & Equipment for a 2020 Freightliner upfitted by Kois Brothers Equipment Company Inc. in the amount of \$168,376.

City of Cody, Wyoming
Notes to Basic Financial Statements
June 30, 2018

Authorized the Mayor to enter into and sign an agreement between the City of Cody and Jess' Roofing for emergency repairs to the Senior Center building with cost not to exceed \$34,845.

Awarded Bided # 2018-09 to Spradley Barr Motors for a 2019 Ford F350; 1-ton 4wheel drive pick-up in the amount of \$28,901.

Awarded Bid #2018-10 to Spradley Barr Motors for a 2019 Ford F250; ¾ ton 4wheel drive pick-up in the amount of \$27,270.

Awarded Bid # 2018-06 to Tractor & Equipment Company, for one used NorAm 65E motor grader, in the amount of \$140,000.

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REQUIRED SUPPLEMENTAL INFORMATION

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City of Cody, Wyoming
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Modified Accrual Basis
for the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts (budgetary basis)</u>	<u>Variance with Final Budget Positive(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Resources (inflows):				
Taxes				
Sales and Use Tax	\$ 2,770,000	\$ 2,770,000	\$ 2,916,766	\$ 146,766
Franchise Tax	250,000	250,000	263,928	13,928
Licenses & Permits	65,700	65,700	79,296	13,596
Intergovernmental				
Federal Grants	-	61,498	10,710	(50,788)
State Grants	107,428	209,526	105,757	(103,769)
Pass Through Grants	-	748,360	-	(748,360)
Severance Tax	353,000	353,000	353,422	422
Royalties	449,200	449,200	453,699	4,499
State and Federal Funding	702,059	702,059	668,532	(33,527)
Other Taxes				
Motor Vehicle Tax	152,808	152,808	162,552	9,744
Gasoline Tax	415,000	415,000	402,539	(12,461)
Cigarette Tax	75,000	75,000	70,100	(4,900)
Ad Valorem Tax	630,278	630,278	651,998	21,720
Fines and Forfeitures	126,601	126,601	153,676	27,075
Charges for Services:				
Penalites and Fees	120,000	120,000	105,522	(14,478)
Parks and Recreation Fees	1,173,381	1,173,381	1,283,138	109,757
Public Works Fees	390,931	390,931	420,691	29,760
Assessment Revenue				
Investment Income	29,000	29,000	38,261	9,261
Contributions and Donations	256,515	256,515	271,267	14,752
Facility Rentals	82,025	82,025	26,771	(55,254)
Miscellaneous	17,000	17,000	63,808	46,808
Total Revenues	<u>8,165,926</u>	<u>9,077,882</u>	<u>8,502,433</u>	<u>(575,449)</u>
Other Financing Sources:				
Transfers from Other Funds	<u>2,356,810</u>	<u>2,356,810</u>	<u>2,315,282</u>	<u>(41,528)</u>
Total other Financing Sources	<u>2,356,810</u>	<u>2,356,810</u>	<u>2,315,282</u>	<u>(41,528)</u>
Amounts Available for Appropriation	<u>10,522,736</u>	<u>11,434,692</u>	<u>10,817,715</u>	<u>(616,977)</u>
Charges to Appropriations (outflows):				
General Government:				
Mayor and City Council	487,938	497,238	450,999	46,239
City Administrator	155,224	155,824	155,656	168
Administrative Services	1,358,491	1,403,632	1,320,827	82,805
Pass Through Grants	-	748,360	-	748,360
Police	3,038,976	3,153,772	2,850,584	303,188
Parks	895,760	969,580	861,968	107,612
Public Facilities	509,994	507,611	488,277	19,334
Recreation Center	1,849,969	1,846,954	1,723,291	123,663
Community Development	610,018	716,328	696,339	19,989
Streets	1,358,826	1,342,950	1,007,254	335,696
Vehicle Maintenance	312,404	312,785	306,388	6,397
Total Charges to Appropriations	<u>10,577,600</u>	<u>11,655,034</u>	<u>9,861,583</u>	<u>1,793,451</u>
Transfers Out	<u>234,506</u>	<u>234,506</u>	<u>234,506</u>	<u>-</u>
Total Interfund Transfers	<u>\$ 234,506</u>	<u>\$ 234,506</u>	<u>\$ 234,506</u>	<u>\$ -</u>
Net change in fund balance	\$ (289,370)	\$ (454,848)	\$ 721,626	\$ 1,176,474
Fund Balance, beginning	<u>\$ 7,421,425</u>	<u>\$ 7,421,425</u>	<u>\$ 7,421,425</u>	<u>\$ -</u>
Fund Balance, ending	<u>\$ 7,132,055</u>	<u>\$ 6,966,577</u>	<u>\$ 8,143,051</u>	<u>\$ 1,176,474</u>

See independent auditor's report as it relates to required supplementary information.

City of Cody, Wyoming
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Modified Accrual Basis
for the fiscal year ended June 30, 2018

Adjustments to Generally Accepted Accounting Principles Basis:

Changes in due from other governments	\$	100,775
Changes in due from other entities		2,686
Changes in court receivables and related accounts		(14,731)
Changes in other receivables		(188)
Changes in allowances		52,809
Changes in inventory		116,365
Changes in accrued liabilities		(21,163)
Changes in deferred revenue		16,949
		253,502
Net change in fund balances - GAAP basis		253,502

Ending Fund Balance - GAAP Basis

\$ 8,396,553

Notes:

- (1) The City of Cody operates a Vehicle Maintenance department in the General Fund. The main function of this department is to provide maintenance and repair services on fleet vehicles and equipment. Under City policies, interdepartmental services performed by one department for another are credited to the performing department and charged to the receiving department to reflect the accurate cost of programs. For reporting purposes, the Enterprise Fund charges are shown as transfers in/out between funds. The General Fund activities are credited to the performing department and charged as an expense to the receiving departments. The cost allocation is calculated annually based on each department's percentage of use; therefore, actual costs are not being allocated. See Note 1.E. in the Notes to the Basic Financial Statements for additional details.

- (2) The City of Cody operates a Vehicle Replacement capital project fund which accounts for transfers from other funds within the primary government which is to be used to purchase vehicles and equipment. Transfers are based upon each department's vehicles and assigned replacement schedules to allocate appropriate funds to cover future replacements. See Note 3.G. in the Notes to the Basic Financial Statements for additional details.

- (3) The budget for the General Fund is prepared using the modified accrual basis of accounting.

City of Cody, Wyoming
 Budgetary Comparison Schedule - Modified Accrual Basis
 Major Governmental Fund
 for the fiscal year ended June 30, 2018

	LODGING TAX FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive(Negative)
	Original	Final		
Resources (inflows):				
Taxes	\$ 127,000	\$ 127,000	\$ 127,867	\$ 867
Amounts Available for Appropriation	127,000	127,000	127,867	867
Charges to Appropriations (outflows):				
Mayor and City Council	10,500	10,500	8,327	2,173
Community Support	15,000	15,000	15,000	-
Transfers Out	130,765	130,765	126,187	4,578
Total Charges to Appropriations	156,265	156,265	149,514	6,751
Net change in fund balance	\$ (29,265)	\$ (29,265)	\$ (21,647)	\$ 7,618
Fund Balance, beginning	\$ 46,255	\$ 46,255	\$ 46,255	\$ -
Fund Balance, ending	\$ 16,990	\$ 16,990	\$ 24,609	\$ 7,618

See independent auditor's report as it relates to required supplementary information.

City of Cody, Wyoming
 Budgetary Comparison Schedule - Modified Accrual Basis
 Major Governmental Fund
 for the fiscal year ended June 30, 2018

	SPECIFIC PURPOSE TAX FUND			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive(Negative)
	Original	Final		
Resources (inflows):				
Taxes	\$ 2,307,672	\$ 2,307,672	\$ 2,655,011	\$ 347,339
Amounts Available for Appropriation	2,307,672	2,307,672	2,655,011	347,339
Charges to Appropriations (outflows):				
Public Works	504,400	713,400	467,403	245,997
Total Charges to Appropriations	504,400	713,400	467,403	245,997
Net change in fund balance	\$ 1,803,272	\$ 1,594,272	\$ 2,187,608	\$ 593,336
Fund Balance, beginning	<u>\$ 617,758</u>	<u>\$ 617,758</u>	<u>\$ 617,758</u>	<u>\$ -</u>
Fund Balance, ending	<u>\$ 2,421,030</u>	<u>\$ 2,212,030</u>	<u>\$ 2,805,366</u>	<u>\$ 593,336</u>

See independent auditor's report as it relates to required supplementary information.

OTHER SUPPLEMENTAL INFORMATION

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City of Cody, Wyoming
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2018

	<u>Capital Projects Funds</u>		<u>Total Non-Major Governmental Funds</u>
	<u>Public Improvements Fund</u>	<u>Vehicle Replacement Fund</u>	
<u>Assets</u>			
Cash and Cash Equivalents	\$ -	\$ 676,619	\$ 2,975,201
Investments	-	2,005,769	2,005,769
Total Assets	<u>\$ -</u>	<u>\$ 2,682,388</u>	<u>\$ 4,980,970</u>
<u>Liabilities</u>			
Accounts Payable	\$ -	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Fund Equity</u>			
Fund Balance:			
Nonspendable:	\$ -	-	-
Restricted:			
Public Improvements	-	-	-
Committed:	-	-	-
Assigned:	-	-	-
Capital Assets	-	2,682,388	2,682,388
Unassigned	-	-	-
Total Fund Equity	<u>\$ -</u>	<u>\$ 2,682,388</u>	<u>\$ 2,682,388</u>
Total Liabilities and Fund Equity	<u>\$ -</u>	<u>\$ 2,682,388</u>	<u>\$ 2,682,388</u>

See independent auditor's report as it relates to required supplementary information.

City of Cody, Wyoming
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
for the fiscal year ending June 30, 2018

	<u>Capital Projects Funds</u>		<u>Total Non-Major Governmental Funds</u>
	<u>Public Improvements Fund</u>	<u>Vehicle Replacement Fund</u>	
REVENUES			
Investment Income	\$ -	\$ 27,940	\$ 27,940
Total Revenues	<u>-</u>	<u>27,940</u>	<u>27,940</u>
EXPENDITURES			
Current:			
Streets	-	-	-
Capital Outlay	<u>14,040</u>	<u>515,413</u>	<u>529,453</u>
Total Expenditures	<u>14,040</u>	<u>515,413</u>	<u>529,453</u>
Revenues Over(Under) Expenditures	(14,040)	(487,473)	(501,513)
Other Financing Sources(Uses)			
Transfers In	-	407,741	407,741
Revenues and Other Financing Sources Over(Under) Expenditures and Other Uses	(14,040)	(79,732)	(93,772)
Fund Balance - beginning of year	<u>14,040</u>	<u>2,762,120</u>	<u>2,776,160</u>
Fund Balance - end of year	<u>\$ -</u>	<u>\$ 2,682,388</u>	<u>\$ 2,682,388</u>

See independent auditor's report as it relates to required supplementary information.

City of Cody, Wyoming
Schedule of Pensions
for the Fiscal Year Ended June 30, 2018

Schedule of Changes in Net Pension Liability and Related Ratios - Last 10 fiscal years* (unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Public Employee Pension Plan					
City's proportion of the net pension liability (Asset)	0.2371331%	0.2390953%	0.2378250%	0.2320843%	*
City's proportionate share of the net pension liability	\$ 5,405,071	\$ 5,780,129	\$ 5,539,771	\$ 4,095,574	*
City's covered-employee payroll	\$ 4,212,379	\$ 4,262,843	\$ 4,169,999	\$ 3,967,278	*
City's proportionate share of the net pension liability (asset) as a percentage of covered employees	128.31%	135.59%	133.56%	103.23%	*
Plan fiduciary net position as a percentage of the total pension liability	76.35%	73.42%	73.40%	79.08%	*
Law Enforcement Pension Plan					
City's proportion of the net pension liability (Asset)	0.8264306%	0.7681368%	0.8147468%	0.8126946%	*
City's proportionate share of the net pension liability	\$ 711,097	\$ 579,881	\$ 612,037	\$ 239,450	*
City's covered-employee payroll	\$ 1,268,960	\$ 1,188,916	\$ 1,225,377	\$ 1,201,088	*
City's proportionate share of the net pension liability (asset) as a percentage of covered employees	56.04%	48.77%	49.95%	19.94%	*
Plan fiduciary net position as a percentage of the total pension liability	87.99%	88.11%	87.49%	94.76%	*

Schedule of Pension Contributions - Last 10 fiscal years* (unaudited)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Public Employee Pension Plan					
Contractually required contributions	\$ 707,840	\$ 710,756	\$ 689,754	\$ 615,196	*
Contributions in relation to the contractually required contributions	\$ 707,840	\$ 710,756	\$ 689,754	\$ 615,196	*
Contribution deficiency(excess)	\$ -	\$ -	\$ -	\$ -	*
City's covered employee payroll	\$ 4,258,964	\$ 4,276,510	\$ 4,150,144	\$ 3,876,471	*
Contributions as a percentage of covered employee payroll	16.62%	16.62%	16.62%	15.87%	*
Law Enforcement Pension Plan					
Contractually required contributions	\$ 225,664	\$ 206,736	\$ 220,283	\$ 216,359	*
Contributions in relation to the contractually required contributions	\$ 225,664	\$ 206,736	\$ 220,283	\$ 216,359	*
Contribution deficiency(excess)	\$ -	\$ -	\$ -	\$ -	*
City's covered employee payroll	\$ 1,312,002	\$ 1,201,953	\$ 1,280,715	\$ 1,257,901	*
Contributions as a percentage of covered employee payroll	17.20%	17.20%	17.20%	17.20%	*

* Information for years prior to 2015 is not available

** The amounts presented for each fiscal year were determined as of the calendar year end that occurred within the fiscal year

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CERTIFIED PUBLIC ACCOUNTANT

James B. Seckman, CPA, P.C.

PROFESSIONAL CORPORATION

544 Gateway Drive
Powell, Wyoming 82435307-754-2141
Fax 307-754-7061

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 Members of the City Council
Cody, 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 Cody, Wyoming, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Cody, Wyoming's basic financial statements, and have issued our report thereon dated October 5, 2018.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 may exist that have not been identified.

CERTIFIED PUBLIC ACCOUNTANT

James B. Seckman, CPA, P.C.

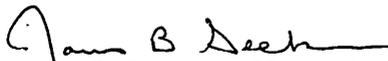
PROFESSIONAL CORPORATION

544 Gateway Drive
Powell, Wyoming 82435307-754-2141
Fax 307-754-7061**Compliance and Other Matters**

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

Purpose of this Report

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


James B. Seckman, CPA, P.C.City of Cody, Wyoming
October 5, 2018

SUMMARY REPORT

AMEND CITY CODE PERTAINING TO PRIVY VAULTS/PORTABLE TOILETS

ACTION TO BE TAKEN

Ordinance to amend Section 8-3-11, pertaining to privy vaults.

SUMMARY

The City Council approved the initial ordinance at first reading and discussed a change in the review process to allow staff to approve placement of portable toilets. Staff has modified the language of the ordinance to what we believe is the intent of the discussion. The proposed code language is as follows, with the language modified since first reading in "track changes":

8-3-11: PRIVIES, CESSPOOLS, ETC., DECLARED NUISANCES; REMOVAL WHERE CITY SEWER AVAILABLE; PORTABLE TOILETS:

In the interests of sanitation and the protection of public health, any and all privy vaults, portable toilets and cesspools within the city or its police jurisdiction are hereby declared to constitute a nuisance and a menace to health, and the same shall be removed whenever a connection to a city sewer is available.

Notwithstanding the above, a portable toilet may be placed temporarily in the city limits on property where any of the following is occurring:

- A. At an active construction site for which a building permit has been issued;
- B. At an active street, utility, or pipeline project that is a City project, or for which a city encroachment permit has been issued; and,
- C. At a special event held in a public or non-profit venue, for up to seven days.

For any other instance where a portable toilet may be necessary, a written request shall be submitted to City Hall staff~~made to the governing body~~, and the Public Works Director and Community Development Director~~Council~~ shall determine whether and under what conditions the request may be granted, based on concerns with odor, aesthetics, health hazards, and safety. The Directors are specifically authorized to approve or deny any specific location, to require screening, to prescribe time limits for placement, to add other conditions and limitations they deem appropriate, and to require immediate removal if compliance with these standards is not maintained.

All portable toilets shall be pumped and cleaned regularly to prevent odor and health impacts to neighboring properties.

This section shall not apply to the permitted storage of portable toilets not in use in a commercial or industrial storage yard.

AGENDA ITEM NO. _____

ALTERNATIVES

1. Amend the city ordinance as proposed.
2. Modify the proposal.
3. Deny the proposal, leaving the city code as is.

FISCAL IMPACTS

No impacts to the city budget are anticipated.

RECOMMENDATION

Approve Ordinance 2018-18 as amended for 2nd Reading.

ORDINANCE NO. 2018-18

**AN ORDINANCE AMENDING TITLE 8, CHAPTER 3, SECTION 11:
PRIVIES, CESSPOOLS, ETC., DECLARED NUISANCES, REMOVAL
WHERE CITY SEWER AVAILABLE**

**BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF
CODY, PARK COUNTY, WYOMING:**

Title 8, Chapter 3, Section 11, of the City of Cody Code, shall be amended to read as follows:

**8-3-11: PRIVIES, CESSPOOLS, ETC., DECLARED NUISANCES; REMOVAL
WHERE CITY SEWER AVAILABLE; PORTABLE TOILETS:**

In the interests of sanitation and the protection of public health, any and all privy vaults, portable toilets and cesspools within the city or its police jurisdiction are hereby declared to constitute a nuisance and a menace to health, and the same shall be removed whenever a connection to a city sewer is available.

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- B. At an active street, utility, or pipeline project that is a City project, or for which a city encroachment permit has been issued; and,
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All portable toilets shall be pumped and cleaned regularly to prevent odor and health impacts to neighboring properties.

This section shall not apply to the permitted storage of portable toilets not in use in a commercial or industrial storage yard.

This Ordinance shall become effective at the final passage and publication in the Cody Enterprise as required by law.

PASSED ON FIRST READING:

PASSED ON SECOND READING:

PASSED ON THIRD READING:

Matt Hall, Mayor

Attest:

Cynthia Baker
Administrative Services Director