

Human
Resources



Parks &
Recreation

Administrative
Services



FY 2014
CAFR



Comprehensive Annual Financial Report City of Laramie, Wyoming Fiscal Year 2014 | July 1, 2013 to June 30, 2014

Building Our Community Through Respect, Integrity, Teamwork, and Stewardship



City Manager



Public
Works

Community
Development



City Attorney



Police

Fire



The City of Laramie

The City of Laramie, Wyoming, is located 49 miles from the state capital, Cheyenne, and is 130 miles from the metropolitan city of Denver, Colorado. Laramie's elevation is 7,165 feet above sea level, and it is situated on the eastern edge of a large, nearly level plateau called the Laramie Plains. The City of Laramie is encircled by the Laramie Mountain Range to the east and north, and by the Medicine Bow Range to the south and west. Laramie is one of Wyoming's 17 "first-class" cities, with a population over 4,000. According to the U.S. Bureau of Census, the current population of Laramie is 31,814. The City is also home to the state's only land grant university: the University of Wyoming.

The transcontinental railroad was essential to the City of Laramie's establishment. Laramie began as a tent city along the Overland Stage Line route, the Union Pacific portion of the transcontinental rail road. Construction of the rails reached Laramie on May 4, 1868. The City served as the western terminal of the Union Pacific rail road, housing the company's depot and hotel, or the Thornburg Hotel, which was almost completely destroyed in a fire in 1917. The northern addition, which had served as a woman's waiting room, remained and served as Laramie's passenger station for seven years. In 1924, a new train depot was built to replace the original, and it served as the Union Pacific's passenger depot until 1971 and as the Amtrak depot until 1983.

As the use of passenger rail declined, the Depot fell out of use and the Union Pacific Railroad considered demolishing the building. However, in 1985, the Union Pacific Railroad donated the Depot to the Laramie Plains Museum. In 1988, the Depot was added to the National Register of Historic Places and, in 2009, the Laramie Plains Museum transferred ownership of the Depot to the Laramie Railroad Depot Association.

Passenger train services to Laramie ended in 1997. Today the depot is used as a community center and is part of Railroad Heritage Park, which includes a train engine, snow plow, bunk car, and caboose. The depot itself houses a few rail road artifacts, including photographs, maps, and other trinkets.



The Laramie Union Pacific Depot, ca. 1924 – H. Svenson Collection, American Heritage Center

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Administrative Services
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November 19, 2014

To the Honorable Mayor, City Council, City Manager, and Citizens of Laramie, Wyoming:

Introduction

We hereby submit the Comprehensive Annual Financial Report (CAFR) of the City of Laramie for the fiscal year ended June 30, 2014 in compliance with all applicable state statutes. State law requires that a CAFR be published within six months of fiscal year end and be audited in accordance with generally accepted auditing standards by independent certified public accountants. There are exceptions to this requirement based on revenue received by the governmental entity.

Responsibility for both the accuracy of the data and the reliability of the information contained in these reports, including all disclosures, rests with the City's management. The statements and other materials in this report are presented in a manner that fairly sets forth the financial position and results of operations for the City of Laramie.

The City's financial statements were audited by Mader Tschacher Peterson & Co., LLC, a firm of independent certified public accountants. The independent audit provides reasonable assurance that the financial statements of the City of Laramie, Wyoming for the fiscal year ended June 30, 2014 are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and evaluating the overall financial statement presentation. The independent auditors have issued an unmodified opinion on the City of Laramie's financial statements for the year ended June 30, 2014, which are fairly presented in conformity with accounting principles generally accepted in the United States of America, and located in the financial section of this report.

In order to meet the Government Financial Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting program requirements, this annual report provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The City of Laramie's MD&A is located in the financial section immediately following the independent auditor's report and preceding the basic financial statements.

Profile of the Government

The City of Laramie, Wyoming, has a population of 31,814 and is located in Albany County, in the south-east corner of Wyoming. The City is a Wyoming municipality with a Council-Manager form of government. The nine-member City Council is comprised of the Mayor, who is elected by the City Council, and eight representatives from the ward system.

Laramie's establishment and growth were initially fueled by the railroad. In 1866, the route for a transcontinental railroad was selected, and Laramie's future was set in motion. As the railroad approached the Laramie area, Union Pacific (UP) employees and tradesmen began arriving. In the spring of 1868, the UP Railroad's chief surveyor, General Grenville Dodge, selected the Laramie town site and its name, Laramie City. The railroad began selling lots in April of that year. On May 9, the line through Laramie was completed and the first train arrived the following day. The City was incorporated on December 12, 1873, seventeen years before Wyoming became a state.

Today, Laramie is still a small town and sits on the high plains prairie of the Medicine Bow Mountain Range. The City of Laramie acts as a transportation corridor for the east/west connections of Interstate 80. The location provides connections for trucks, interstate traffic, and traditional rail freight cars traversing the Rocky Mountain region. Interstate 80's highest point, 8,640 feet, is at the summit of the Laramie Range in the Pole Mountain Area.

While it is a small town, Laramie boasts amenities that are characteristic of larger communities. The University of Wyoming (UW) is the only public four-year higher education institution in the state. Not only does UW provide outstanding opportunities for higher education, it enhances the community through award-winning cultural programs and Division 1-A Intercollegiate athletic events. Residents from across Wyoming travel to Laramie to take advantage of its university scene, and the local economy benefits from these consistent visitors. Laramie is also home to the Wyoming Technical Automotive School, and Laramie County Community College's Albany County Campus. Laramie's educational resources provide the city with an additional temporary population of around 15,000 annually.

The City of Laramie provides regular community services to its citizens. Among those services are law enforcement; emergency services; animal control; code inspections and enforcement; building permits; local licensing; parking enforcement; planning and zoning regulation; parks and recreation; street maintenance; mosquito control; water; sewer; and garbage collection and disposal.

Wyoming state statute requires a balanced budget that is adopted by the third Tuesday in June and also establishes the fiscal year for local governments (July 1 through June 30). The budget is founded upon the City Council's goals and objectives, and identifies the resources necessary to accomplish related initiatives. The City Council adopts the budget through resolution, which is a binding formal action of the governing body. The legal level of budgetary control is generally at the department or fund level, depending on the type of fund. However, capital and one time expenditure appropriations are controlled as specific budgetary items and related changes are treated as amendments or transfers, regardless of whether departmental or fund resources are over expended. Appropriations lapse at fiscal year-end and incomplete projects must be re-appropriated in the next fiscal year as part of the budget adoption or amendment process. For fiscal years 2013 and 2014, the City adopted a biennial budget for the General Fund, Recreation Center Special Revenue Fund, Capital Construction Fund, Parks

and Recreation Development Fund, Water Fund, and Waste Water Fund. An annual budget was adopted for all other funds. The City did not exceed legally-adopted budget appropriations during the 2013-2014 fiscal year.

Local Economy

The state of Wyoming is a large, sparsely populated state with a centralized economy based on natural resources, energy sources, and tourism. The heart of Albany County is the City of Laramie. The City holds 85% of the population of the entire county. Albany County does not have a natural resource base that is subject to economic boom-bust cycles; instead, it has a stable economy based on the University of Wyoming, small business development, and other academic sources.

The top four employers in Albany County, based on the number of all employees including part-time and seasonal employees, are the University of Wyoming, Albany County School District, Iverson Memorial Hospital, and the City of Laramie. The principal sales tax remitters for the county are Wal-Mart Stores, Inc., PacifiCorp, the University of Wyoming, and Source Gas Distribution LLC.

The most recent estimates show that Albany County per capita personal income lags behind both state and national averages, which contains a degree of bias due to the large student population. Other than a decrease in 2009, per capita income has increased steadily since 1987. Albany County has a labor force of approximately 19,200, and a current unemployment rate of around 4.6%, which is higher than the state average of 3.8% and slightly lower than the unemployment rate for Albany County at the end of fiscal year 2013. Property tax delinquency rates are at a five year low in Albany County.

The Wyoming Comparative Cost of Living Index indicates an overall value of 98 for Albany County, with 100 representing the statewide average. The inflation rate for the past year was 3.2% percent in southeastern Wyoming, with 2.7% being the state average. The State's unemployment rate dropped to 3.8% in the second quarter of 2014, compared to 4.7% in the second quarter of 2013. After setbacks by sharply falling natural gas prices beginning in the second quarter of 2012, the mining industry showed a slight job addition in the second quarter of 2014. According to a state economic report, the second quarter of 2014 showed economic growth in the majority of industrial sectors. The state's economy regained strength gradually starting in the third quarter of 2013, thanks to rebounding natural gas prices, expansion of oil drilling, and the strength of service providing industries. At the state level, sales and use tax revenues have increased 13.9% from fiscal year 2013 to fiscal year 2014, and marks three consecutive quarters of double digit growth in sales tax alone. In the same period, Albany County experienced a 5.1% increase in sales and use tax collections. While the City does not see large fluctuations in revenue, it has one of the lowest per capita revenue collection rates in the state. The City has addressed the challenge of limited revenue sources during the past few years through proactive budgeting and currently has a stable financial position because of these measures.

Major Initiatives and Long-Term Capital Planning

The City of Laramie Council and management continue working on long-term plans that will ensure the City can sustainably meet its obligations to provide a broad range of essential services to its residents. Through a number of Council supported programs, the City of Laramie improves services for the citizens and businesses of Laramie. The City follows conservatism in its budgeting and planning process in order

to accommodate its level revenue base and low per capita sales tax collection rate. The City's cash reserve policy, which states that a minimum reserve of three to six months of operating expenditures must be on hand at all times, reflects this philosophy. The City's proactive approach to examining potential revenue reductions, as well as the conservative amount bonded for specific purpose tax infrastructure improvements, also illustrate the importance of fiscal responsibility to the City Council and management. Additionally, the City's practice of biennial budgeting and six year capital planning emphasizes management's commitment to long range financial sustainability.

The City Council and management have implemented a shift to a biennial budget process so that planning can more closely mirror the operating cycle of the state, on which the City relies for supplemental funding and sales tax distributions. Additionally, the budget has been enhanced with comprehensive capital plans for the General Fund, Recreation Center Special Revenue Fund, Capital Construction Fund, Water Fund, Waste Water Fund, and Solid Waste Fund. These plans were implemented to proactively manage and prioritize capital replacement needs on a city-wide level.

The specific purpose tax that Albany County voters approved in May 2010 is addressing needs for long-term infrastructure improvements by funding developments in streets; water and wastewater utilities; and the landfill. Project design began in the spring of 2011, and construction began in fiscal year 2012. The landfill project was completed in fiscal year 2014, and the remaining bonded projects will be completed over the next year.

City management continues to update its long-term financial plan for water and sewer utilities. This plan includes debt, fleet, operations, and capital requirements to provide a comprehensive financial picture. The 10-year capital plan is an important component, as the City has significant infrastructure needs to address. Consultants provide rate analysis and propose rate increases that support financial requirements in the long-term. The financial plan allows City Council and management to quickly see the effects of both rate increases and alternate sources of revenue on the financial health of utility operations.

City Council and management have begun a long-term financial plan for solid waste management, as well. This process started with an Integrated Solid Waste Management study in 2010. Diversion rates to support a newly implemented recycling effort were adopted during fiscal year 2012. Final rate development for the landfill is ongoing and will be fully implemented in fiscal year 2015, as the landfill scale house is built and the City will have an accurate estimate of tonnage. The plan, as contracted with Bell and Associates, will provide similar elements of financial analysis as the utilities plan – debt service, fleet, operational requirements, and capital planning.

Given the concentration of government and education jobs in the community, a priority for the City of Laramie is economic development and diversification. The City partners with the Laramie Economic Development Corporation to pursue potential development opportunities. In fiscal year 2013, the City was awarded an historic grant from the Wyoming Business Council for over \$5 million to fund infrastructure development for a technology park. Both the Laramie Economic Development Corporation and the University of Wyoming are partners in this project. Development is underway, and construction will be complete in fall 2014. Additionally, in fiscal year 2014, the City secured funding

from the Wyoming Business Council to assist with the relocation of HI VIZ Shooting Systems to Laramie. More economic development initiatives are in the queue for the coming fiscal year, and the City and its partners are hopeful that these efforts will help ensure the long-term health of the local economy.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Laramie for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This was the 37th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

The compilation of the Comprehensive Annual Financial Report is the responsibility of the Finance Department. This report is evidence of the dedication and many hours of hard work required to compile such a report. I would like to thank the entire Finance Staff for the excellent service they provide throughout the year which is reflected in this Comprehensive Annual Financial Report. The City is grateful to the State of Wyoming Division of Economic Analysis, the University of Wyoming, Wyoming Center for Business & Economic Analysis, Inc., the Laramie Economic Development Corporation, and the Laramie Chamber Business Alliance for their support in providing statistical data. I would also like to thank the City Council, the Finance Committee members, the City Manager and Assistant City Manager, and departments for their leadership and support in developing this CAFR.

Malea Brown
Administrative Services Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

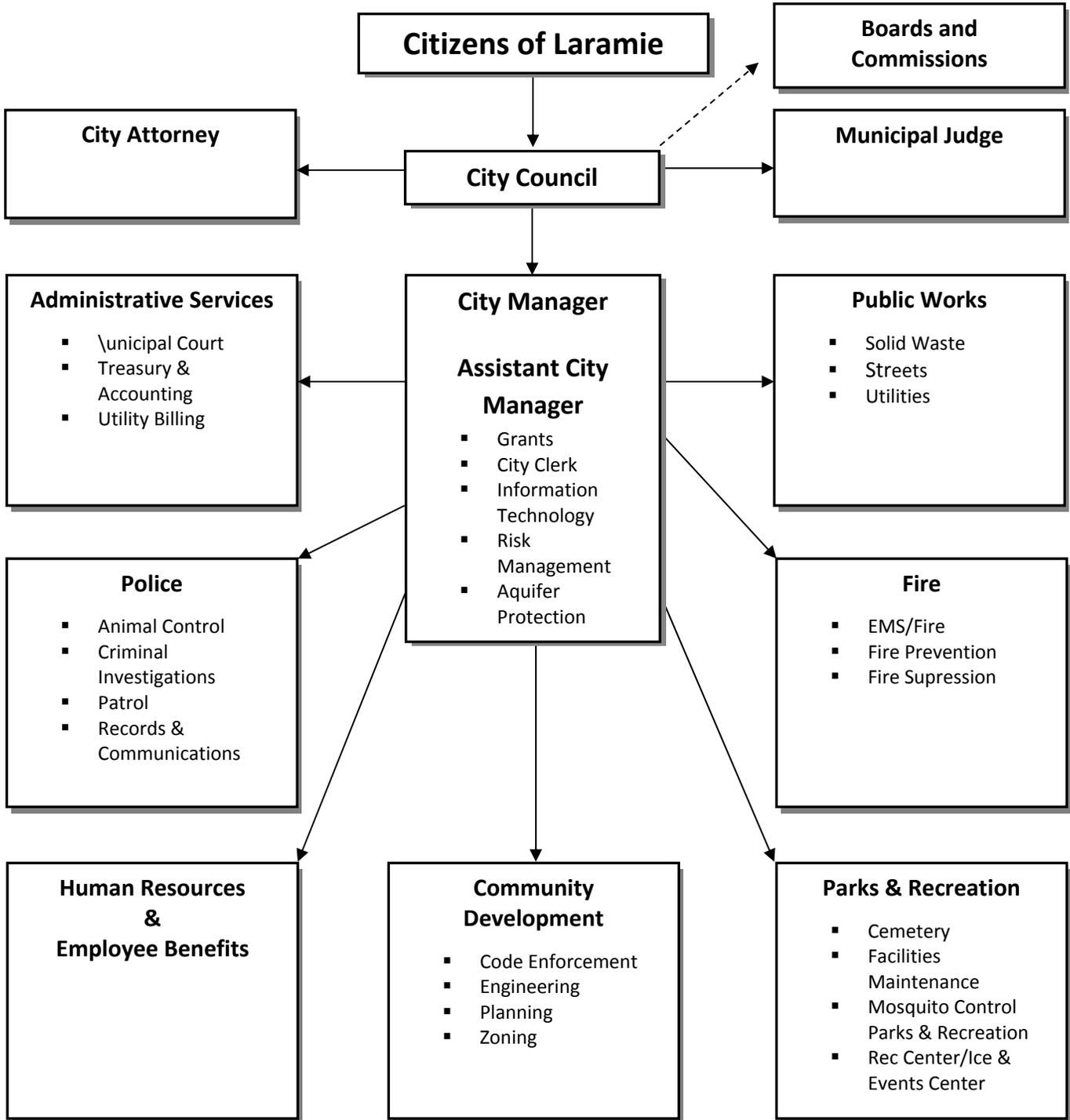
**City of Laramie
Wyoming**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

City of Laramie Organization Chart



City of Laramie, Wyoming

OFFICIALS

CITY COUNCIL

Dave Paulekas, *Mayor, Ward 2*
Paul Weaver, *Vice Mayor, Ward 1*
Klaus Hanson, *Ward 3*
Vicki Henry, *Ward 1*
Lee Kempert, *Ward 3*
Andrea Summerville, *Ward 1*
Jayne Pearce, *Ward 2*
Joe Shumway, *Ward 2*
Joe Vitale, *Ward 3*

MUNICIPAL JUDGE

Meredith Peterson, *Municipal Judge*

CITY ATTORNEY

David Clark, *City Attorney*

MANAGEMENT TEAM

Janine Jordan, *City Manager*
David Derragon, *Assistant City Manager*
Malea Brown, *Administrative Services Director*
Lori Curry, *Human Resources Director*
Earl Smith, *Public Works Director*
Paul Harrison, *Parks & Recreation Director*
Randy Hunt, *Community Development Director*
Dan Johnson, *Fire Chief*
Dale Stalder, *Police Chief*





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor, Members of
City Council, and City Manager
Laramie, Wyoming

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Laramie, Wyoming as of and for the year ended June 30, 2014, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Laramie, Wyoming, as of June 30, 2014, 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.

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 12-42 and 103-105 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 Laramie, Wyoming's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, other governmental funds budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other governmental funds budgetary comparison schedules 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Madel Tschacher Peterson + Co, LLC

Laramie, Wyoming
November 24, 2014



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CITY OF LARAMIE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

Management's discussion and analysis is based on the City's financial activities for the fiscal year ended June 30, 2014. The narrative is designed to (1) assist the reader in focusing on significant financial issues (2) provide an overview of the City's financial activity (3) identify any changes in financial position (4) identify any material changes and deviations from the adopted budget and (5) discuss any major fund concerns.

Financial Highlights

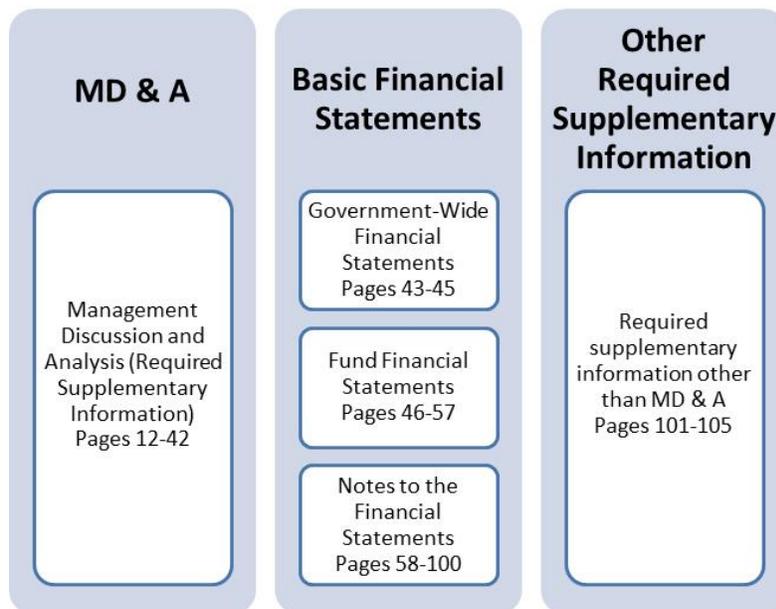
- The assets of the City of Laramie exceeded its liabilities and deferred inflows of resources at the close of 2014 by \$223.1 million (*net position*). Of that amount, \$58.4 million in unrestricted net position (\$22.2 in Governmental Activities and \$36.2 in Business-Type Activities) can be used to meet the government's on-going obligations and commitments to citizens and creditors in accordance with the City's fiscal policies.
- In FY14, the City's governmental activities net position decreased \$1.7 million while the business-type activities net position increased \$19.2 million compared to FY13. The City's total net position increased by \$17.5 million during the current fiscal year.
- At fiscal year-end, the City's total combined governmental funds ending fund balances were at \$49.2 million. The Recreation Center endowment of \$2.6 million makes up the majority of nonspendable fund balance. Other nonspendable fund balances include General Fund prepaid inventory. The debt service fund has a restricted fund balance of \$10.0 million which is reserved for payment of Wyoming Territorial Park debt. The 2010 specific purpose bonding still has remaining dollars in the trust for restricted infrastructure capital projects and taxes collected for bond issuance payments. The Specific Purpose Tax Fund's total for restricted fund balance is \$9.9 million. The Capital Construction Fund has restricted and committed fund balance related to projects, including Cirrus Sky Technology Park Development and drainage improvements such as Indian Ridge and East Gateway projects. The assigned fund balance in the General Fund mainly represents encumbrances from the previous years' budget and monies to balance the current biennium budget. The General Fund's total fund balance is \$17.9 million. There is \$8.1 million in the General fund that is unassigned and can be spent at the City's discretion or used to maintain operating levels.
- The state legislature once again provided a two-year fiscal commitment, FY13-14, for one-time over the cap severance monies. For FY 2014, the Governor recommended, and the legislature approved additional local government revenue sharing totaling \$20 million statewide. The City of Laramie's initial distribution for FY13 - 14 was \$3.76 million each year and the additional one-time funding provided an additional \$1.8 million in direct distribution. The legislature's recommendation and budget reflected the state's current economy, which has been affected by a contraction in the state's energy industry due to lower natural gas prices.

CITY OF LARAMIE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

- The City's debt decreased in total by \$2.0 million. In the governmental activities, debt decreased by \$1.9 million. The 2010 general obligation bonded debt had a pay down of \$1.8M, which is being backed by the specific purpose one-penny tax. The business-type activities debt decreased in total by \$0.1 million. The majority of the reduction for business activities resulted from payments on the waste water treatment plant Wyoming State Land and Investment Board loan, totaling approximately \$725,863, and a refinance on the 2001 water revenue bond to lower the interest rate. A \$1,889,992 loan for the Laramie transmission line is being financed by the Wyoming Water Development Commission (WWDC) at a 4% interest rate. Payments are not due on this loan until the project is complete. Reductions in debt were offset by new lease purchases for equipment including a street wheel loader (governmental activities) and a water dump truck (Business activities).

Overview of the Financial Statements



The City's financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements and 3) notes to the financial statements. The focus of the financial statements is based on the City as a whole (government-wide financials) and the major individual funds. This reporting allows for a broader comparison and enhanced accountability for the City's financials.

Government-wide financials

The government-wide financial statements (see pages 43-45) are designed similar to business or private sector statements in that the reporting of governmental and business-type activities is consolidated into columns that total for the primary government. Government-wide statements consist of a Statement of Net Position and a Statement of Activities which are prepared to present the financial position and changes in net position for the entire

CITY OF LARAMIE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

government (except fiduciary funds) using an economic resources measurement focus and the accrual basis of accounting. In the Statement of Net Position and the Statement of Activities, City services are reported as three kinds of activities:

- Governmental activities – This category includes most of the City's Services including police, fire, streets, parks & recreation, public works, administrative services and general administration. Most of these services are funded by sales and use taxes, property taxes, franchise fees, and state and federal grants.
- Business-type services – The City charges a fee to customers to help cover all or most of the cost of services it provides. City services such as water, sewer, and solid waste are reported here.
- Component Units – Although legally separate, component units are reported when certain criteria are met because the City is financially accountable for them.

The Statement of Net Position reports all assets, including capital assets (land, buildings, and equipment) and infrastructure (roads, bridges, etc.), deferred outflows of resources, all liabilities, and deferred inflows of resources. This statement encourages reporting financial statement elements in order of liquidity.

GASB (Governmental Accounting Standards Board) Statement 63 requires that certain defined transactions that do not qualify for treatment as either assets or liabilities be accounted for and reported as either deferred outflows of resources or deferred inflows of resources. Deferred inflows of resources are acquisitions of net position or fund balance that relate to a future period. Deferred outflows of resources are consumptions of net position or fund balance by the government that are applicable to a future reporting period. The requirements of Statement 63 improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflow of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as net position subdivided into three categories:

- Net Investment in Capital Assets
- Restricted
- Unrestricted

The Statement of Activities is presented using a net cost format designed to highlight the portion of each functional activity (general government, public safety, etc.) that must be financed from general revenues of the government. The Statement of Activities reports all expenses, including depreciation, associated with a functional activity. Program revenues, like

CITY OF LARAMIE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

charges for services and grants and contributions, are deducted to arrive at the program's net cost to the government. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes or franchise fees and earned but unused compensated absences).

The government-wide statements improve financial reporting by aiding the users of financial statements in assessing the finances of the government as a whole. The reports determine whether the government's overall financial position has improved or deteriorated.

Fund Financial Statements

The readers of governmental financial statements will find the fund financial statements are more familiar except that the focus is on major funds rather than fund types. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific purposes or objectives.

The City, like other governmental agencies, uses fund accounting to demonstrate compliance with finance-related legal requirements. All of the funds for the City are categorized as either governmental funds, proprietary funds, or fiduciary funds. Major fund types only apply to the governmental and enterprise funds. All other non-major funds are aggregated into one column. In fiscal year 2011, GASB Statement 54 was implemented, which required a change in fund balance reporting (see note disclosures, pages 70-71).

Governmental Funds

Governmental funds are used to account for the same activities reported in the governmental-wide financial statements as governmental activities. However, unlike the governmental statements, the government funds focus on current sources and uses of spendable resources and the balances of spendable resources available at year-end. This information is useful in evaluating the City's short-term financing requirements. Required governmental fund statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances. To allow users to assess the relationship between fund and government-wide financial statements, summary reconciliations are presented that describe the differences between the governmental fund statements and the government-wide statements (see pages 43-50).

Each of the fund statements reports separate columns for the General Fund and for other major governmental and enterprise funds. Major funds are funds whose revenues, expenditures/expenses, assets and deferred outflows of resources, or liabilities and deferred inflows of resources (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds. Any other fund may be reported as a major fund if

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the government's officials believe that fund is particularly important to financial statement users. Non-major funds are reported in the aggregate in a separate column. Internal service funds are also be reported in the aggregate in a separate column on the proprietary fund statements

The City of Laramie maintains nine governmental funds. The City's major governmental funds are as follows: General, Specific Purpose Tax, Debt Service, and Capital Construction. Non major funds are presented in the aggregate on the governmental fund statements. Individual fund data for each of the non-major governmental funds is provided on separate combining financial statements (see pages 106-109).

Proprietary Funds

Proprietary funds are used when the City charges for the services it provides either to an outside customer or to other units within the City. The proprietary funds are reported using an economic resources measurement focus and the accrual basis of accounting, which is the same measurement focus and basis of accounting used in the government wide financial statements. Required proprietary fund statements include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. The City's enterprise funds (a component of the proprietary funds) are the same as the business-type activities reported in the government-wide statements, but the proprietary fund statements provide additional information including cash flows. The City uses enterprise funds for its water, sewer, and solid waste operations. These enterprise funds are all considered major funds.

The proprietary fund Statement of Revenues, Expenses, and Changes in Net Position distinguish between operating and non-operating revenues and expenses. This statement reports capital contributions, contributions to permanent and term endowments, special and extraordinary items, and transfers separately at the bottom of the statement to arrive at the all-inclusive change in fund net position. Cash flow statements are prepared using the direct method.

Internal service funds (the other component of proprietary funds) are used to accumulate costs and services for other City programs and services, such as the City's Health Insurance Fund.

Fiduciary Funds

Fiduciary funds are used to report assets that are held in a trustee or agency capacity for others and cannot be used to support the government's own programs. Required fiduciary fund statements are a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The accounting basis and measurement focus used for fiduciary funds is the same as that used for proprietary funds and government wide statements. The City has one fiduciary fund which is the Cemetery Trust Fund.

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Note Disclosures

The notes to the basic financial statements provide a statement of significant accounting policies and a full understanding of the data within the financial statements. The notes also provide narrative disclosures that are essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

Besides the financial statements and accompanying notes, the annual report requires supplementary information on pension benefits and budgetary compliance of the General Fund and the major special revenue funds. The combining statements referred to earlier in connection with governmental funds and internal service funds are presented immediately following the required supplementary information.

Governmental-Wide Financial Analysis

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following analysis focuses on net position, as reported on the Statement of Net Position, and changes in net position, as reported on the Statement of Activities. The City's combined net position totaled \$223.1 million as of June 30, 2014. Governmental activities net position was \$100.8 million and business-type activities net position was \$122.3 million. In total, the City's net position increased \$17.5 million, or 8.5% from FY 2013 to FY 2014. Net investments in capital assets increased \$16.7 million, or 14.6%. Restricted net position decreased \$5.2 million, or 13.4%. Unrestricted net position increased \$6.02 million, or 11.5%.

Total Net Position

By far, the largest portion of the City of Laramie's net position (58.8%) is its investment in capital assets (e.g. land, building, infrastructure, and equipment). Although the City's investment in capital assets is reported net of related debt and includes related deferred outflows and inflows of resources, it should be noted that the resources needed to repay this debt must be provided by other sources, since the capital assets cannot be used to liquidate related liabilities.

Approximately 15% of the City's net position represents resources that are subject to external restrictions on how they can be used. Another \$58.4 million or 26.2% is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. At the end of 2014, the City is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate government and business-type activities.

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Governmental Activities Net Position

The total net position of the City's governmental activities decreased approximately \$1.7 million, or 1.6% during the current fiscal year. This decrease was comprised of a decrease in restricted net position of \$4.7 million, an increase in net investment in capital assets of \$2.6 million, and an increase in unrestricted net position of \$0.4 million.

The decrease in restricted net position is primarily due to completed project activities in the Specific Purpose Tax fund. The funding for these projects is reported as restricted net position and includes monies received from one cent sales tax in FY 2014 of \$3.3 million. From the restricted balance in FY 2014, \$7.4 million was spent on water, street, sewer, and landfill infrastructure projects and \$2.2 million went against principal debt and interest bond payments.

The increase in the investment in capital assets is due to the construction in process of the Cirrus Sky technology park, street infrastructure funded by Specific Purpose tax (e.g. 19th street reconstruction), drainage projects, and equipment in the governmental funds.

Business-Type Activities Net Position

Business-type activities increased the City's net position by \$19.2 million. This increase was comprised primarily \$14.1 million in net investment in capital assets. The landfill had facility upgrades including a new baler building totaling \$3.4 million. There were significant infrastructure projects, some of which are still in process, including priority replacement of water and sewer lines, the Grand Ave water line project and the South Laramie new distribution line.

Tiered rates began in January 2010 for water and sewer. This transition was implemented to increase program revenue to fund operating and maintenance costs as well as to build capacity for either cash or debt funded infrastructure projects. The long-term financial plan seeks to level operating and capital dollars by using available cash to alleviate peaks in rate adjustments.

There was a \$5.5 million increase in unrestricted net position, which is a reflection of both the rate build up for infrastructure funding and major construction schedule delays due to the focus on completing SPT projects. As the SPT projects ended in FY 2014, the increase in unrestricted net position will be directed to the City's investment in capital assets. The increase in the investment in capital assets is due to capital projects being completed within the business-type funds, as well as the capitalization of SPT projects into the business-type funds at completion.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to the prior year.

Table 1
Statement of Net Position
(In Thousands)

	<u>Governmental Activities</u>		<u>Business -Type Activities</u>		<u>Total Primary Government</u>	
	<u>FY14</u>	<u>FY13</u>	<u>FY14</u>	<u>FY13</u>	<u>FY14</u>	<u>FY13</u>
Current and Other Assets	\$ 60,094	\$ 62,914	\$ 44,697	\$ 38,224	\$ 104,791	\$ 101,138
Capital assets	77,194	76,573	95,789	81,778	172,983	158,351
Total assets	137,288	139,487	140,486	120,002	277,774	259,489
Deferred Outflows of Resources	-	-	-	-	-	-
Long-term liabilities (As Restated)	30,943	32,810	15,704	15,702	46,647	48,512
Other liabilities	5,516	4,186	2,258	952	7,774	5,138
Total liabilities	36,459	36,712	17,962	16,654	54,421	53,650
Deferred Inflows of Resources	-	-	193	235	193	235
Net Position:						
Net investment in capital assets	48,568	46,012	82,733	68,567	131,301	114,579
Restricted	30,012	34,669	3,433	3,967	33,445	38,636
Unrestricted (As Restated)	22,249	21,810	36,165	30,579	58,414	52,389
Total Net Position	\$ 100,829	\$ 102,491	\$ 122,331	\$ 103,113	\$ 223,160	\$ 205,604

(See note disclosure on prior period adjustments – page 99)

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MANAGEMENT’S DISCUSSION AND ANALYSIS
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Statement of Activities

The following table reflects a condensed Statement of Activities compared to the prior year.

Table 2
Changes in Net Position
(In Thousands)

	<u>Governmental</u>		<u>Business -Type</u>		<u>Total Primary</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Government</u>	
	<u>FY14</u>	<u>FY13</u>	<u>FY14</u>	<u>FY13</u>	<u>FY14</u>	<u>FY13</u>
REVENUES						
Program revenues:						
Charges for services	\$ 5,538	\$ 5,284	\$ 17,574	\$ 17,650	\$ 23,112	\$ 22,934
Operating grants and contributions	1,314	1,256	-	-	1,314	1,256
Capital grants and contributions	3,375	2,772	4,446	682	7,821	3,454
General revenues:						
Property tax	2,204	2,240	-	-	2,204	2,240
Sales & Use Tax – restricted						
Capital projects	3,355	3,202	-	-	3,355	3,202
Sales & Use Tax -unrestricted	9,265	8,830	-	-	9,265	8,830
Gas & fuel Tax	985	627	-	-	985	627
Other taxes	9,491	7,664	-	-	9,491	7,664
Investments income	262	95	112	47	374	142
Miscellaneous	3,826	4,866	208	277	4,034	5,143
Gain on Sale of land	497	-	-	-	497	-
Total revenues	\$ 40,112	\$ 36,836	\$ 22,340	\$ 18,656	\$ 62,452	\$ 55,492

CITY OF LARAMIE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

Table 2
Changes in Net Position
(Continued)
(In Thousands)

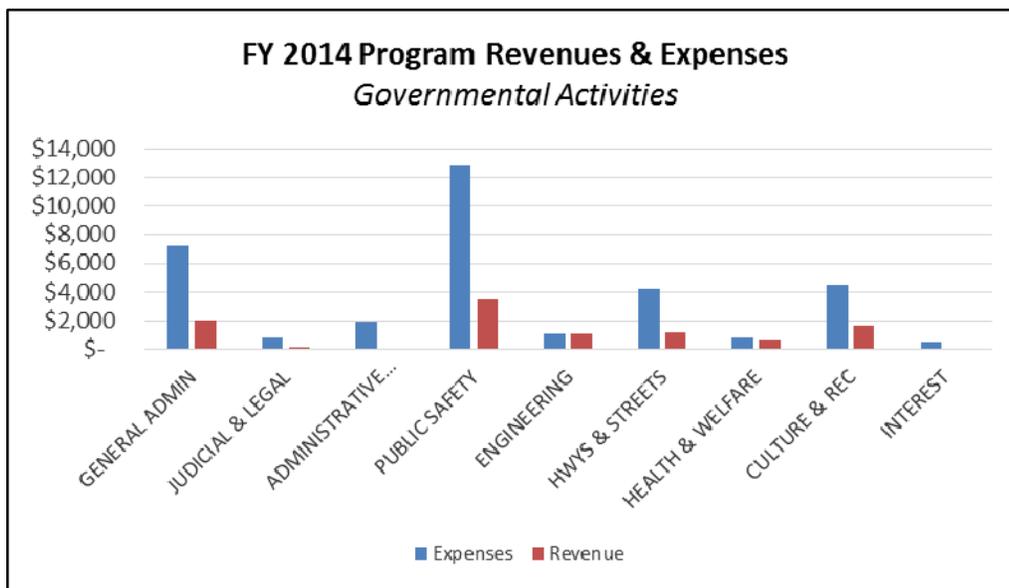
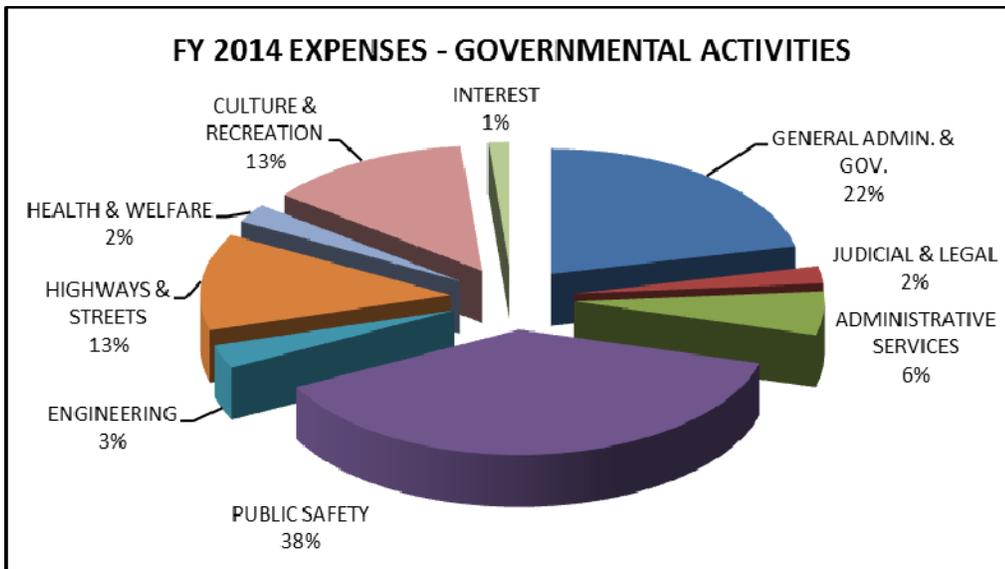
	<u>Governmental</u>		<u>Business - Type</u>		<u>Total Primary</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Government</u>	
	<u>FY14</u>	<u>FY13</u>	<u>FY14</u>	<u>FY13</u>	<u>FY14</u>	<u>FY13</u>
EXPENSES						
Program Activities						
Primary Government:						
Governmental Activities:						
General Administration	\$ 546	\$ 513	\$ -	\$ -	\$ 546	\$ 513
Administrative Services	1,906	1,686	-	-	1,906	1,686
Judicial and Legal	765	664	-	-	765	664
General Government	6,697	7,502	-	-	6,697	7,502
Police	6,962	7,078	-	-	6,962	7,078
Fire	5,900	6,154	-	-	5,900	6,154
Engineering	1,028	935	-	-	1,028	935
Highways & Streets	4,236	4,551	-	-	4,236	4,551
Animal Control	420	408	-	-	420	408
Mosquito Control	400	274	-	-	400	274
Parks & Recreation	4,156	3,911	-	-	4,156	3,911
Cemetery	306	271	-	-	306	271
Interest Costs	468	574	-	-	468	574
Business-type Activities:						
Water	-	-	5,467	6,423	5,467	6,423
Waste Water	-	-	2,909	2,635	2,909	2,635
Solid Waste	-	-	2,731	2,292	2,731	2,292
Total expenses	\$ 33,790	\$ 34,521	\$ 11,107	\$ 11,350	\$ 44,897	\$ 45,871
Increase in net position before transfers	6,322	2,315	11,233	7,306	17,555	9,621
Subsidy Transfers	1,343	911	(1,343)	(911)	-	-
Capital Asset Transfers	(9,328)	(4,901)	9,328	4,901	-	-
Change in net position	(1,663)	(1,675)	19,218	11,296	17,555	9,621
Net Position beginning – (as Restated)	102,491	104,166	103,113	91,817	205,604	195,983
Net Position ending	<u>\$ 100,828</u>	<u>\$ 102,491</u>	<u>\$ 122,331</u>	<u>103,113</u>	<u>\$ 223,159</u>	<u>\$ 205,604</u>

(See note disclosure on prior period adjustments – page 99)

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Governmental-type Activities Revenues and Expenses



The governmental activities charts above illustrate operating expenses and program revenues by function. Public Safety is the largest function at 38% of total governmental operating expense, followed by General Administration & General Government at 22%, Highways & Streets at 13%, Culture & Recreation at 13%, Administrative Services 6%, Engineering at 3%, Health & Welfare at 2% and Judicial & Legal at 2%.

Sales tax, property tax, severance and mineral taxes, franchise fees and other taxes are general revenues used to support overall governmental functions; therefore, these items are not shown as program revenues. Sales tax makes up 32% of total revenue. Other categories of revenue, as a percentage of total revenue, are as follows: other taxes, such as, severance and mineral

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taxes and franchise fees at 24%; property tax at 6%; charges for services at 14%; operating grants and contributions at 3%; capital grants and contributions at 9%; and investment and miscellaneous income at 12%. Governmental activities, including transfers, decreased \$1.663 million. Key factors driving this change include the following, based on the government-wide Statement of Activities:

Governmental Activities Revenues

- Overall, governmental activities revenues increased by \$3.3 million or 8.9%. Over one half of this increase is due to the FY 2014 over the cap supplemental severance tax from the State. The State allocated an additional \$20 million to local governments. This equated to additional direct funding to the governmental funds of approximately \$1.8 million.
- Collections on the fourth and fifth penny sales tax increased approximately 5% from FY 2013. With the disappearance of the food tax, the State subsidized this revenue reduction to municipalities for several years. In FY 2011, the State discontinued backfilling the gap thereby reducing revenue to the City. However, the economy has seen slow growth this year in Laramie. The increases are attributed to strengthening retail and utility sales. There was a similar increase of 5% with the 6th penny sales tax. This tax pays for bonding of infrastructure capital projects including streets.
- Charges for Services in Engineering were slightly higher by \$254,000 or 4.8%. This was mainly due to planning and construction permit increases.
- Capital grants, operating grants and other contributions increased by approximately \$661,000, or 16.4%. The largest grant funded was a Wyoming Business Council Business Ready Community grant for Cirrus Sky Technology Park development. The City received over \$1.8 million grant reimbursement for development and land purchase of the technology park. The City has also supplemented their operations with grants due to the flat to slow growth in sales tax dollars that results from the concentration of governmental employers in the community who do not pay sales and use tax, including the University of Wyoming.

Governmental Activities Expenses

- Expenses for governmental activities decreased by \$0.73 million or 2.1%.
- In FY 2013, the City entered into a grant agreement with the Wyoming Business Council to acquire land and construct infrastructure for the Cirrus Sky Technology Park in Laramie. At completion of the project, ownership of the land will be transferred to Laramie Economic Development Corporation. The City recognized a loss for the land donation in FY 2013 for \$1.43 million but in FY 2014 made a prior period adjustment for \$317,181 (See note disclosure page 99) as a parcel of land will not be transferred making the loss \$1.14 million, which is the majority of the General Government comparative expenditure differences between FY 2014 and FY 2013.

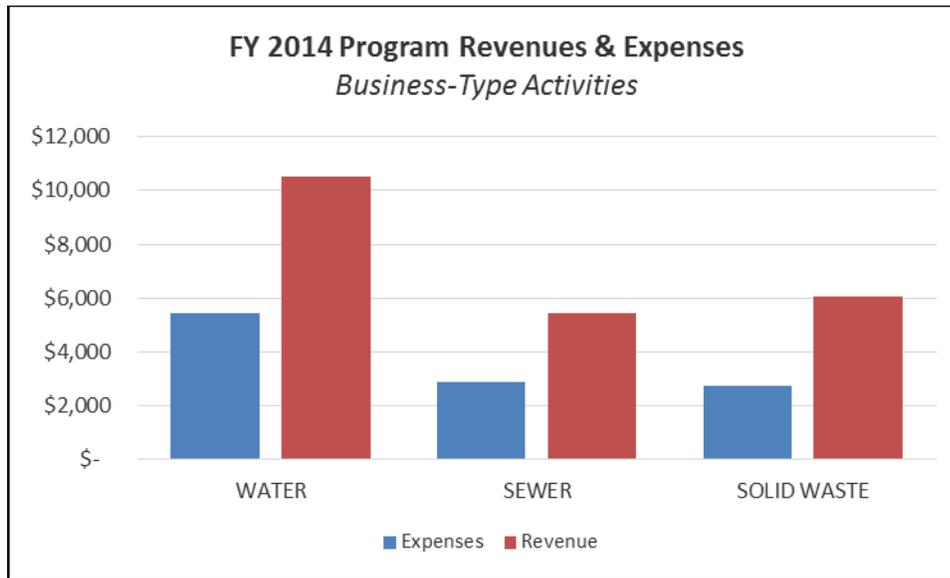
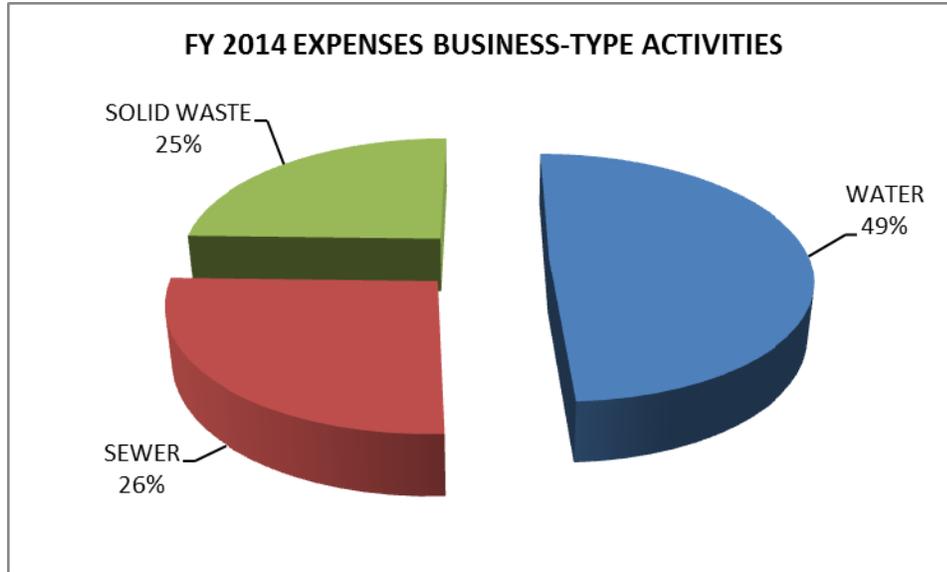
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- Other increased expenditures in other government in 2014 included the Wyoming Association of Risk Management (WARM) liability and property premiums, which increased approximately \$92,739. In the property pool, there were increases in valuations that effected rates.
- In Legal, there was a benefitted position increased for a grant supported position, Traffic Safety Resource Prosecutor for the State of Wyoming. This position provides a resource to prosecutors and law enforcement officers with a primary emphasis on DWUI and the position will assist City with civil work. The position was funded 75% grant and 25% match to the City.
- Fire expenditures decreased approximately \$254,000 or 4%, due to grant funded positions in FY 2013 that didn't continue into FY 2014.
- Police expenditures increased in Laramie Albany County Records Communication (LARC) from adding an additional benefitted dispatcher. The Police Department was also awarded a Community Oriented Policing Services (COPS) grant that allows for two traffic officers to be reimbursed through the grant when they are at full staffing.
- Highways and Streets spent less in supplies (i.e electronics & Shop) and had less storm drainage improvements pending a city-wide drainage study.
- There were inter-governmental capital asset transfers between the governmental activities and business-type activities for \$9.3M. These transfers were for completed water and sewer projects within the specific purpose tax capital fund or major capital fund that are proprietary fund assets.

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Business-type Activities Revenues and Expenses



The previous charts illustrate expenses and program revenues by source. The Utilities are mainly funded by fees for services.

Business-type activities in the Utilities (Water and Sewer) and Solid Waste fund increased the City's net position by \$19.2 million. Major variations are described in the next section.

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Business-type revenues

- Charges for services in the business-type activities totaled \$17.6 million which was only a \$76,374 increase from FY 2013. Water operating revenues, excluding plant investment and development fees, decreased by 6.4%, even though the City enacted tiered rate revenue requirement increases of 3.0% in January of 2013 and 1.0% in January of 2014. These revenue required rate increases are aimed at addressing additional budgetary requirements. With increased seasonal demand, the tiered rate structure brings more revenue from higher consumption residential users. However, the overall consumption in the summer months was down due to the weather conditions in Laramie being mild and rainy. Wastewater operating revenues, excluding plant investment and development fees, increased by 6.4% due to the enacted combined rate increases of 3.0% in January of 2013 and 1.0% in January of 2014. Commercial flow is directly linked to customer's month-to-month water consumption; however, residential customer rates are based on an average of their lowest quarter of usage. Solid Waste operating revenues increased 15.1%. The State Department of Environmental Quality (DEQ) required lining of the Laramie landfill, which increased the cost of service to the public. The landfill also received grants to install a new baler building. Disposal and landfill dump fees have increased to accommodate the cost of service. Rates were again increased in April 2014 for disposal and landfill dump charges. These rates are being set on an assumed cost per ton of \$53. The rate build up is required for proposed operations at the landfill which include a scale house, baler building, and lined landfill cells. The City recently implemented a new scale house and is collecting a year of data to verify the cost of tonnage based on volume prior to making further rate changes.
- Non-operating revenues (water, sewer, solid waste) remained relatively stable without change as investment income increased slightly while plant investment fees decreased.
- \$4.5 million was received from grant funding sources in FY 2014. The monies received were from the State Land and Investment Board (SLIB) and Wyoming Water Development Commission (WWDC) for several water and sewer projects. Solid Waste received a grant for the baler building from state SLIB grants and the local allocation of state project consensus funding.

Business-type expenses

- Total business-type expenses totaled \$11.1 million in FY 2014, a decrease of \$243,000 compared to FY 2013. Water Fund expenses decreased \$956,000, due to completion of preventative maintenance including materials for line and road repair during FY 2013. Solid Waste expenses increased \$439,000, while Waste Water Fund expenses increased by \$274,000. Solid Waste continued to make major improvements which contributed to capital and equipment expenses including expanding to a City wide recycling program and new baler building. These improvements and equipment increased depreciation

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expense within this fund. The Waste Water Fund had maintenance issues and major repairs on lines compared to FY 2013. Also, there was an additional full time benefitted maintenance worker hired to operate an additional camera to maintain sewer lines.

- The Water fund had \$193,000 in deferred inflows of resources from a deferred gain related to refinancing bonds issued in 2001 and 2008, and the City is amortizing the gain over the remaining life of the bonds (see disclosure note page 90).
- There were inter-governmental capital asset transfers between the governmental and business-type activities for \$9.3 million. These transfers were for completed water and sewer projects within the specific purpose tax capital fund and major projects capital fund that are propriety fund capital assets.

NORMAL IMPACTS

The factors described below can impact the City's revenues and expenses.

Revenues:

Economic Condition – A City's declining, stable, or increasing economic growth and development can have a substantial impact on the collection of sales, property, gas and other tax revenue as well as on public spending habits for service charges, including consumption and elective user fees.

Changes in Enterprise Rates & Fees – The City Council has authority to increase, decrease, or maintain rates for the enterprise funds of water, waste water and solid waste. The Council can also change user fees such as permits, recreation costs, or police security.

Changes in Grant Funding & Intergovernmental Revenues – Certain intergovernmental revenues may be more predictable and recurring, (e.g. county sharing programs and block grants) whereas many one-time funding sources can significantly change and are less predictable, which can distort yearly comparisons.

State Impact on Distribution Methods – The State of Wyoming has significant impact on intergovernmental revenue based on yearly legislation regarding distribution methods and capping of certain taxes including severance and mineral royalties.

Market Rate Impact of Investment Income – The City's investment portfolio uses treasuries, bonds, certificates of deposits and state investment pools. These instruments are subject to market conditions and fluctuations and can cause income to rise or fall.

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Expenses:

Program Management – Within each functional area of expense, categories within the City's individual programs (e.g. Police, Fire, Public Works, etc.) may be added or deleted. In addition, the level of program service may rise or fall to meet the changing needs of the community.

Personnel Changes – Changes in level of services, community needs, or financial condition may cause the City Council to increase/decrease authorized staffing.

Salary Increases – The City may choose to give cost of living, merit, or market adjustment salary increases. These increases are made to attract and retain the City's best asset: its employees. The City strives to match similar competitive salary ranges in the marketplace.

Inflation – Overall inflation appears reasonably modest but the City is a major consumer and some functions may experience unusual commodity-specific increases. Health insurance and worker's compensation continue to rise within the City and impact overall expenses.

THE CITY'S FUNDS

Governmental Funds

The focus of the City's governmental fund statements is to provide information on near-term inflows and outflows and balances of spendable resources. GASB 54 provided new classifications of fund balance. Reporting now focuses on amounts for which the government is bound by both internal and external constraints to use resources in a specific way (see note disclosures on pages 70-71).

The General Fund serves as the main operating fund for the City. Also, included in the Governmental Fund statements is the Specific Purpose Tax Fund, the source of which is the additional penny that taxpayers approved for construction of several capital projects that benefit the community. The Governmental Fund statements also report the City's two other major funds, the Capital Construction Fund, and the Wyoming Territorial Prison Debt Service Fund, as well as a combined total for non-major funds, for which statements are available on pages 106-109. Activity in the Capital Construction Fund includes multi-year capital projects that usually have grant or other funding sources. The debt service fund has a zero coupon bond that is restricted to pay off the Wyoming Territorial prison.

Fund Balances

The City's governmental funds (presented on the Balance Sheet, page 46) reported a combined fund balance of \$49.2 million, which is approximately a 5.8% decrease in comparison with the prior year. This change was partly due to activity in the 2010 Specific Purpose Tax (SPT) Fund bonded projects. In FY 2013, there was \$16.3 million in fund balance for bonded infrastructure projects, non-bonded aquifer protection, and debt repayments. The City capitalized an

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additional \$9.4 million in infrastructure projects this year, reducing the bonded monies held in trust and transferring assets to the enterprise funds or General Fund as appropriate. In addition, \$1.8 million was expended on bond principal repayment; however, the debt payment was made with collections (\$3.4 million in FY2014) from the 6th penny sales tax. These activities reduced the total SPT Fund balance by \$6.4 million or 39.3%. There was a major increase in fund balance in the Capital Construction Fund of \$2.8 million or 74.1%. This was due to added projects funded by one-time state supplemental distribution, consensus funding, and grants.

Approximately 16.4% of total governmental fund balance, or \$8.1 million, is unassigned, which is available for spending at the City's discretion. The remaining fund balance of \$41.1 million has different levels of restrictions including an unspendable balance of \$2.7 million, a restricted balance of \$25.3 million, a committed balance of \$2.5 million, and an assigned balance of \$10.6 million. Some of the items in these fund balance categories in general government include capital construction projects; the recreation center endowment and scholarship programs; and the debt service payment for the Wyoming Territorial Prison.

The General Fund's fund balance increased by \$467,106 or 2.6%. The City's fund balance policy requires a minimum of three months up to six months of cash reserves to meet unanticipated operational commitments, debt obligations, and cash flow demands. General Fund total revenues increased by \$4.1 million or 16.4%. This net increase was driven by several factors, including an increase in sales and use tax collections. In FY 2014, the governor recommended, and legislature approved, a supplemental distribution to local governments in over the cap monies of which the City of Laramie received \$1.8 million. Laramie used these monies to fund additional capital projects including street and drainage projects. The City received Business Ready Community grant funds of \$1.3 million from the State for the Cirrus Sky Technology Park development project. There was also additional State Land and Investment Board funding including local consensus for capital projects. The City used approximately \$1 million for matching street projects, such as reconstruction on 19th and Overland. Charges for services increased as more construction was taking place in Laramie, resulting in increased revenues in planning, contractor's license fees, and building permits.

At fiscal year end, the unassigned fund balance for the General Fund was \$8.1 million, while the total governmental fund balance for the General Fund was \$17.9 million, which is in line with the City's policy to maintain a reserve of three to six months of fund expenditures.

Total governmental fund balance decreased approximately \$3.1 million from FY 2013 to FY 2014. Other key factors describing this change are noted as follows:

- Cash & cash equivalents for the 2010 Specific Purpose Tax were reduced by payments made for infrastructure projects by \$7.3 million. The City also made a debt payment for the 2010 bonded infrastructure projects for \$1.8 million using the 6th penny sales tax. These changes, net six penny tax collections, reduced fund balance. The Specific Purpose Tax Fund balance is restricted for capital projects and debt payments to pay off bonded debt.

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- There was no change in the restricted investment zero coupon bond due in November 2014 to provide funding for the Wyoming Territorial Park loan.
- The General Fund had deferred inflows of resources for \$90,158. This included a property tax receivable for which legal claims exist, and grant receivables from Police grants (DUI enforcement and Speed enforcement) and Fire Homeland Security grants. The Capital Construction Fund showed deferred inflow for \$41,699, which was the grant receivable for Cedar Street refinery project. Although the receivables are recognized, the revenues were not received within 60 days of year-end. (see note disclosure 3.K.)
- The Emergency E911 fund increased its fund balance by \$115,363. The fund paid off a capital lease for dispatch consoles. In FY2013, there were emergency repairs on equipment and two lease payments made on the Dispatch console whereas this year there was only one remaining payment. The remaining fund balance will be used to fund capital and equipment for E911 operations.
- Several capital projects moved forward, including completion of phase C and phase D of the Downtown Lighting Improvements project and Greenbelt path Garfield-Wister. However, many projects are still in the initial stages design phase or beginning construction, including Cirrus Sky Technology Park development, Turner Tract development, Laramie Drainage Improvements, including Indian Ridge and the East and South Gateways, and Cleveland Street Improvements to name a few. The General Fund transferred \$4.2 million partially from the supplemental over the cap State distribution or grants to the Capital Construction Fund to provide match dollars for grants or other funding sources. The fund balance in the Capital Construction Fund increased due to the increased funding sources for projects totaling \$2.8 million.
- The Parks and Recreation Development fund uses Recreation Mill dollars collected from the 1% mill levy. Funding levels vary, depending on the Albany County Recreation Mill Board's recommendations. This fund had an increase in fund balance of \$105,834. The increase was due to projects in process, such as cowboy field lighting upgrades. The remaining fund balance is restricted for projects that are in design or initial construction stages but have not been completed.
- The Recreation Center had a decrease in fund balance of \$67,007. Of the \$3.2 million in fund balance, \$2.6 million is an unspendable recreation endowment. The Recreation Center operation collects user fees, and its operations are also subsidized by General Fund tax dollars and interest on the recreation endowment. Assigned fund balance totals \$564,749. This balance contains an operating reserve to assist in meeting minimal operating and capital needs. Comparing FY 2013 to FY 2014, the fund had a decrease in total revenues of \$16,693. Intergovernmental revenues were down \$11,878 due to the Albany County Recreation Mill Board funding operating requests but no special gym equipment. Also, the after School program for children's grant funding was lower this year. Revenue for admissions was slightly down but interest income was higher in total by \$4,815 compared to FY 2013 while expenditures were higher by \$107,436 mainly due to part time seasonal employees. The City decreased the transfer from the General Fund to this Recreation Center fund from \$759,148 to \$263,167.

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- The Economic Development Fund had a decrease in fund balance of \$127,992, with a fund balance of \$177,911 at the end of FY14. The fund receives recapture dollars for rent payments made on loans with Trihydro Corporation and Basic Beginnings Daycare. The remaining balance is restricted and is only available for economic or recapture loan agreements. The decrease was due to the City's grant match for the Cirrus Sky Technology Park project.

The City benefitted from bonded monies used for projects funded through the specific purpose tax. With renewal of the tax, design began for streets, water line, sewer line, and landfill liner projects. Construction of the water, sewer and street projects has begun and includes four phases with the worst breakage lines being replaced first. The City has now completed the majority of specific purpose tax projects and still has one non-bonded project for Aquifer protection totaling \$1,000,000 to complete.

In FY 2014, the City gave 2.5% cost of living raises for general employees and 3.25% for the fire employees, as well as merit-based step increases. The CIP index for the southeast Wyoming economy in 2nd quarter of 2013 was 4.5% and decreased in the 2nd quarter of 2014 to 3.2%.

Table 3 represents the cost of the City's largest programs as well as the net cost (total cost less revenues generated by the activities). The net cost represents the financial burden placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities
(In Thousands)

Programs:	Total Cost of Services		Net Cost of Services	
	FY14	FY13	FY14	FY13
Police Department	\$ 6,962	\$ 7,078	\$ 5,104	\$ 5,002
Fire	5,900	6,154	4,243	4,737
Highways and Streets	4,236	4,760	3,058	4,646
Parks & Recreation	4,156	3,911	2,559	1,897
Administrative Services	1,905	1,686	1,905	1,686
General Government (As Restated)	6,697	7,293	4,649	4,717
Engineering	1,028	935	(40)	226
Other	2,906	2,704	2,085	2,091
Totals	\$ 33,790	\$ 34,521	\$ 23,563	\$ 25,002

(See note disclosure on prior period adjustments – page 99)

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Business-Type Funds

Operating revenues for the Business-Type funds were \$17.3 million and operating expenses for the City's Business-Type funds were \$10.9 million. There was an increase in net position of \$19.2 million after non-operating and transfer adjustments. This change was due to rate increases and additional grants received for capital projects, such as South Laramie transmission lines, water and sewer projects, and water development grants and loans funding the 36' transmission line. Major multi-year capital projects in the design phase will be paid for out of cash reserves and, as previously indicated, the financial plan will use cash to level high peak expenditures in the out years.

The City's business funds, which are presented on the Statement of Net Position for Proprietary Funds on pages 51-52, reported a combined net position of \$122.3 million. The net position by fund is as follows: Water \$74.2 million, Waste Water \$37.1 million and Solid Waste \$11.0 million. Unrestricted net position for the proprietary funds was \$36.2 million. The unrestricted amount by fund is \$19.3 million in the Water Fund, \$14.1 million in the Waste Water Fund, and \$2.8 million in the Solid Waste Fund. Please refer to the discussion in the government wide section of the City's business-type activities for further information about the finances of these funds.

As with the governmental funds, employees in the proprietary funds received a 2.5% living increases and merit based step increases were given.

This year, there continued to be a heavy emphasis on capital projects. Council recommended that many infrastructure projects be funded through the 2010 specific purpose tax. These projects included \$8.3 million in water line replacement and \$6.0 million in sewer line replacement. The specific purpose tax also funded \$3.4 million to assist with the landfill relining required by the Wyoming Department of Environmental Quality. In FY 2014, the Specific Purpose tax projects are at the final project stages. Due to the increased funding available through awarded grants and the specific purpose tax, current infrastructure needs are being met. However, the funds collected from rate increases will provide for future capital water and sewer line replacements, as well as landfill reclamation and upgrades of the landfill.

Council adopted rate increases for water and sewer services based on the recommendation of Red Oak rate consultants. Red Oak reviewed the City's updated 10-year financial plan during the FY 2013-14 biennium budget process. In 2014, due to the heavy emphasis on SPT projects and additional grant funding, the Council recommended an amendment for rate increase reductions in both water and sewer. Originally budgeted at 3%, the rate increase requirement for the Water Fund was reduced to 1.0%. This is markedly lower than the projected 17.0% increase that was previously forecasted by Red Oak. The 1.0% was distributed among the rate classes to achieve the overall revenue needed for the fund. Council adopted these rates for continued support of the significant capital projects needs in the ten year capital improvement plan.

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The water rate increase was implemented to phase in during January and February of 2014. Consumption rates, including the enacted increases, were as follows for water: Residential Users 0-3 units \$3.58 per unit, next 3 units \$4.49 per unit, next 18 units increased to \$5.60 per unit. The final tier saw an increase to \$8.40 per unit which was enacted to promote water conservation of residential usage over 24 units per month. The multifamily rate class saw an increase to \$3.52 per unit, commercial class to \$3.63 per unit, wholesale class remained unchanged, irrigation class increased to \$6.11 per unit and the University of Wyoming rate class increased to \$3.85 per unit. Meter based fees were also increased to match revenue needs. Base meter fees are driven by meter size. The monthly fees for meters ranged from \$20.40 (¾ inch meter) to \$845.30 (8 inch meter).

In FY 2012, sewer base charges were redesigned to reflect charges relating to meter size. Sewer base fees range from \$11.50 per month (¾ inch meter) to \$427.00 per month (8 inch meter).

Sewer volume flow rates were also increased by class code or type of user. Residential user fees were increased from \$3.60 per unit to \$3.63 per unit. Residential user fees are calculated by using the average January, February and March water consumption period or winter flow rate. The residential flow rate of \$3.63 per unit (1,000 gallons) uses the winter flow rate method that varies from user to user. Commercial sewer flow is directly linked to the customer's water consumption from month to month. If a commercial user used ten units of water they are charged for ten units of sewer at their respective rate. The structure of commercial rates is based on the business type and type of waste produced by business type above residential strength. Commercial accounts have a unique class code based on type, such as restaurant, office building, and school. Commercial business sewer charges range from \$3.32 per unit to \$6.73 per unit.

In FY 2012, an automated curb stop residential recycling program was also implemented. In September 2012, solid waste collection and disposal rates were changed and a diversion/recycling fee was added to residential locations. The current fee is \$4.30 per month per kitchen unit.

In February 2013, solid waste rates were increased. The residential monthly fee was increased from \$8.11 to \$8.98 per month. The rate of residential collection is assessed per kitchen unit in a residential location. Any location with two kitchen units or less is mandated by Laramie Municipal Code to pay for the service of collection, disposal, and recycling. In April, 2014 resident disposal charges were increased from \$5.55 per month per kitchen unit to \$5.74 per month per kitchen unit.

The City of Laramie implemented a scale house at the landfill and now can weigh tonnage for materials hauled to the City landfill for disposal. The minimum entrance fee also increased in April 2014. The in town minimum gate fee was increased from \$8.50 per \$9.00 per load. The out of town minimum gate fee was increased from \$11 to \$12 per load for out of town haulers.

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Commercial locations may choose to have either the City of Laramie or a private hauler collect their waste. Commercial dumpster services are charged according to the size of the dumpster and the number of collections requested per week. The charges for these services were also increased in April 2014. The City of Laramie provides dumpsters in three varieties of sizes and offers collection schedules up to six days per week.

Budgetary Highlights

The City adopted a biennium budget for the General Fund, Recreation Center Fund, Capital Construction Fund, Park & Recreation Development Fund and Utilities (Water and Sewer) business type funds. All other funds were adopted annually. This biennium approach assists the City in balancing a two year budget based on the state's legislative funding cycle and provides funding to major projects. The City Council adopts budget adjustments during the year for supplemental appropriations which are generally funded through new or additional revenue sources or the spending of reserves.

General Fund

A total general appropriation adjustment of \$899,561 was approved for FY 2014 which was partially offset by miscellaneous funding sources, such as, grants and donations totaling \$508,382.

Executive – City Manager - The City Manager division transferred (-\$12,308) to Administrative Services to assist in funding an additional half time equivalent position. The City Council approved a (+\$10,000) amendment to the City Manager's contract and (+725) for an enhanced membership level for the Laramie Area Chamber of Commerce.

Administrative Services – City Manager office transferred (+\$12,308) to the Finance Division to assist in funding the authorization for an additional half time equivalent position. This was for transferred full-time services of the budgetary process. Finance division had an increase of (+\$800) for office reorganization and equipment expenditures. The Information Technology division had an overage (+5,800) due to an emergency expenditure for an uninterrupted power supply purchased in response to a data center failure.

Attorney Services – Attorney Services were increased by \$157,748 to add a FTE (Full time Equivalent) position funded 75% by the Traffic and Safety Resource Prosecutor grant and 25% by the City.

General & Other Governmental: The general accounts had (+\$26,000) for increased funding for the Greater Wyoming Big Brothers and Big Sisters and (+\$9,271) for Laramie Rivers Conservation District for landfill fee reimbursements for the Cedar Street Refinery project. An increase of (+\$10,000) was made for the public art program to fund re-location of the Stickley Family sculpture for public display. Hospice was paid (+59,097) for reimbursement of municipal

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fees relating to the construction of the new Hospice facility. The fleet division had increase in budget for (+3,900) for an overage due to higher than anticipated repair costs on City vehicles.

Public Safety: The Police division, LARC, had a budget reduction (-\$5,515) for Criticall software licensing budgeted in FY 2014 but purchased in FY 2013.

The Fire department EMS (Emergency Services) division amended for an ambulance replacement (+\$170,000) which was 75% funded grant 25% match. There was equipment for the ambulance (+5,535) funded by the American Heart Association. This division had an anticipated overage (+60,000) due to over-hire resulting from a Civil Service Commission ruling. Fire Operations re-budgeted funds from FY 2013 to FY 2014 mainly due to the timing of delivery dates after the end of the fiscal year. The division needed authorization for uniforms (+17,949), minor station improvements (+12,314) and SCBA's and accessories (+21,500). The Fire department also transferred appropriations from the EMS division (-7,224) to the Training Division (+7,224) for a forcible entry door simulator. The Fire department received a RERT Homeland Security Grant for \$100,000 but budget for this grant was only \$85,000, so a (+15,000) amendment was made to grant total spending authority on the grant. Additional grants monies were received for \$120,000, and spending authority was also increased accordingly.

Engineering and Code: Engineering had an increase (+\$3,529) for an approved change order for Cottonwood Estates Drainage project construction contract and (+1,400) for office reorganization and storage purchased in FY 2013 but received in FY 2014.

Highways and Streets: The Street division was granted additional funds (+\$19,011) for oversizing reimbursements on Laramie Ridge Estates and (+7,500) for replacement of a trailer.

Health & Welfare: The Mosquito control division exceeded personnel costs (+\$17,647) for associated burdens approved with 2013 Emergency Insect grant for provisional employees to assist in the surveillance and control of West Nile Virus.

Culture and Recreation: Parks & Recreation Administration was increased (+60,000) to fund a strategic plan for public art contingent on receiving several grants and contributions. The Ice and Event Center was funded (+\$15,088) for overages in hockey security, vehicle towing for UW hockey vehicles, credit card fees, Lexan covers for dasher board advertising, utilities, concessions and furniture and fixtures. The Ice and Event Center added funding (+6,150) for chemicals to repair the glycol systems. The Cemetery bid award for the 15th Street Beautification project came in over budget (+16,012). The Parks division required a budget increase (+22,000) to fund the addition of a concrete sidewalk required by Wyoming Department of Transportation for the East Grand Beautification project. Parks were funded (+\$23,600) for a beautification project planting trees, replacement of a Service Club sign and extension of a sidewalk along donated 1.39 acres of land along East Grand Avenue. There was a re-appropriation (+3,500) from FY 2013 for bleacher replacement because of a delay until FY

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2014. The Recreation division was also funded (+4,000) for the Arts in the Park festival to organize and coordinate the event as another organization had disbanded.

Comparing actuals against budget, the General Fund reflected a positive fund balance variance totaling \$7 million, which consists of a positive revenue variance of \$3.79 million, a positive expenditure variance of \$4.16 million, a net negative variance for other funding sources of (\$1.77) million and a gain on the sale of land of \$0.82 million. The actual net position increased \$433,643. General fund actual revenues were higher than budgeted revenues due to an increase in property tax, franchise fees, fines, and licenses. Significant gains were also made with net increases in sales & use taxes of \$0.86 million, gas and special fuels tax of \$0.26M, and an additional \$1.9 million in grant monies (Homeland Security, State Land and Investment Board, and Wyoming Business Council, including Cirrus Sky Technology Park business ready funds for land acquisition reimbursement). The City had gains on the sale of two pieces of property. The City sold land on the Turner Tract to the Glacier Place Apartments development project for \$500,110 and sold land in the Cirrus Sky development park to the University of Wyoming for \$317,181.

On the budgetary basis, General Fund expenditures were below budget primarily due to lower than budgeted expenditures in General Government (\$972,394), Public Safety (\$1,294,546), Health & Welfare (\$38,395), Highways and Streets (\$1,179,282) and Culture and Recreation (\$674,931).

Some of the significant budget variances were caused by delays in projects and employee turnover. Noteworthy variances between budget and actual activity are summarized as follows:

- The Highways and Streets division under Public Works was unexpended by over \$1.2 million. Street projects & equipment purchases were lower than projections and other maintenance and replacement lines were underspent including storm drainage, traffic lights, sign installation & repair.
- The Police department was under expended by \$518,274. Most departmental accounts were under budget, including salary and benefit savings from turnover and new hire salary differentials, as well as contracted services and supplies.
- The Engineering and Code division cost centers were under budget by \$582,165. Engineering had delays in the speed study (\$75,000), concrete evaluation and index project for (\$75,000) and a city-wide storm drainage study (\$300,000). In addition, the curb, gutter, and sidewalk program of (\$100,000) was not spent. This program is on hold while the City develops better criteria and an implementation process.
- The Fire department had benefit and salary savings from turnover and new hire salary differentials, as well as emergency management savings.
- The Other General Government budget was under expended by \$750,962. There were several incomplete projects in this budget, including planning portion of the park & recreation trail master plan of \$26,000 and approximately \$94,000 in project budget

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remaining on housing study and Turner Tract plan, still in process. The City Council voted for a contingency reserve which was unexpended, totaling \$62,438. There were savings for legal services in the amount of \$42,000 and a delay of the public safety response study of \$100,000. Hospice was funded by a grant match by the City of \$65,264 in outside agency funding. However, this project is being re-budgeted into next year. Other savings included Council travel being underspent by approximately \$55,000 and elections by \$15,000. The rest of the under expended items were spread among many departments and were due to department turnover and less than budgeted expenditures in supplies and contractual services totaling a combined approximate savings of \$291,260.

- The Culture and Recreation function consists of several departments. The Parks division had capital project delays, including playground upgrades and the Imperial Heights playground, and equipment delays totaling \$198,000. The Aragon drainage project was unfunded (\$66,500) awaiting the City-wide drainage study. The Cemetery division delayed a new columbarium for \$66,625, and the 15th street landscape project and the cemetery house upgrades were not completed, totaling approximately \$100,000. These projects will continue into next fiscal year. The Parks division has savings from employee turnover and benefit costs. The remainder of the savings resulted from miscellaneous expenses in supplies and contractual services that were less than planned.
- The other remaining governmental funds (Administrative Services, Executive, Health & Welfare, etc.) consist of many divisions and were unexpended by \$162,514. The main savings were from salary savings due to employee turnover and recruitment lead time for re-hiring. Also, savings occurred as a result of projects and other operations costs that were delayed or not spent.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of the year, the City had \$172.9 million (net of accumulated depreciation) invested in a variety of capital assets, as reflected in the following schedule. This represents a net increase (additions, deductions, and depreciation) of \$14.6 million or 9.2% from the end of last year.

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Table 4
Capital Assets
(Net of Depreciation, In Thousands)

	Governmental Activities		Business-Type Activities		Total	
	FY14	FY13	FY14	FY13	FY14	FY13
Land	\$ 3,499	\$ 3,231	\$ 3,634	\$ 3,547	\$ 7,133	\$ 6,778
Water Rights	-	-	88	88	88	88
Buildings	27,110	28,042	18,947	16,166	46,057	44,208
Improvements other than Buildings	3,734	3,851	59,106	51,837	62,840	55,688
Furniture & Equipment	4,392	4,168	6,449	5,878	10,841	10,046
Infrastructure	34,669	34,513	2,716	2,830	37,385	37,343
Construction in Progress (Restated)	3,790	2,768	4,849	1,432	8,639	4,200
Total	\$ 77,194	\$ 76,573	\$ 95,789	\$ 81,778	\$ 172,983	\$ 158,351

Major capital projects completed or in progress during the year are as follows (in thousands):

- Cirrus Sky Technology Park \$2,523
- Various water infrastructure improvements (Specific Purpose Tax) \$3,020
- Various sewer infrastructure improvements (Specific Purpose Tax) \$2,559
- Landfill Baler Building \$2,615
- South Laramie Water Delivery \$2,109
- Various street infrastructure improvements (i.e. Cedar, 19th, Overland) \$1,308
- Grand Ave Pipeline Replacement \$1,267
- Landfill and refuse improvements \$ 752
- Downtown lighting project (phase C & D) \$ 670
- Indian Ridge Drainage \$ 586
- Steel Transmission Line \$ 245
- South Laramie Sewer Line \$ 186
- Priority One Water line – Canby/Harney \$ 179
- Priority One Sewer line – Canby/Harney \$ 139
- Greenbelt bike path Garfield-Wister \$ 112

More detailed information about the City's capital assets is presented in Note 3.E. of the financial statements.

Debt Outstanding

At year-end, the City had \$41.5 million in bonds, notes, and lease obligations compared to \$43.3 million last year. This is a 4.2% decrease, as shown in Table 5. In the Governmental

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Funds, the E911 Dispatch equipment lease was paid off. There is \$17.6 million in debt remaining this year for infrastructure projects funded with general obligation bonds in 2010 backed by the continuing Specific Purpose tax.

Table 5
Outstanding Debt at Year End
(In Millions)

	Governmental		Business-Type		Total	
	Activities		Activities			
	FY14	FY13	FY14	FY13	FY14	FY13
Revenue bonds and G.O. bonds* (backed by Specific purpose tax, fee revenues and zero coupon)	\$ 17.6	\$ 19.4	\$ 3.4	\$ 2.8	\$ 21.0	\$ 22.2
Capital lease obligations	1.0	1.1	1.3	1.6	2.3	2.7
Contractual obligations	10.0	10.0	8.2	8.6	18.2	18.6
Total	\$ 28.6	\$ 30.5	\$ 12.9	\$ 13.0	\$ 41.5	\$ 43.5

*Includes premium GO bond issue

Governmental Activities Debt

In the Governmental funds, the City incurred an additional lease for a street wheel loader. The lease has semi-annual payments with 1.5% interest through August 2014. The major energy improvements lease resulted from a City-wide project, and was recognized in the governmental wide activities as of June 30, 2012. The final break-out of work was available in FY 2013, and part of the debt obligation (12%) was transferred to the Business-type funds. The governmental portion of the energy improvement project lease has a current year-end obligation of \$900,057. The semi-annual lease payment is \$48,132, including an interest rate at 4.2% to June 2026.

The citizens renewed the specific purpose tax effective October 2010 through a vote to fund infrastructure projects with general obligation bonds for \$22,550,000. The City received an AA+ rating from Standards and Poor. The Solid Waste department is relining the landfill and building scales for \$3,450,000. The Street department projects total \$4,750,000. The City bonded sewer and water line replacement for \$6,000,000 and \$8,350,000 respectively. Water line replacement is not subject to the general obligation (GO) debt limit, while sewer line replacement is subject to double the GO debt limit. Therefore, the general obligation debt limits for Solid Waste and Street were below the general obligation debt ceiling (see page 143).

The bonds were put out to public bid and the winning bid was from Robert W. Baird & Co., Inc., with a net interest rate of 2.32%, which included a premium of \$405,157. The debt is backed by both a one percent sales tax and general obligation debt within the governmental funds with a payback schedule of ten years. The current obligation remaining is \$17.3 million with premium on GO bond of \$243K. The semi-variable installments range from \$1.0M to 1.4M at a net rate

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of 2.32%. The penny tax collections remain at or above projections and easily have paid down the bonded debt.

Business-Type Debt

The City of Laramie initiated water revenue bonds with the United States Department of Agriculture (USDA) to finance the South Laramie Water line project. The revenue bond has a 3.25% interest rate with annual installments of \$56,870 through December 2043. The City has two other revenue Water bond refinances. The 2008 revenue bond has a remaining balance of \$1.5M with semi-annual interest payments between 2.90% and 4.50%. The current rating by Standard and Poor for water refunding bonds is A+. The City also refinanced the 2001 revenue bond with semi-annual interest payments at 2.90% to 4.50%. The 2012 refinanced bonds have interest payments at .54% to 1.04% through December 2015 (See Note disclosure 4.D. for information on the prior period adjustment for recognition of deferred gains on 2001 and 2008 bonds).

Business-type debt includes several water and waste water treatment plant loans from the Wyoming Water Development Commission (WWDC) and the Wyoming State Land and Investment Board (SLIB) that total a year-end obligation of \$8.2 million.

The State Land Investment Board (SLIB) provided grant and loan funding for the drinking water project. The loan is now established with a 2.5% interest rate with annual installments of \$116,203 to \$150,256 and the remaining balance is \$924,929. A new loan was funded by the SLIB board for a water line project on Grand Ave. This water line work was in conjunction with major WYDOT (Wyoming Department of Transportation) street reconstruction and enhancements. The current loan balance is \$516,989, and more funds will be drawn in FY 15 as the project is completed.

WWDC is currently funding, by grant and loan, a Laramie transmission pipeline. The current loan balance for this project is \$1,899,992 with a 4.0% interest rate over 30 years. Per the terms of the agreement, payments will not be made until the project is complete. This loan is expected to begin in December 2015. This loan is within the business-type funds and will be secured by municipal water revenues.

The State Land and Investment Board financed several sewer loans including the main lift, which was financed in 2008 with a 20 year term at a 2.5% rate and has a remaining balance of \$601,784. The other two loans are for Lagoon (15 year term) and clean water (19 year term) at a 2.5% rate and remaining balance of \$409,794 and \$3,081,762 respectively.

In 2013, the Solid Waste department leased a solid waste truck (\$197,727), wheel loader (\$107,998) and a solid waste scraper (\$534,695). The scraper is due February 2020 with interest between 1.65% and 1.75%.

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Other leases in Business types fund include transfer of energy lease and a new water dump truck for \$119,089.

More detailed information about the City's debt can be found in Note 1.D. for long-term debt, and Note 3.I, Schedule of Long Term Liabilities, of this report.

ECONOMIC FACTORS

The State of Wyoming, by constitution, does not have a state personal income tax; therefore, it operates primarily using sales, gasoline, severance and mineral royalty taxes. The City primarily relies on sales tax and a limited array of permitted other taxes (property, gasoline, severance, and cigarette) and fees (franchise and business licenses) for other governmental services. There are a limited number of recurring and non-recurring grants from both the state and federal governments.

For business-type services and certain governmental activities, like permits, utilities, mosquito control, recreation programs, etc., the user of services pays a related fee or charge associated with the activity.

According to a state economic report, sales tax and use collections for FY 2014 increased by 13.9% from the previous year. The annual growth rate was 8.9% in contrast to FY 2013's 4.7% decline. The state's economy began to gain strength in the third quarter of 2013 due to the strengthening of the natural resources and services industries. In FY 2014, nearly all industries experienced increase in sales and use tax collections.

Employment was up by 1.1% in the second quarter of 2014, indicating continued growth. The industries with the fastest growth rate were wholesale trade and construction, with 3.1% and 3.0% increases respectively. Also in the second quarter of 2014, Wyoming saw a 3.6% increase in personal income. U.S. personal income also saw an increase of growth at 4.1% during the same period. Wyoming housing prices appear less robust than nationwide averages, but Wyoming's annual growth does appear to be increasing.

The southeast region of Wyoming's (where Laramie is located) consumer price index for the second quarter of 2014 was 3.2% which, concentrated in the areas of food, apparel and housing, was above the state inflation rate of 2.7% and above the national CPI index rate of 2.1%. The Wyoming Comparative Cost of Living Index for 2013 put Laramie at 98 percent. This places Laramie (within Albany County) at slightly below average for comparative cost of living within the state.

While the City does not see large fluctuations in revenue, it has one of the lowest per capita revenue collection rates in the state. The City prepared for decreased revenue during the past few years through proactive budgeting and currently has a stable financial position because of these measures. The City prepares a biennium budget to address economic contractions using a conservative approach. As the economy remains flat to slight growth, actual sales tax

CITY OF LARAMIE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

collections (four and fifth penny) were up 5.0% compared to 2013. As the economy in Laramie had a slight overall growth we do not see a robust increase to our economy. Because in FY 2013, the city saw a decrease in sales tax, the increase in FY 2014 only assists the City to keep pace with inflationary expenditures.

In the 2014 fiscal year, the State legislature provided additional one-time funding of \$20 million to local governments, which provided a supplemental distribution to Laramie of \$1.8 million. The City is faced with reduced local government distributions from the State of Wyoming. While supplemental funding is projected for the biennium, the state funds these distributions year-to-year and amounts are subject to change. The City is faced with uncertainty each biennium that the over the cap distributions for direct and consensus funding (local project funding) could be reduced based on the State economy.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Laramie for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Statement whose contents conform to program standards. Such Comprehensive Annual Financial Reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

The City of Laramie has received the Certificate of Achievement for the last 37 consecutive years (fiscal years 1977-2013).

FINANCIAL CONTACT

The City's financial reports are designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about the financial reports or statements and need additional financial information, contact the City's Chief Financial Officer at City Hall, PO Box C, Laramie, Wyoming 82073.



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CITY OF LARAMIE, WYOMING

STATEMENT OF NET POSITION

June 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 22,437,459	\$ 37,141,722	\$ 59,579,181
Investments	9,385,399	3,753,177	13,138,576
Prepaid expenses	37,297	3,794	41,091
Receivables:			
Accounts, customers	61,985	1,500,059	1,562,044
Notes	340,000	-	340,000
Accrued interest	6,598	1,150	7,748
Grants	2,219,785	1,304,302	3,524,087
Operating	3,204,337	21,248	3,225,585
Restricted assets			
Cash and cash equivalents	9,782,251	304,267	10,086,518
Investments	12,619,134	667,662	13,286,796
Capital assets			
Land	3,499,370	3,634,470	7,133,840
Water rights	-	87,685	87,685
Construction in progress	3,790,376	4,849,220	8,639,596
Buildings	37,518,693	36,481,202	73,999,895
Improvements	5,927,214	88,821,571	94,748,785
Infrastructure	65,121,634	3,085,261	68,206,895
Furniture and equipment	14,762,114	15,428,930	30,191,044
Accumulated depreciation	(53,425,830)	(56,598,994)	(110,024,824)
Total Assets	<u>137,287,816</u>	<u>140,486,726</u>	<u>277,774,542</u>
LIABILITIES			
Accounts payable	3,206,388	2,117,579	5,323,967
Accrued interest payable	31,028	137,915	168,943
Unearned revenue	1,899,302	2,691	1,901,993
Benefit claims incurred but not reported	379,105	-	379,105
Noncurrent liabilities			
Due within one year	13,549,503	1,947,121	15,496,624
Due in more than one year	<u>17,394,197</u>	<u>13,756,861</u>	<u>31,151,058</u>
Total Liabilities	<u>36,459,523</u>	<u>17,962,167</u>	<u>54,421,690</u>
DEFERRED INFLOWS OF RESOURCES	-	193,000	193,000
NET POSITION			
Net investment in capital assets	48,567,860	82,733,113	131,300,973
Restricted for:			
Recreation center endowment	2,606,764	-	2,606,764
Recreation center scholarships	15,570	-	15,570
Capital projects	17,392,617	3,049,407	20,442,024
Debt service	9,996,800	383,864	10,380,664
Unrestricted	<u>22,248,682</u>	<u>36,165,175</u>	<u>58,413,857</u>
Total Net Position	<u>\$ 100,828,293</u>	<u>\$ 122,331,559</u>	<u>\$ 223,159,852</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2014

Function/Program Activities	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
Executive - City Manager	\$ 546,395	\$ -	\$ -	\$ -
Administrative services	1,905,150	-	-	-
Judicial	318,549	152,071	-	-
Legal	446,873	-	-	-
General government	6,696,931	131,747	302	1,915,511
Police	6,962,074	1,120,313	738,199	-
Fire	5,900,156	1,137,745	237,114	282,000
Engineering	1,027,794	1,067,949	-	-
Highways and streets	4,235,937	-	-	1,177,791
Animal control	420,204	51,066	-	-
Mosquito control	399,663	313,244	270,999	-
Parks	1,266,286	59,072	30,910	-
Recreation	2,890,082	1,470,709	36,593	-
Cemetery	305,779	33,650	-	-
Interest on long-term debt	467,829	-	-	-
Total governmental activities	33,789,702	5,537,566	1,314,117	3,375,302
Business-type activities:				
Water	5,466,871	8,683,198	-	1,814,536
Waste water	2,908,994	5,268,205	-	186,565
Solid waste	2,731,142	3,622,031	-	2,445,193
Total business-type activities	11,107,007	17,573,434	-	4,446,294
Total Primary Government	\$ 44,896,709	\$ 23,111,000	\$ 1,314,117	\$ 7,821,596

General revenues:

Taxes:
 Property taxes levied for general purposes
 Franchise taxes
 Shared Intergovernmental Revenue:
 Sales and use taxes - unrestricted
 Sales and use taxes - restricted for capital projects
 Gas and fuel taxes
 Mineral and severance taxes
 Other taxes
 Investment earnings
 Miscellaneous income
 Special Item - Gain on sale of land
 Transfers:
 Subsidy transfers
 Capital asset transfers
 Total general revenues, special items, and transfers
 Change in Net Position
 Net position - Beginning, as restated
 Net position - Ending

See Accompanying Notes to the Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Position

Primary Government

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (546,395)	\$ -	\$ (546,395)
(1,905,150)	-	(1,905,150)
(166,478)	-	(166,478)
(446,873)	-	(446,873)
(4,649,371)	-	(4,649,371)
(5,103,562)	-	(5,103,562)
(4,243,297)	-	(4,243,297)
40,155	-	40,155
(3,058,146)	-	(3,058,146)
(369,138)	-	(369,138)
184,580	-	184,580
(1,176,304)	-	(1,176,304)
(1,382,780)	-	(1,382,780)
(272,129)	-	(272,129)
(467,829)	-	(467,829)
<u>(23,562,717)</u>	<u>-</u>	<u>(23,562,717)</u>
-	5,030,863	5,030,863
-	2,545,776	2,545,776
-	<u>3,336,082</u>	<u>3,336,082</u>
-	<u>10,912,721</u>	<u>10,912,721</u>
<u>\$ (23,562,717)</u>	<u>\$ 10,912,721</u>	<u>\$ (12,649,996)</u>
2,204,237	-	2,204,237
1,622,207	-	1,622,207
9,265,294	-	9,265,294
3,355,104	-	3,355,104
984,278	-	984,278
7,409,857	-	7,409,857
458,293	-	458,293
261,496	112,438	373,934
3,826,291	208,465	4,034,756
497,290	-	497,290
1,343,673	(1,343,673)	-
(9,327,872)	<u>9,327,872</u>	<u>-</u>
<u>21,900,148</u>	<u>8,305,102</u>	<u>30,205,250</u>
(1,662,569)	19,217,823	17,555,254
<u>102,490,862</u>	<u>103,113,736</u>	<u>205,604,598</u>
<u>\$ 100,828,293</u>	<u>\$ 122,331,559</u>	<u>\$ 223,159,852</u>



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CITY OF LARAMIE, WYOMING

BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2014

	General	Specific Purpose Tax	Wyoming Territorial Prison Debt Service	Capital Construction	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 13,097,875	\$ -	\$ -	\$ 4,377,798	\$ 2,183,911	\$ 19,659,584
Investments	4,897,938	-	-	1,855,386	342,526	7,095,850
Prepaid items	35,755	-	-	-	1,542	37,297
Receivables:						
Accounts, customers	23,043	-	-	-	38,942	61,985
Notes	-	-	-	-	27,951	27,951
Accrued interest	1,460	-	-	-	175	1,635
Operating	2,847,349	296,228	-	-	23,124	3,166,701
Grants	315,196	-	-	1,893,509	11,080	2,219,785
Restricted assets						
Cash and cash equivalents	58,510	9,723,741	-	-	-	9,782,251
Investments	-	-	9,996,800	-	2,622,334	12,619,134
Total Assets	<u>\$ 21,277,126</u>	<u>\$ 10,019,969</u>	<u>\$ 9,996,800</u>	<u>\$ 8,126,693</u>	<u>\$ 5,251,585</u>	<u>\$ 54,672,173</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 21,277,126</u>	<u>\$ 10,019,969</u>	<u>\$ 9,996,800</u>	<u>\$ 8,126,693</u>	<u>\$ 5,251,585</u>	<u>\$ 54,672,173</u>
LIABILITIES						
Accounts payable	\$ 1,427,508	107,483	\$ -	\$ 1,470,955	\$ 123,186	\$ 3,129,132
Unearned revenue	1,551,214	-	-	3,958	352,081	1,907,253
Accrued vacation and compensatory time	321,046	-	-	-	5,920	326,966
Total Liabilities	<u>3,299,768</u>	<u>107,483</u>	<u>-</u>	<u>1,474,913</u>	<u>481,187</u>	<u>5,363,351</u>
DEFERRED INFLOWS OF RESOURCES	<u>90,158</u>	<u>-</u>	<u>-</u>	<u>41,699</u>	<u>-</u>	<u>131,857</u>
FUND BALANCES						
Nonspendable	35,756	-	-	-	2,608,306	2,644,062
Restricted	596,340	9,912,486	9,996,800	4,429,186	376,855	25,311,667
Committed	360,439	-	-	2,180,895	6,590	2,547,924
Assigned	8,810,522	-	-	-	1,778,647	10,589,169
Unassigned	8,084,143	-	-	-	-	8,084,143
Total Fund Balances	<u>17,887,200</u>	<u>9,912,486</u>	<u>9,996,800</u>	<u>6,610,081</u>	<u>4,770,398</u>	<u>49,176,965</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,277,126</u>	<u>\$ 10,019,969</u>	<u>\$ 9,996,800</u>	<u>\$ 8,126,693</u>	<u>\$ 5,251,585</u>	<u>\$ 54,672,173</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

**RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS**
June 30, 2014

Fund balances - total governmental funds \$ 49,176,965

Amounts reported for governmental activities in the Statement of Net Position are different for the following reasons:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	130,619,401	
Accumulated depreciation	(53,425,830)	77,193,571

Long-term receivables applicable to governmental activities are not due and collectible in the current period and therefore the long-term portion is not reported in the governmental funds 320,000

Receivables for which a legally enforceable claim exists are not always currently available resources and, in the governmental funds, the future inflow is classified as a deferred inflow of resources, rather than revenue.

Grant receivables		75,151
Property tax receivables		56,706

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Governmental notes payable	(27,325,000)	
Governmental leases payable	(1,057,617)	
Premium on notes payable	(243,094)	
Compensated absences	(846,586)	
Capital asset donations payable	(1,144,437)	
Accrued interest on long-term debt	(31,028)	(30,647,762)

The internal service fund is used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position. 4,653,662

Net position of governmental activities \$ 100,828,293

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2014

	General	Specific Purpose Tax	Wyoming Territorial Prison Debt Service	Capital Construction	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:						
Taxes and special assessments	\$ 3,842,082	\$ -	\$ -	\$ -	\$ -	\$ 3,842,082
Licenses and permits	135,615	-	-	-	-	135,615
Intergovernmental	22,353,068	3,355,104	-	2,256,856	646,768	28,611,796
Charges for services	2,177,314	-	-	-	1,137,854	3,315,168
Fines and forfeitures	905,192	-	-	-	-	905,192
Investment income	84,096	1,678	30,000	7,583	22,281	145,638
Miscellaneous	104,218	-	-	640	75,500	180,358
Total Revenues	<u>29,601,585</u>	<u>3,356,782</u>	<u>30,000</u>	<u>2,265,079</u>	<u>1,882,403</u>	<u>37,135,849</u>
EXPENDITURES:						
Current operating:						
General government	6,405,000	-	-	-	-	6,405,000
Public safety	12,800,368	-	-	-	88,795	12,889,163
Health and welfare	768,137	-	-	-	-	768,137
Highways and streets	1,918,313	-	-	-	-	1,918,313
Culture and recreation	1,805,529	-	-	-	1,659,973	3,465,502
Capital outlay	2,541,060	7,480,062	-	4,404,748	99,555	14,525,425
Debt service:						
Principal retirement	83,105	1,825,000	-	-	100,447	2,008,552
Interest	28,054	465,375	-	-	13,570	506,999
Total Expenditures	<u>26,349,566</u>	<u>9,770,437</u>	<u>-</u>	<u>4,404,748</u>	<u>1,962,340</u>	<u>42,487,091</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,252,019</u>	<u>(6,413,655)</u>	<u>30,000</u>	<u>(2,139,669)</u>	<u>(79,937)</u>	<u>(5,351,242)</u>
OTHER FINANCING SOURCES AND (USES):						
Issuance of debt - capital leases	113,569	-	-	-	-	113,569
Transfers in	778,358	-	-	4,953,311	314,417	6,046,086
Transfers out	<u>(4,494,131)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(208,282)</u>	<u>(4,702,413)</u>
Total Other Financing Sources and (uses)	<u>(3,602,204)</u>	<u>-</u>	<u>-</u>	<u>4,953,311</u>	<u>106,135</u>	<u>1,457,242</u>
SPECIAL ITEM:						
Proceeds from sale of land	<u>817,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>817,291</u>
Net Change in Fund Balances	467,106	(6,413,655)	30,000	2,813,642	26,198	(3,076,709)
Fund Balances - Beginning	<u>17,420,094</u>	<u>16,326,141</u>	<u>9,966,800</u>	<u>3,796,439</u>	<u>4,744,200</u>	<u>52,253,674</u>
Fund Balances - Ending	<u>\$ 17,887,200</u>	<u>\$ 9,912,486</u>	<u>\$ 9,996,800</u>	<u>\$ 6,610,081</u>	<u>\$ 4,770,398</u>	<u>\$ 49,176,965</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2014

Net change in fund balances - total governmental funds \$ (3,076,709)

Amounts reported for governmental activities in the Statement of Activities
are different for the following reasons:

Governmental funds report capital outlays as expenditures.

However, in the Statement of Activities, the cost of capital assets is
recognized through depreciation over the asset's estimated useful life.

Expenditures for capital assets	14,081,723	
Current year depreciation	<u>(4,566,581)</u>	9,515,142

Capital lease and note proceeds provide current resources to governmental funds,
but issuing debt increases long-term debt liabilities in the Statement of Net
Position. Repayment of loan principal is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the Statement of Net
Position. Premiums and discounts on debt issuance are recognized as a current
resource at issuance in governmental funds but are amortized over the life
of the debt

Proceeds from debt issuance	(113,569)	
Long-term debt principal payments	2,008,554	
Premium amortization on long term debt	<u>40,516</u>	1,935,501

Some expenses reported in the Statement of Activities do not require current
financial resources and therefore are not reported as expenditures in
governmental funds.

Change in accrued interest payable	39,170	
Change in long-term compensated absences	<u>(75,453)</u>	(36,283)

Some revenues reported in the Statement of Activities are not current financial
resources from a governmental fund perspective.

Grant revenue earned on the Statement of Activities in the prior fiscal year but earned in the current fiscal year on the governmental fund statements	(1,344,689)	
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Property tax revenue earned but not a current financial resource and reported as a deferred inflow of resources in the governmental funds	(15,637)	
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Grant revenue earned but not a current financial resource and reported as a deferred inflow of resources in the governmental funds	<u>75,151</u>	(1,285,175)
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(Continued)

CITY OF LARAMIE, WYOMING

**RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2014

(Continued)

Transfer of assets constructed in a governmental fund then transferred to a business-type fund. The construction costs are expenditures in the fund basis financial statements but are capitalized in the government-wide financial statements.	(9,327,872)
Payments on long term notes receivable are revenue in the governmental funds but reduce the receivable in the Statement of Net Position	(20,000)
Gains and losses on capital asset disposals are reported in governmental fund statements only to the extent that they result in current financial resources. They are reported in the government wide statements on the accrual basis, with the recognition of gain or loss at asset disposal.	439,698
The internal service fund is used by management to charge the cost of certain activities to individual funds. The net revenue of the internal service fund is included in governmental activities in the Statement of Net Position.	<u>193,129</u>
Change in net position of governmental activities	<u>\$ (1,662,569)</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
 June 30, 2014

	Business-Type Activities- Enterprise Funds				Governmental
	Water	Waste Water	Solid Waste	Total	Activity- Internal Service Fund
ASSETS					
Current Assets					
Cash	\$ 20,615,755	\$ 11,899,374	\$ 4,626,593	\$ 37,141,722	\$ 2,777,875
Investments	436,805	2,481,072	835,300	3,753,177	2,289,549
Prepaid expenses	2,564	419	811	3,794	-
Receivables:					
Accounts, customers	661,293	425,826	412,940	1,500,059	-
Accrued interest	218	668	264	1,150	4,963
Operating	9,158	12,040	50	21,248	37,636
Grants	1,250,557	53,111	634	1,304,302	-
Total current assets	<u>22,976,350</u>	<u>14,872,510</u>	<u>5,876,592</u>	<u>43,725,452</u>	<u>5,110,023</u>
Noncurrent Assets					
Restricted cash	304,267	-	-	304,267	-
Restricted investments	667,662	-	-	667,662	-
Capital assets					
Land	3,261,219	161,281	211,970	3,634,470	-
Water rights	87,685	-	-	87,685	-
Construction in progress	4,248,276	600,944	-	4,849,220	-
Buildings	13,749,802	19,159,398	3,572,002	36,481,202	-
Improvements	69,412,692	16,455,304	2,953,575	88,821,571	-
Infrastructure	-	3,085,261	-	3,085,261	-
Furniture and equipment	7,734,856	2,331,804	5,362,270	15,428,930	-
Accumulated depreciation	<u>(38,771,677)</u>	<u>(14,886,256)</u>	<u>(2,941,061)</u>	<u>(56,598,994)</u>	-
Total noncurrent assets	<u>60,694,782</u>	<u>26,907,736</u>	<u>9,158,756</u>	<u>96,761,274</u>	-
Total Assets	<u>83,671,132</u>	<u>41,780,246</u>	<u>15,035,348</u>	<u>140,486,726</u>	<u>5,110,023</u>

(Continued)

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

June 30, 2014

(Continued)

	Business-Type Activities- Enterprise Funds				Governmental
	Water	Waste Water	Solid Waste	Total	Activity- Internal Service Fund
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 1,533,798	\$ 321,580	\$ 262,201	\$ 2,117,579	\$ 77,256
Accrued interest payable	53,885	72,695	11,335	137,915	-
Compensated absences	17,256	9,575	12,808	39,639	-
Unearned income	241	-	2,450	2,691	-
Benefit claims incurred but not reported	-	-	-	-	379,105
Revenue bonds- current	512,000	-	-	512,000	-
Notes payable- current	255,781	860,467	279,234	1,395,482	-
Total current liabilities	<u>2,372,961</u>	<u>1,264,317</u>	<u>568,028</u>	<u>4,205,306</u>	<u>456,361</u>
Noncurrent Liabilities					
Compensated absences	81,675	34,655	44,445	160,775	-
Revenue bonds payable	2,290,000	-	-	2,290,000	-
Landfill closure costs	-	-	2,640,336	2,640,336	-
Notes payable	4,501,841	3,371,455	792,454	8,665,750	-
Total noncurrent liabilities	<u>6,873,516</u>	<u>3,406,110</u>	<u>3,477,235</u>	<u>13,756,861</u>	<u>-</u>
Total Liabilities	<u>9,246,477</u>	<u>4,670,427</u>	<u>4,045,263</u>	<u>17,962,167</u>	<u>456,361</u>
DEFERRED INFLOWS OF RESOURCES	<u>193,000</u>	<u>-</u>	<u>-</u>	<u>193,000</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	51,970,231	22,675,814	8,087,068	82,733,113	-
Restricted for capital projects	2,632,244	335,801	81,362	3,049,407	-
Restricted for debt service	383,864	-	-	383,864	-
Unrestricted	19,245,316	14,098,204	2,821,655	36,165,175	4,653,662
Total Net Position	<u>\$ 74,231,655</u>	<u>\$ 37,109,819</u>	<u>\$ 10,990,085</u>	<u>\$ 122,331,559</u>	<u>\$ 4,653,662</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

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

For the Fiscal Year Ended June 30, 2014

	Business-Type Activities- Enterprise Funds				Governmental
	Water	Waste Water	Solid Waste	Total	Activity- Internal Service Fund
OPERATING REVENUES:					
Charges for services	\$ 8,322,832	\$ 5,060,232	\$ 3,614,812	\$ 16,997,876	\$ 2,887,366
Other income	212,461	91,747	16,414	320,622	-
Total operating revenues	<u>8,535,293</u>	<u>5,151,979</u>	<u>3,631,226</u>	<u>17,318,498</u>	<u>2,887,366</u>
OPERATING EXPENSES					
Personal services	1,383,151	946,888	1,073,461	3,403,500	-
Contractual services	716,129	553,559	436,893	1,706,581	-
Materials and supplies	910,891	209,753	279,001	1,399,645	-
Landfill closure costs	-	-	127,522	127,522	-
Depreciation	2,360,959	1,093,722	793,238	4,247,919	-
Benefit payments	-	-	-	-	2,769,579
Total operating expenses	<u>5,371,130</u>	<u>2,803,922</u>	<u>2,710,115</u>	<u>10,885,167</u>	<u>2,769,579</u>
Operating income	<u>3,164,163</u>	<u>2,348,057</u>	<u>921,111</u>	<u>6,433,331</u>	<u>117,787</u>
NONOPERATING REVENUES					
(EXPENSES):					
Investment income	26,076	62,981	23,381	112,438	75,342
Plant investment fees	255,431	207,970	-	463,401	-
Interest expense	(95,741)	(105,072)	(21,027)	(221,840)	-
Total nonoperating revenue					
(expenses)	<u>185,766</u>	<u>165,879</u>	<u>2,354</u>	<u>353,999</u>	<u>75,342</u>
Income before transfers					
and capital contributions	<u>3,349,929</u>	<u>2,513,936</u>	<u>923,465</u>	<u>6,787,330</u>	<u>193,129</u>
TRANSFERS AND CONTRIBUTIONS					
Capital Contributions:					
Capital grants	1,814,536	186,565	2,445,193	4,446,294	-
Capital asset transfers	3,020,052	2,469,937	3,837,883	9,327,872	-
Transfers:					
Transfers (out)	(700,011)	(425,895)	(217,767)	(1,343,673)	-
	<u>4,134,577</u>	<u>2,230,607</u>	<u>6,065,309</u>	<u>12,430,493</u>	<u>-</u>
Change in net position	7,484,506	4,744,543	6,988,774	19,217,823	193,129
Net position at beginning of year	<u>66,747,149</u>	<u>32,365,276</u>	<u>4,001,311</u>	<u>103,113,736</u>	<u>4,460,533</u>
Net position at end of year	<u>\$ 74,231,655</u>	<u>\$ 37,109,819</u>	<u>\$ 10,990,085</u>	<u>\$ 122,331,559</u>	<u>\$ 4,653,662</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended June 30, 2014

	Business-Type Activities- Enterprise Funds				Governmental
	Water	Waste Water	Solid Waste	Total	Activity- Internal Service Fund
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:					
CASH FLOWS FROM OPERATIONS:					
Receipts from customers	\$ 8,640,884	\$ 5,091,231	\$ 3,545,327	\$ 17,277,442	\$ 2,909,007
Other operating cash receipts	216,199	92,267	16,349	324,815	-
Payments to suppliers	(514,208)	(560,731)	(707,137)	(1,782,076)	(2,823,543)
Payments to employees	(1,397,179)	(941,856)	(1,076,906)	(3,415,941)	-
Net cash from operating activities	<u>6,945,696</u>	<u>3,680,911</u>	<u>1,777,633</u>	<u>12,404,240</u>	<u>85,464</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers (out)	(700,011)	(425,895)	(217,767)	(1,343,673)	-
Net cash from noncapital financing activities	<u>(700,011)</u>	<u>(425,895)</u>	<u>(217,767)</u>	<u>(1,343,673)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(4,108,801)	(1,148,851)	(3,673,488)	(8,931,140)	-
Interest paid on long-term debt	(137,217)	(126,457)	(18,755)	(282,429)	-
Principal payments on long-term debt	(694,713)	(870,371)	(280,789)	(1,845,873)	-
Plant investment fees	255,431	207,970	-	463,401	-
Grant revenue	1,105,949	133,454	2,444,559	3,683,962	-
Proceeds from long-term debt	1,191,060	-	-	1,191,060	-
Net cash from capital and related financing activities	<u>(2,388,291)</u>	<u>(1,804,255)</u>	<u>(1,528,473)</u>	<u>(5,721,019)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of investments	(182,708)	(502,000)	(175,000)	(859,708)	(53,000)
Proceeds from sale of investments	173,000	502,000	175,000	850,000	53,000
Interest earned on investments	10,522	6,228	1,477	18,227	890
Net cash from investing activities	<u>814</u>	<u>6,228</u>	<u>1,477</u>	<u>8,519</u>	<u>890</u>

(Continued)

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended June 30, 2014
(Continued)

	Business-Type Activities- Enterprise Funds				Governmental Activity- Internal Service Fund
	Water	Waste Water	Solid Waste	Total	
Net change in cash and cash equivalents	3,858,208	1,456,989	32,870	5,348,067	86,354
Cash, beginning	<u>17,061,814</u>	<u>10,442,385</u>	<u>4,593,723</u>	<u>32,097,922</u>	<u>2,691,521</u>
Cash, ending	<u>\$ 20,920,022</u>	<u>\$ 11,899,374</u>	<u>\$ 4,626,593</u>	<u>\$ 37,445,989</u>	<u>\$ 2,777,875</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES:					
Income from operations	\$ 3,164,163	\$ 2,348,057	\$ 921,111	\$ 6,433,331	\$ 117,787
Adjustments to reconcile income from operations to net cash from operating activities:					
Depreciation	2,360,959	1,093,722	793,238	4,247,919	-
(Increase) decrease in:					
Accounts receivable	321,549	31,519	(69,145)	283,923	21,641
Prepaid expenses	(235)	(229)	(419)	(883)	-
Increase (decrease) in:					
Accounts payable	1,113,047	202,810	9,176	1,325,033	12,451
Compensated absences payable	(14,028)	5,032	(3,445)	(12,441)	-
Unearned income	241	-	(405)	(164)	-
Landfill closure costs	-	-	127,522	127,522	-
Benefit claims incurred but not reported payable	-	-	-	-	(66,415)
Net cash from operating activities	<u>\$ 6,945,696</u>	<u>\$ 3,680,911</u>	<u>\$ 1,777,633</u>	<u>\$ 12,404,240</u>	<u>\$ 85,464</u>
NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets transferred from Specific Purpose Tax Fund and Capital Construction Fund	<u>\$ 3,020,052</u>	<u>\$ 2,469,937</u>	<u>\$ 3,837,883</u>	<u>\$ 9,327,872</u>	<u>\$ -</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2014

	<u>Cemetery Trust Fund</u>
ASSETS	
Cash	\$ 4,688
Interest receivable	802
Investments	<u>619,972</u>
Total Assets	<u>625,462</u>
LIABILITIES	
Current Liabilities	
Accounts payable	<u>240</u>
Total Current Liabilities	240
Total Liabilities	<u>240</u>
NET POSITION	
Restricted for cemetery perpetual care	<u>625,222</u>
Total Net Position	<u><u>\$ 625,222</u></u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended June 30, 2014

	<u>Cemetery Trust Fund</u>
ADDITIONS:	
Revenue	
Cemetery lot sales	\$ 6,830
Investment income	<u>16,517</u>
Total Additions	<u>23,347</u>
DEDUCTIONS:	
Operating expended	<u>12,231</u>
Total Deductions	<u>12,231</u>
Net increase	11,116
Net position - Beginning of Year	<u>614,106</u>
Net position - End of Year	<u>\$ 625,222</u>

See Accompanying Notes to the Basic Financial Statements.

CITY OF LARAMIE, WYOMING

NOTES TO BASIC FINANCIAL STATEMENTS

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NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies is presented to assist the user in understanding the City of Laramie's (the City's) financial statements. The financial statements and notes are representations of management, who is responsible for ensuring their accuracy and completeness. The City prepares its financial statements in accordance with with generally accepted accounting principles (GAAP), or conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements and, for enterprise funds and business-type activities, post-November 30, 1989 FASB (Financial Accounting Standards Board) pronouncements that do not conflict with or contradict GASB pronouncements. The accounting and reporting framework, and the more significant accounting policies, are discussed in subsequent subsections of this note.

1.A. FINANCIAL REPORTING ENTITY

The City of Laramie is a municipal corporation operated under the City Manager-Council form of government and governed by an elected City Council comprised of nine representatives from the ward system, of which one is appointed as Major and serves a two year term. The City provides the following services as authorized by state statute: public safety; street maintenance and operation; health and social services; culture-recreation; public improvements; planning and zoning; and general administrative services.

The financial reporting entity is comprised only of the primary government – the City of Laramie. In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, *The Financial Reporting Entity – Omnibus: An Amendment of GASB Statements 14 and 34*. Management has considered all potential component units and includes organizations for which the City is financially accountable. Management has also included other organizations for which the nature and significance of their relationship would cause the City's financial statements to be misleading or incomplete if omitted.

Discretely Presented Component Units

Each discretely presented component unit is reported in a separate column in the basic financial statements to emphasize that it does not function as an integral part of the City's operations. Currently, the City has no discretely presented component units.

Blended Component Units

Blended component units, although legally separate entities, are, in substance, an integral part of the City's operations; therefore, financial information is combined with that of the primary government. Currently, the City has no blended component units.

NOTES TO BASIC FINANCIAL STATEMENTS

1.B. BASIS OF PRESENTATION

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. Information is reported for all funds of the reporting entity, except for fiduciary funds. Fiduciary funds are excluded from the government-wide statements because resources held in these funds are not available to support the government's programs.

The government-wide statements distinguish between governmental and business-type activities. *Governmental activities* are generally supported through taxes, intergovernmental revenues, and other non-exchange transactions and represent activities carried out by the City's governmental funds. On the other hand, *business-type activities* are financed primarily by fees charged to external parties for goods or services and represent activities carried out by the City's Enterprise Funds. The City's internal service fund is incorporated into governmental activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* are directly associated with a particular function or program and come from sources other than the tax base. Taxes and other items not properly included among program revenue are reported instead as *general revenues*.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for through a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses.

Funds are organized into three major categories: governmental, proprietary, and fiduciary. Governmental funds are used to account for activities primarily supported by taxes, grants, and other similar revenue sources, while proprietary funds are used to account for activities that receive significant support from user fees and charges. Fiduciary funds account for resources that a government holds as a trustee or agent on behalf of an outside party and that cannot be used to support the government's own programs.

NOTES TO BASIC FINANCIAL STATEMENTS

Major funds within the governmental and proprietary categories are reported separately on the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets both of the following criteria:

1. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type; and
2. Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

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 and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted for expenditures of certain purposes. The City has three special revenue funds – the *Recreation Center Fund*, the *E911 Fund*, and the *Economic Development Fund* – which are described in the next section of this note.

Capital Project Funds

Capital Project 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 four Capital Project Funds:

The *Capital Construction Fund* is used to account for the design and construction of various city projects funded by taxes, intergovernmental revenue, and other primarily non-exchange type transactions.

The *Parks and Recreation Development Fund* is used to account for the costs of developing new parks and recreation facilities, adding improvements to existing parks, and acquiring land for new parks and recreation opportunities.

NOTES TO BASIC FINANCIAL STATEMENTS

The *Specific Purpose Tax Fund* is used to account for capital construction, improvements, and financing related to the 2001 and 2010 specific purpose taxes. The projects related to the 2001 tax are as follows: City Hall remodeling and boiler replacement; Community Recreation Center construction, furnishings and equipment; acquisition and construction enhancements of an indoor ice rink; acquisition and/or construction of an outdoor swimming pool; street and water line reconstruction; Historic Downtown Laramie streetscape; and construction of the East Side water tank project. Projects financed by the 2010 tax include infrastructure improvements for streets, water lines, sewer lines, Casper Aquifer protection, and the landfill. Construction and improvement activity related to the 2010 tax are currently taking place, and debt payments are being made for the 2010 financing. Projects funded by defeasance proceeds related to the 2001 tax are also ongoing.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on general long-term debt of the City, other than debt service payments made by enterprise funds.

Proprietary Funds

Enterprise Funds

Enterprise Funds are used to account for business-like activities provided to the general public, and these activities are financed primarily by user charges. The measurement of financial activity focuses on determination of net income and changes in fund net position, financial position, and cash flows, which is similar to the private sector approach.

The reporting entity includes the *Water and Waste Water Utilities Fund* and the *Solid Waste Fund*. These funds account for user charges and expenses for operating, financing, and maintaining the City's water, sewer, and solid waste collection, disposal, and recycling systems, respectively.

Internal Service Fund

The Internal Service Fund is used to account for the financing of employee health insurance.

Fiduciary Funds

Fiduciary Funds are used to report assets held in a trust or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

The City's fiduciary fund is presented in the fiduciary fund financial statements. Since, by definition, these assets are being held for the benefit of third parties and cannot be used to

NOTES TO BASIC FINANCIAL STATEMENTS

address activities or obligations of the government, these funds are not incorporated in the government-wide financial statements. The City’s fiduciary fund is the Cemetery Perpetual Care Fund, which is a private purpose trust fund for the benefit of the cemetery users. The fund is used to report cemetery lot sales and related expenses associated with cemetery lots and lot development.

Major and Non-major Funds

The funds are further classified as major or non-major as follows:

Fund	Brief Description
Major Governmental Funds:	
General Fund	Accounts for the city’s primary operating activities, as described in the previous section.
Capital Project Funds:	
Capital Construction Fund	Accounts for the design and construction of various city projects.
Specific Purpose Tax Fund	Accounts for activity related to the 2001 and the 2010 specific purpose taxes, as described in the previous section.
Debt Service Fund:	
Wyoming Territorial Prison Debt Service Fund	Accounts for the accumulation of resources for, and the payment of, general long-term debt, interest and related costs.
Major Proprietary Funds:	
Water and Waste Water Fund	Accounts for revenue and expenditures related to providing water and sewer services on a user charge basis to the general public.
Solid Waste Fund	Accounts for revenue and expenditures related to providing refuse collection, disposal services, recycling, and diversion on a user charge basis to the public.

NOTES TO BASIC FINANCIAL STATEMENTS

Non-major Governmental Funds:

Capital Project Funds:

Parks and Recreation
Development Fund

Accounts for improvements and capital projects that enhance parks and recreation facilities, as described in the previous section.

Special Revenue Funds:

E911 Fund

Accounts for revenues and expenditures related to the Laramie and Albany County Records and Communications Center.

Recreation Center Fund

Accounts for revenues and expenditures related to the operation of the Laramie Community Recreation Center.

Economic Development Fund

Accounts for activity related to economic development initiatives and programs.

Non-major Proprietary Funds:

Internal Service Fund

Accounts for financing of employee health insurance.

1.C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the *economic resources* measurement focus as defined in item 2 below.

In the fund financial statements, the *current financial resources* measurement focus or the *economic resources* measurement focus is used as appropriate, depending on the fund type:

1. All governmental funds utilize a *current financial resources* measurement focus. Generally, only financial assets, liabilities expected to be paid from current year resources, and certain deferred inflows and outflows of resources are included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund

NOTES TO BASIC FINANCIAL STATEMENTS

balance as their measure of available spendable financial resources at the end of the period.

2. Proprietary funds utilize an *economic resources* measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.
3. Fiduciary funds are reported using the *economic resources* measurement focus.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used, regardless of the timing of related cash flows. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when they are both “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Major revenue sources accrued generally consist of property taxes, sales and use taxes, and grants.

Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest which are reported when due.

All proprietary fund and fiduciary fund statements are presented using the accrual basis of accounting, as defined above in relation to the government-wide statements.

1.D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND EQUITY

Cash and Investments

For the purpose of the Statements of Net Position and Balance Sheets, “cash” includes all demand, savings accounts, and certificates of deposits with an original maturity of three months or less of the City. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less. Investments of promissory note trustee accounts are not considered cash equivalents.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a

NOTES TO BASIC FINANCIAL STATEMENTS

remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price at the reporting date. Additional cash and investment disclosures are presented in Note 3.A.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Transactions related to goods and services provided/used are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds of the same type are eliminated in the Statement of Net Position.

Note 3.L. details interfund transactions, including receivables and payables, at year-end.

Inventories and Prepaid Items

Inventories are valued at average cost using the consumption method, which means that the related expenditures (governmental fund statements) or expenses (proprietary fund statements and government-wide statements) are recognized when the inventory is used. Inventory of the General Fund consists of fleet fuel and parts and is used for the fuel and maintenance needs of City of Laramie’s fleet vehicles.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The related expenditures or expenses are recognized in the period during which the prepaid item is used.

Receivables

In the government-wide statements, receivables consist of amounts owed to the City but not yet received. Depending on the type of transaction, receivables are recognized when the underlying transaction takes place, when an enforceable legal claim to resources exists, or when eligibility requirements are met, as in the case of grants. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable, and receivables are reported net of allowances. Major receivable balances for the governmental activities include sales and use tax, franchise tax, property and auto tax, and grants. Business-type activities report utility user fee revenue and grants as their major receivables. Accrued interest receivable is also recorded for government and business type activities.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, property and auto taxes, grants, and other similar intergovernmental revenues that are both measurable and available, as well as receivables to which the City has a legally enforceable claim or eligibility requirements have been met.

NOTES TO BASIC FINANCIAL STATEMENTS

Non-exchange transactions, those for which value is received without giving equal value in exchange, earned but not currently available are recorded as deferred inflows of resources in the governmental fund financial statements in accordance with the modified accrual basis of accounting. Revenue is recognized for these transactions in the government-wide financial statements that are reported on the accrual basis. Non-exchange transactions for which a receivable exists but revenue has not been earned are recorded as liabilities under both the accrual and modified accrual basis of accounting.

Proprietary fund receivables consist of all amounts owed at year-end that are not yet received. Depending on the type of transaction, receivables are recognized when the underlying transaction takes place, when an enforceable legal claim to resources exists, or when eligibility requirements are met, as in the case of grants. Utility user fee revenue and grants compose the majority of proprietary fund receivables.

On both the governmental and proprietary fund financial statements, allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable, and receivables are reported net of allowances.

Capital Assets

The accounting treatment for property, plant, equipment, and infrastructure (e.g. streets, bridges, storm water drainage, traffic signals, water lines, etc.) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of three years.

Government-wide Statements

In the government-wide financial statements, capital assets are included on the Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value the majority of the assets acquired prior to June 30, 2003. Depreciation of exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is recognized over the assets' estimated useful lives using the straight-line method of depreciation and the half year depreciation convention.

The range of estimated useful lives by type of asset is as follows:

– Buildings	25–40 years
– Improvements	10–40 years
– Machinery and Equipment	5–20 years
– Utility System	25–40 years
– Infrastructure	20–40 years

NOTES TO BASIC FINANCIAL STATEMENTS

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund at acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The restricted assets presented in the government-wide and fund financial statements are related to proceeds from the issuance of long-term debt that are restricted in use; capital facilities sales tax funds restricted for the purchase and/or repayment of debt; other capital project obligations, debt service requirements, and externally imposed spending restrictions. For additional disclosures regarding Restricted Assets, refer to Note 3.B.

Compensated Absences

The City's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. Overtime pay can be deferred by accumulating compensatory leave up to a maximum of 80 hours. In the event of termination or retirement, an employee is paid for all accumulated compensatory leave and accumulated vacation hours up to a maximum of 240 hours for less than 15 years of service or up to a maximum of 320 hours for 15 or more years of service. The City does not pay employees for accumulated sick leave upon termination or retirement, except for Fire Department personnel, the terms of which are in accordance with the existing contract.

The obligation for these compensated absences is recorded as a long-term liability in the government-wide statements. The current portion of this obligation is estimated based on historical vacation usage trends. In the fund financial statements, governmental funds report the compensated absence liability payable from expendable available financial resources only if they are considered matured, while the proprietary funds report the liability as it is incurred.

Unearned Revenue

Using both the accrual and modified accrual basis of accounting, unearned revenues arise when resources are received by the City before it has a legal claim to them or eligibility requirements are met, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, the liability for unearned revenue is removed and the revenue is recognized.

NOTES TO BASIC FINANCIAL STATEMENTS

Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. Long-term debt consists of capital leases, bonds, and notes payable. Debt is reported net of any related bond premiums and discounts, which are amortized to interest expense over the life of the bonds using the straight-line method.

Long-term debt obligations for governmental funds are not reported as liabilities in the fund financial statements. Debt proceeds are reported as other financing sources, and payments of principal and interest are reported as expenditures. Premiums received on debt issued are reported as other financing sources while discounts are reported as other financing uses. Accounting for the proprietary fund is the same in the fund statements as it is in the government-wide statements.

Deferred Inflows of Resources

Deferred inflows of resources are acquisitions of net position or fund balance that relate to a future period. GASB Statement 65 defines transactions that should be reported as deferred inflows of resources. For statements to which the economic resources measurement focus and accrual basis of accounting are applied, the City treats amortized gains due to bond refunds that result in debt defeasance, as deferred inflows of resources. For governmental fund statements, deferred inflows of resources include revenue that has been earned but is not a currently available resource.

For additional disclosure regarding deferred inflows of resources, refer to note 3.K.

Equity Classifications

Government-wide Statements

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

1. Net investment in capital assets — Consists of capital assets, including restricted capital assets, net of accumulated depreciation, plus capital related deferred outflows of resources reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets.

NOTES TO BASIC FINANCIAL STATEMENTS

2. Restricted net position — Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
3. Unrestricted net position — The residual net position that does not meet the definition of “restricted net position” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is the City’s policy to use externally restricted resources first, then unrestricted resources as needed.

Fund Statements

Governmental fund equity is classified as fund balance. In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balance is classified into five components: nonspendable, restricted, committed, assigned, and unassigned. Definitions are presented below:

1. Nonspendable Fund Balance – This classification reflects the portion of net resources that is inherently nonspendable because of its form or because it must be maintained intact.
2. Restricted Fund Balance – The portion of fund balance for which there are legally enforceable restrictions on use, either by limitations imposed 1) by creditors, grantors, contributors, or laws and regulations of other governments or 2) by laws through constitutional provisions or enabling legislation.
3. Committed Fund Balance – The portion of net resources for which there are self-imposed limitations enacted by the City Council that 1) required formal action at the same level to remove and 2) are set in place prior to the end of the period. Fund balance commitments are established, modified, or rescinded through a resolution enacted by City Council as allowed by Wyoming state statute.
4. Assigned Fund Balance – This classification reflects the portion of fund balance for which there are limitations that result from intended use established by the City Manager. Based on the City Manager-Council form of government in accordance with Wyoming statute, the City Manager is delegated management of the City when appointed by the Council. At the manager’s discretion, funds can be designated as assigned fund balance to accomplish organizational objectives. The City Manager also has the ability to rescind the designation. The Council can also designate, and later rescind the assignment, fund balance through any action less binding than a resolution.

NOTES TO BASIC FINANCIAL STATEMENTS

Common fund balance assignments include cash to balance the budget in accordance with Wyoming statute and the funding of multi-year major capital projects in the adopted budget.

5. Unassigned Fund Balance – The portion of net resources that is residual after nonspendable, restricted, committed, and assigned amounts have been determined.

When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed. See Note 3.M. for additional disclosures regarding the components of fund balance in the City's governmental funds.

Proprietary fund equity is classified the same as in the government-wide statements: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. When both restricted and unrestricted resources are available for use, it is the City's policy to use externally restricted resources first, then unrestricted resources as needed.

1.E. REVENUES, EXPENDITURES, AND EXPENSES

Sales & Use Tax

The State presently levies a four-cent sales and use tax of which the City receives approximately 31% of taxable collections. In November 2010, Albany County residents voted to continue the one cent optional sales and use tax – the fifth-cent. The majority of the optional penny tax goes directly to the City and Albany County. The fifth-cent tax will be on the ballot for renewal in November 2014.

Sales and use tax is collected by the Wyoming Department of Revenue and remitted to the City in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales and use tax approximately one month after collection by vendors. Sales and use tax is recorded entirely in the General Fund. Taxes received from the State in July have been accrued.

The fourth and fifth cent sales tax is reported on the government-wide Statement of Activities as unrestricted shared governmental revenue and on the Statement of Revenues, Expenditures, and Changes in Fund Balance in the General Fund as intergovernmental revenue.

Specific Purpose Sales and Use Tax

On August 1, 2002, the residents of Albany County approved a 1% specific purpose sales and use tax to fund several capital projects for Albany County, the City of Laramie and the Town of Rock River. The tax collections ended during fiscal year 2011, and the bonded debt was extinguished with the remaining funds during fiscal year 2012. Proceeds received upon debt

NOTES TO BASIC FINANCIAL STATEMENTS

defeasance will be expended on capital items in line with the projects approved by voters in the coming year. Projects include recreation center, outdoor pool, city hall, street, ice area, and east side tank improvements.

On May 4, 2010, the residents of Albany County approved the renewal of the 1% specific purpose sales and use tax for \$46,000,000 of capital projects within the City of Laramie, Albany County, and the Town of Rock River. The City's portion of the projects totals \$22,550,000, with the majority of dollars being allocated to water, sewer, and street infrastructure. The renewal went into effect in October 2010, and capital construction has been ongoing for four years.

The specific purpose tax is reported on the government-wide Statement of Activities as shared intergovernmental revenue restricted for capital projects and on Statement of Revenues, Expenditures, and Changes in Fund Balance in the Specific Purpose Tax Fund as intergovernmental revenue.

Property Tax

Property taxes are levied in the first week of August of each year and are collectible in two installments. Installments are due on September 1 and March 1 and are collectible on November 10 and May 10. If the first installment is made after November 10, the entire amount is due by December 31. Property taxes attach an enforceable lien on the property if the payment is not made by November 10 and May 10.

The City can request a property tax up to eight mills plus an additional amount (currently 0.75 mills) for the extinguishment of general obligation debt in any one year for the purpose of paying the costs incurred in performing the governmental functions essential to the convenience, safety and happiness of the citizens. For fiscal year 2014, the City requested eight mills of property tax.

The Office of the Albany County Treasurer bills and collects the property taxes and remits to the City its portion. In the Statement of Revenues, Expenditures, and Changes in Fund Balance, property taxes are recognized in the period levied to the extent collected within 60 days of the fiscal year-end. For the amount of any additional property taxes receivable after the 60-day period, an additional accrual is made in the government-wide Statement of Activities.

Program and General Revenues

On the government-wide Statement of Activities, *program revenues* include 1) revenue generated by a function or program from those who purchase, use, or otherwise directly benefit from the program or those who are directly affected by the program, even though they obtain no benefit (e.g. fines) 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment and 3) earnings on investments that must be spent on a specific program. Program revenues are directly

NOTES TO BASIC FINANCIAL STATEMENTS

associated with a particular function or program and come from sources other than the tax base. Taxes and other items not properly included among program revenue are reported instead as *general revenues*.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all other revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

Operating revenue is reported net of allowances for uncollectible amounts. Water Fund *Charges for Services* revenue is reported net of an allowance of \$124,543. There are no allowances in the other proprietary funds.

Non-operating Revenues and Expenses

Non-operating revenues and expenses for proprietary funds include those that relate to capital and related financing, noncapital financing, or investing activities. Non-operating revenues include plant investment fees, which are fees paid by developers to support utility infrastructure maintenance.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds—By Character:	Current (further classified by function)
	Debt Service
	Capital Outlay

Proprietary Fund—By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of current financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For governmental and proprietary funds, exchanges of financial resources between funds are recognized in the fund financial statements consistent with the applicable measurement focus and basis of accounting. The types of transactions occurring between governmental funds are exchanges of financial resources to support a particular

NOTES TO BASIC FINANCIAL STATEMENTS

activity (e.g. capital improvements in a capital fund). Transactions between the same type of fund (governmental or enterprise) are eliminated on the Statement of Net Position.

Transactions occurring between governmental and proprietary funds are of three kinds: indirect cost charges, user fees for services, and capital asset transfers. Capital asset transfers occur when a capital asset is constructed using resources in a governmental fund and is then transferred to a proprietary fund for management. Transactions occurring between governmental and proprietary funds are not eliminated on the Statement of Net Position.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

1.F. BUDGETARY DATA

Budgetary Policy

For fiscal years 2013-2014, the City adopted a biennial budget resolution for the General Fund, Recreation Center Fund, Capital Construction Fund, Parks and Recreation Development Fund, Water Fund, and Wastewater Fund. Amendments were recommended and adopted for fiscal year 2014, the second year of the biennium. An annual budget resolution was adopted for the Economic Development Fund, the E911 Fund, the Specific Purpose Tax Fund, the Wyoming Territorial Prison Debt Service Fund, and the Solid Waste Fund.

The City prepares a biennial budget so that it can better match its operating cycle with the State of Wyoming, on which it relies for supplemental funding. The City prepares its budget and related appropriations for all funds using the *modified accrual basis, with certain exceptions*. Using this basis, revenue is budgeted when considered measureable and available. Expenditures, including capital outlay, are budgeted when the related liability is incurred or, in the case of debt service principal and interest, due. Exceptions to the modified accrual basis include depreciation budgets in the Enterprise Funds and exclusions in the budget for fair market value adjustments on investments, gains or losses on disposals, and current period vacation accruals.

Budgetary Control

Each fund's appropriated budget is prepared on a detailed line item basis. This detail is published and distributed for the recommended budget, but some funds are adopted in total in the final budget resolution. Revenues are budgeted by source. Expenditures are

NOTES TO BASIC FINANCIAL STATEMENTS

budgeted by department and character (personal services, materials and supplies, contractual services, capital outlay, and debt service).

The legal level of spending control is generally at the department and fund level, depending on the type of fund. However, the City enforces budgetary control more strictly for certain items. In accordance with Wyoming state statute, capital items and one time expenditures are allocated for a specific purpose. Changes to capital or one time budget allocations, regardless of whether departmental expenditures exceed appropriations for a year, are presented to the City Council as budget amendments.

Budgets may be amended by the City Council through a public hearing process required by state statute. All budget amendments are handled in this manner. City management may not transfer appropriations without council approval. All budget appropriations lapse following the close of the budget year to the extent that they are not expended or encumbered.

During fiscal year 2014, it was necessary to amend the originally adopted budget. A summary of amendments for governmental funds, many of which had revenue offsets, is presented below:

General Fund	
Increase in administrative expenditures	\$ 17,325
Increase in legal expenditures	157,748
Increase in other general government expenditures	104,368
Increase in police department expenditures	(5,515)
Increase in fire department expenditures	422,298
Increase in engineering expenditures	4,929
Increase in highways and streets expenditures	30,411
Increase in parks, recreation, and cemetery expenditures	<u>167,997</u>
Net difference between original and final amended budget	<u><u>\$ 899,561</u></u>
Capital Construction Fund	
Increase in capital outlay expenditures	<u>\$ 5,396,412</u>
Net difference between original and final amended budget	<u><u>\$ 5,396,412</u></u>
Economic Development Fund	
Increase in economic development expenditures	<u>\$ 199,863</u>
Net difference between original and final amended budget	<u><u>\$ 199,863</u></u>
Parks and Recreation Development Fund	
Increase in capital outlay expenditures	<u>\$ 5,659</u>
Net difference between original and final amended budget	<u><u>\$ 5,659</u></u>

NOTES TO BASIC FINANCIAL STATEMENTS

1.G. NEW GASB PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) issued two new statements that were effective for the reporting period.

Statement No. 69, *Government Combinations and Disposals of Government Operations*, establishes accounting and financial reporting standards for mergers, acquisitions, and transfers of operations, as well as guidance for determining gain and loss on the disposal of government operations. Prospective application is required, and the City had no transactions for the reporting period to which this guidance would apply.

Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, establishes accounting and financial reporting standards for situations where a state or local government, as a guarantor, agrees to indemnify a third-party obligation holder under specified conditions. Except for disclosures related to cumulative amounts paid or received in relation to a nonexchange financial guarantee, the provisions of this Statement are required to be applied retroactively. The City currently has no nonexchange financial guarantees to which this guidance would apply.

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. An analysis of the City's compliance with significant laws and regulations and demonstration of its stewardship over the City includes the following items.

2.A. FUND ACCOUNTING REQUIREMENTS

The City complies with all state and local laws and regulations requiring the use of separate funds. The legally required funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
Cemetery Trust Fund	State Law
Wyoming Territorial Prison Debt Service Fund	Loan Agreement
Specific Purpose Tax Fund	Trust Indenture

2.B. COMPLIANCE WITH FINANCE RELATED AND LEGAL CONTRACTUAL PROVISIONS

The City has no material violations of finance related legal contractual provisions.

2.C EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

The City has no material excess of expenditures over appropriations in individual funds.

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 3. DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS

3.A CASH AND INVESTMENTS

Effective July 1, 2004 the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 40, Deposit and Investment Risk Disclosures. This statement establishes financial reporting standards for all state and local governments pertaining to the presentation and disclosure requirement of deposits and investment risks related to credit risk, inherent rate risk, and foreign currency risk. Adoption of this accounting standard had no impact on total net assets.

Wyoming Statute 9-4-817 authorizes agencies of the State to deposit public funds in financial institutions authorized to do business in the State of Wyoming. These deposits must be fully insured by the Federal Deposit Insurance Corporation (FDIC) or secured by a pledge of assets that totals 102% including bonds, debentures and other securities in which the State Treasurer may by law invest in. Alternatively, a depository may pledge to deposit with conventional real estate mortgages and loans connected with mortgages at a ratio of one and one half (1.5:1) of the value of public funds secured by the securities.

The City's investment policy specifies that internally invested funds may be invested in a combination of fixed-income, minimal risk instruments and money market funds. Investment goals for internally invested funds are designed to achieve a return to provide income, protect assets from risk, and maintain liquidity to meet spending requirements. Investments are limited to collateralized bank certificates of deposits, money market funds or federally guaranteed or insured securities. Custodial services are utilized to safeguard the assets and provide monthly reports.

Demand Deposits

At June 30, 2014, the carrying amount of the City's demand deposits in financial institutions was \$68,520,865. The demand deposits were fully insured with a combination of FDIC insurance and pledged collateral held in the name of the City. All deposits qualified were held by a qualified depository as outlined in the state statutes.

At June 30, 2014, the carrying amount of the City's deposits with the Wyoming State Treasurer's Asset Reserve (Wyo-STAR) totaled \$5,322,471. Detailed information on Wyo-STAR's pooled cash and investments is available from the Wyoming State Treasurer's Office located at 200 W 24th Street, Cheyenne, WY, 82002.

Custodial Credit Risk – Deposits

State statute requires that the City's deposits be collateralized at a rate of 102%, which includes the Federal Deposit Insurance Corporation's insured amount. At June 30, 2014, the City's deposits were fully collateralized in compliance with state statute.

NOTES TO BASIC FINANCIAL STATEMENTS

Investments

As of June 30, 2014, the City had investments with weighted average maturities as shown in the following table:

Investment Type	Carrying Amount	Fair Value	Weighted Average Maturity in Years
Federal Home Loan Mortgage Corporation	\$ 3,421,186	\$ 3,428,935	4.30
CMO Series	443,984	498,041	20.07
Federal National Mortgage Association	3,192,566	3,165,727	5.39
Federal Home Loan Bank	1,178,230	1,177,841	1.55
Federal Farm Credit Bank	101,085	105,425	3.92
Government National Mortgage Association	3,903	4,413	10.90
U.S. Treasury Strips	9,996,800	9,996,800	0.38
Certificates of Deposit	2,606,764	2,606,764	0.68
Total	<u>\$ 20,944,518</u>	<u>\$ 20,983,946</u>	

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal policy for interest rate risk. However, the City does manage its exposure to fair value loss arising from interest rate changes on internally invested funds by reviewing the portfolio on an ongoing basis for changes in effective yields amounts.

Credit Risk

Credit risk is the risk that an insurer or other counterparty to an investment will not fulfill its obligations. Credit risk is not present in direct obligations of the U.S. government and obligations explicitly guaranteed by the U.S. government. Bond ratings by nationally recognized statistical rating organizations (Moody's and Standard and Poor's) are the recognized measure of credit risk.

NOTES TO BASIC FINANCIAL STATEMENTS

The table below shows Moody's ratings for the City's debt securities and the insured status of investments that are not rated:

Investment Type	Fair Value	Aaa	Insured	Unrated
Federal Home Loan Mortgage Corporation	\$ 3,428,935	\$ 3,428,935	\$ -	\$ -
Federal National Mortgage Association	3,165,727	3,165,727	-	-
Government National Mortgage Association	4,413	-	4,413	-
Federal Home Loan Bank	1,177,841	1,177,841		
CMO Series	498,041	-	498,041	-
Federal Farm Credit Bank	105,425	105,425		
U.S. Treasury Strips	9,996,800	9,996,800	-	-
Certificates of Deposit	2,606,764	-	-	2,606,764
State of Wyoming Investment Pool	5,322,471	-	-	5,322,471
Money Market - General Investments	8,469	-	-	8,469
Money Market - Debt Reserve	110,486	-	-	110,486
Total	<u>\$ 26,425,372</u>	<u>\$ 17,874,728</u>	<u>\$ 502,454</u>	<u>\$ 8,048,190</u>

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the City will not be able to recover the value of the investments or collateral securities that are in possession of an outside party. The City does not have a formal policy for custodial credit risk. Investments are held in safekeeping by external custodians in the City's name.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. Concentration of risk is not addressed in the internal investment policy; however, concentration risk does not arise in connection with U.S. government obligations and obligations explicitly guaranteed by the U.S. government. Most of the City's investments are in U.S. government obligations.

At June 30, 2014, the City held securities from the following issuers in excess of 5% of the total portfolio:

Federal Home Loan Mortgage Corporation	\$ 3,428,935
Federal National Mortgage Association	3,165,727
U.S. Treasury Strips	9,996,800
Certifications of Deposit	<u>2,606,764</u>
Total	<u>\$ 19,198,226</u>

NOTES TO BASIC FINANCIAL STATEMENTS

Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment or a deposit. The City's policy is not to invest in foreign currency which mitigates their exposure to foreign currency risk.

3.B. RESTRICTED ASSETS

The amounts reported as restricted assets include cash and investments legally restricted as to their use. Some of these amounts are restricted for use in the construction and financing of projects approved by the voters of the City of Laramie and Albany County. Other restrictions include additional capital projects, debt service requirements, and donor or other externally imposed spending restrictions. The balances of government wide restricted assets as of June 30, 2014 are as follows:

Fund	Description	Amount
Governmental Funds:		
General fund	Drug asset forfeiture funds	\$ 18,501
	Customer receivables in suspense	40,008
Specific Purpose Tax Fund	Bonded debt and unbonded project reserve	9,723,742
Wyoming Territorial Prison		
Debt Service Fund	Debt service reserve	9,996,800
Recreation Center Fund	Recreation endowment and scholarship funds	2,622,334
	Restricted Assets - Governmental Funds	\$ 22,401,385
Fund	Description	Amount
Proprietary Funds:		
Water Fund	Waterline maintenance reserve	\$ 351,216
	Debt service reserve - 2008 & 2012 refunding bonds	327,063
	Debt service reserve - 2013 revenue bonds	56,800
	Debt escrow	236,850
	Restricted Assets - Proprietary Funds	\$ 971,929
	Total Restricted Net Assets	\$ 23,373,314

3.C. ACCOUNTS RECEIVABLE

Accounts receivable of governmental activities consist of franchise taxes, property taxes, sales taxes, use taxes, state grants, federal grants and other miscellaneous receivables. Accounts receivable of the business-type activities consists primarily of utilities and grants receivable.

The State Land and Investment Board and Environmental Protection Agency are engaged in a review of the City's compliance with provisions specified in the Drinking Water State Revolving Fund (DWSRF) loan agreement for the Grand Avenue Waterline Project. The City is providing the additional documentation. If the City's documentation is adequate, it is highly unlikely, based on documented representations by agency representatives, that the City's funding is

NOTES TO BASIC FINANCIAL STATEMENTS

compromised. As of June 30, 2014, the receivable for reimbursable project expenses under the loan agreement totals \$1,033,978 for business-type activities and is recognized in the financial statements, along with the related long term liability for the loan (see Note 3.I. - Long Term Liabilities).

Receivables as of year-end for the City’s governmental and business-type activities are presented below, including applicable allowances for doubtful accounts.

	Governmental Activities					
	General Fund	Specific Purpose Tax Fund	WY Territorial Prison Debt Service	Major Capital Construction Fund	Non-major Governmental Funds	Internal Service Fund
Property taxes receivable	\$ 180,263	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise taxes receivable	207,388	-	-	-	-	-
Intergovernmental receivable	955,495	296,228			23,077	
Customer receivables	35,670	-	-	-	38,941	-
Court fines receivable	1,456,482	-	-	-	-	-
Grant receivables	315,196	-	-	1,893,509	11,080	-
Miscellaneous receivables	36,349	-	-	-	48	37,636
Interest receivable	1,460	-	-	-	175	4,963
Allowance for doubtful accounts	(1,255)	-	-	-	-	-
	<u>\$ 3,187,048</u>	<u>\$ 296,228</u>	<u>\$ -</u>	<u>\$ 1,893,509</u>	<u>\$ 73,321</u>	<u>\$ 42,599</u>

	Business-type Activities		
	Water Fund	Waste Water Fund	Solid Waste Fund
Customer receivables	\$ 661,293	\$ 425,826	\$ 412,940
Miscellaneous receivables	9,158	12,040	50
Grant receivables	1,250,557	53,111	634
Interest receivable	218	668	264
	<u>\$ 1,921,226</u>	<u>\$ 491,645</u>	<u>\$ 413,888</u>

3.D. NOTES RECEIVABLE

Governmental Activities	Balance at June 30, 2013	Additions	Reductions	Balance at June 30, 2014
LEDC LLC				
- Rail spur development loan Ten year term with 5% interest accrual starting when construction complete. First annual payment of \$12,950 due one year after date at which rail spur operational.	\$ 100,000	\$ -	\$ -	\$ 100,000
Aaron's Place, Inc.				
- Economic development loan Fifteen year term with an annual administrative fee of 11% of the principal repayment.	260,000	-	(20,000)	240,000
Total Notes Receivable	<u>\$ 360,000</u>	<u>\$ -</u>	<u>\$ (20,000)</u>	<u>\$ 340,000</u>

NOTES TO BASIC FINANCIAL STATEMENTS

3.E. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	<u>Balance at</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at</u> <u>June 30, 2014</u>
Governmental activities:				
Non-depreciable assets				
Land	\$ 3,231,099	\$ 588,493	\$ (320,222)	\$ 3,499,370
Construction in progress	2,767,801	3,545,294	(2,522,719)	3,790,376
Depreciable assets				
Buildings	37,456,195	62,498	-	37,518,693
Improvements	5,765,876	161,338	-	5,927,214
Infrastructure	62,946,112	2,175,522	-	65,121,634
Furniture and equipment	13,662,195	1,581,193	(481,274)	14,762,114
Total at historical cost	125,829,278	8,114,338	(3,324,215)	130,619,401
Accumulated depreciation				
Buildings	(9,414,290)	(994,251)	-	(10,408,541)
Improvements	(1,914,910)	(278,989)	-	(2,193,899)
Infrastructure	(28,433,051)	(2,020,150)	-	(30,453,201)
Furniture and equipment	(9,493,937)	(1,273,191)	396,939	(10,370,189)
Total accumulated depreciation	(49,256,188)	(4,566,581)	396,939	(53,425,830)
Governmental activities capital assets, net	<u>\$ 76,573,090</u>	<u>\$ 3,547,757</u>	<u>\$ (2,927,276)</u>	<u>\$ 77,193,571</u>
	<u>Balance at</u> <u>June 30, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance at</u> <u>June 30, 2014</u>
Business-type activities:				
Non-depreciable assets				
Land	\$ 3,547,763	\$ 86,707	\$ -	\$ 3,634,470
Water rights	87,685	-	-	87,685
Construction in progress	1,431,762	3,625,661	(208,203)	4,849,220
Depreciable assets				
Buildings	32,937,473	3,543,729	-	36,481,202
Improvements	79,378,155	9,443,416	-	88,821,571
Infrastructure	3,082,280	2,981	-	3,085,261
Furniture and equipment	13,752,552	1,764,718	(88,340)	15,428,930
Total at historical cost	134,217,670	18,467,212	(296,543)	152,388,339
Accumulated depreciation				
Buildings	(16,771,005)	(762,839)	-	(17,533,844)
Improvements	(27,541,556)	(2,174,339)	-	(29,715,895)
Infrastructure	(252,290)	(117,127)	-	(369,417)
Furniture and equipment	(7,874,564)	(1,193,615)	88,341	(8,979,838)
Total accumulated depreciation	(52,439,415)	(4,247,920)	88,341	(56,598,994)
Business-type activities capital assets, net	<u>\$ 81,778,255</u>	<u>\$ 14,219,292</u>	<u>\$ (208,202)</u>	<u>\$ 95,789,345</u>

NOTES TO BASIC FINANCIAL STATEMENTS

Depreciation expense was charged to governmental activities as follows:

General government:	
Administrative services	\$ 85,424
Other general government	409,793
Public safety:	
Police	357,687
Fire	448,613
Engineering and code administration	10,389
Health and welfare:	
Animal control	19,756
Mosquito control	28,821
Culture and recreation:	
Parks	363,984
Recreation	505,846
Cemetery	40,359
Highways and streets	<u>2,295,909</u>
Total depreciation expense	<u>\$ 4,566,581</u>

3.F. EASEMENTS

The City of Laramie purchased the following easements during the fiscal year in conjunction with construction projects. Easements are listed by construction project and are associated with business-type activities.

36" Water Transmission Pipeline Project

Steven E. Sutter / Sharron K. Christensen	\$ 728
Ann H. Thedieck	18,264
John H. Wetstein / Loree L. Hanson-Wetstein	<u>6,064</u>
Project Total	<u>25,056</u>

Cirrus Sky Technology Park Project

BLT, LLC	<u>3,585</u>
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Grand Avenue & 21st Street Intersection Project

Ivinson Home for Aged Ladies	<u>1,470</u>
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Total Easements Purchased-Business Type Activities	<u>\$ 30,111</u>
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NOTES TO BASIC FINANCIAL STATEMENTS

3.G. DEFERRED OUTFLOWS OF RESOURCES

With the implementation of Governmental Accounting Standards Board (GASB) Statements 63 and 65, certain items that were previously classified as assets and liabilities are now reported as deferred outflows and inflows of resources respectively.

Deferred outflows of resources are consumptions of net position or fund balance that relate to a future period. The City has no items that should be classified as deferred outflows of resources in the current period.

3.H. ACCOUNTS PAYABLE

Payables in the general fund and non-major governmental funds are composed of payables to vendors and accrued salaries and benefits. Payables of the Enterprise Funds are composed of payables to vendors and accrued salaries and benefits.

3.I. LONG-TERM LIABILITIES

The reporting entity's long-term liabilities are segregated between the amounts to be repaid from governmental activities and amounts to be repaid from business-type activities. The liability for compensated absences is paid from by the fund that incurred the liability for the compensated absences. In governmental activities, the General Fund and Recreation Center Fund have liabilities for compensated absences. In business-type activities, the Water Fund, Waste Water Fund, and Solid Waste fund have liabilities for compensated absences.

NOTES TO BASIC FINANCIAL STATEMENTS

The following is a summary of changes in long-term liabilities of the City at June 30, 2014:

Governmental Activities:	Long-term Liabilities at June 30, 2013 As Restated	Additions	Deletions	Long-term Liabilities at June 30, 2014	Due Within One Year
Loans Payable:					
WTP note payable	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ 10,000,000
Capital Leases:					
WAM energy lease	7,500	-	5,000	2,500	2,500
Energy improvements lease	956,724	-	56,667	900,057	59,071
E911 consoles	83,378	-	83,378	-	-
WAM energy lease II	80,000	-	10,000	70,000	10,000
Street wheel loader	-	113,569	28,509	85,060	56,529
General Obligation Bonds:					
SPT 2010 GO Bonds	19,150,000	-	1,825,000	17,325,000	1,950,000
Premium on 2010 GO Bond issue	283,610	-	40,516	243,094	-
Other Long-term Debt:					
Capital asset donations payable	1,144,437	-	-	1,144,437	1,144,437
Compensated absences	1,104,175	1,139,153	1,069,776	1,173,552	326,966
	<u>\$ 32,809,824</u>	<u>\$ 1,252,722</u>	<u>\$ 3,118,846</u>	<u>\$ 30,943,700</u>	<u>\$ 13,549,503</u>
Business-Type Activities:	Long-term Liabilities at June 30, 2013	Additions	Deletions	Long-term Liabilities at June 30, 2014	Due Within One Year
Revenue Bonds:					
Water refunding bonds 2008	\$ 1,625,000	\$ -	\$ 100,000	\$ 1,525,000	\$ 125,000
Water refunding bonds 2012	1,140,000	-	375,000	765,000	365,000
Water revenue bonds 2013	-	1,072,000	-	1,072,000	22,000
Loans Payable:					
WWDC Spur Well loan	510,856	-	55,442	455,414	57,660
WSLIB Water projects loan	1,015,331	-	90,402	924,929	93,047
WWDC Soldier Springs Well loan	341,436	-	43,228	298,208	44,958
WWDC Laramie Transmission	1,875,011	24,981	-	1,899,992	-
WSLIB Grand Ave Waterline Project	-	516,989	-	516,989	-
WSLIB Main Lift Station Project	635,220	-	33,436	601,784	33,703
WSLIB Wastewater Treatment Facility loan	3,807,625	-	725,863	3,081,762	743,362
WSLIB Wastewater Treatment Facility loan	456,635	-	46,841	409,794	47,147
Capital Leases:					
Water dump truck	-	119,089	29,835	89,254	59,277
Wastewater dump truck	86,406	-	57,338	29,068	29,068
Solid waste wheel loader	162,000	-	54,002	107,998	53,574
Energy improvements lease	130,048	-	7,698	122,350	8,025
Solid waste collection truck	264,310	-	66,583	197,727	64,915
Solid waste scraper	620,499	-	85,804	534,695	85,497
Recycling program equipment	305,667	-	74,399	231,268	75,249
Other long-term liabilities:					
Landfill closure and post closure costs payable	2,512,814	127,522	-	2,640,336	-
Compensated absences	212,856	199,030	211,472	200,414	39,639
	<u>\$ 15,701,714</u>	<u>\$ 2,059,611</u>	<u>\$ 2,057,343</u>	<u>\$ 15,703,982</u>	<u>\$ 1,947,121</u>

NOTES TO BASIC FINANCIAL STATEMENTS

Governmental Activities – Long-term Debt

As of June 30, 2014, the governmental long-term debt of the financial reporting entity consisted of the following:

LOANS:

A note payable to the Investment Fund Committee of the State of Wyoming, interest only payable at 1.5% interest through December 1, 2014 when total principal and remaining accrued interest are due. U.S. securities and a portion of 1% sales tax are collateral for this loan.	\$ 10,000,000
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CAPITAL LEASES:

Capital lease payable to WAM, due in semi-annual installments of \$2,500, at zero interest to June 2015, unsecured	2,500
Capital lease payable, due in semi-annual installments of \$48,132, including interest at 4.2% through June 2026, collateralized by equipment with an original cost of \$1,037,072	900,057
Capital lease payable to WAM, due in quarterly installments of \$2,500 at zero interest through 2021, unsecured	70,000
Capital lease payable due in semi-annual installments of \$28,797, including interest at 1.5% through August 2015, collateralized by equipment with an original cost of \$138,569	85,060

BONDS:

General obligation bonds, due in semi-annual variable installments ranging from \$1,011,187 to \$1,396,500 at a net interest rate of 2.32% including a premium on the debt issue of \$405,157 to November 2021 secured by the one cent specific purpose tax.	<u>17,568,094</u>
Total Governmental Activity Debt	<u>\$ 28,625,711</u>

Governmental Activities – Capital Asset Donations Payable

In fiscal year 2013, the City entered into a grant agreement with the Wyoming Business Council for a Business Ready Community Grant to fund the Cirrus Sky Technology Park project. Under the terms of this agreement, the City acquired land and is constructing infrastructure to support the development of a technology park in Laramie. When infrastructure construction is complete, the City must transfer ownership of the land to the Laramie Economic Development Corporation (LEDC). The land was purchased in fiscal year 2013 for \$1,461,618, and ownership of land worth \$1,144,437 will be transferred to LEDC. With the capital asset acquisition, a long term liability has been recognized for the pending land donation to which the City is obligated per the agreement. The City expects to transfer the land in late fall 2015 if construction is on schedule.

NOTES TO BASIC FINANCIAL STATEMENTS

Business-type Activities – Long Term Debt

As of June 30, 2014, the governmental long-term debt of the financial reporting entity consisted of the following:

BONDS:

A series of refunding water bonds, due in annual installments through December 1, 2023 with semi-annual interest payments at 2.90% to 4.50%. These bonds are callable after December 1, 2009. Secured by revenues generated by the Municipal Water System.	\$ 1,525,000
A series of refunding water bonds, due in semi-annual variable installments, including interest at 0.54% to 1.04% through December 1, 2015. Secured by revenues generated by the Municipal Water System.	765,000
A series of water revenue bonds, due in annual installments of \$56,840 through December 2043, including interest at 3.25%. Secured by revenues generated by the Municipal Water System.	1,072,000

LOANS:

Note payable to the State of Wyoming, Wyoming Water Development Commission due in annual installments of \$75,873 including interest at 4.0% to December 2020, secured by revenues generated by the Municipal Water System.	455,414
Note payable to the State of Wyoming, Office of State Lands and Investments due in annual installments from \$116,203 to \$150,256 including interest at 2.5% to September 2022, secured by revenues generated by the Municipal Water System.	924,929
Note payable to the State of Wyoming, Wyoming Water Development Commission due in annual installments of \$56,887 including interest at 4.0% to December 2019, secured by revenues generated by the Municipal Water System.	298,208
Note payable to the State of Wyoming, Wyoming Water Development Commission due in annual installments estimated at \$148,000 including interest at 4.0% secured by revenues generated by the Municipal Water System. Payments are estimated to begin in December 2015 through December 2044.	1,899,992
Note payable to the State of Wyoming, Office of State Lands and Investments, due in annual installments estimated at \$58,823 including interest at 2.5% secured by revenues generated by the Municipal Water System. Payments are estimated to begin in December 2015 through December 2034.	516,989

(Continued)

NOTES TO BASIC FINANCIAL STATEMENTS

Business-Type Activities – Long Term Debt (cont.)

Note payable to the State of Wyoming, Office of State Lands and Investments, due in annual installments of \$48,569, including interest at 2.50% to April 2029 secured by revenues generated by the Wastewater Treatment Facility.	601,784
Note payable to the State of Wyoming, Office of State Lands and Investments, due in annual installments of \$820,532, including interest at 2.5% to October 2017, secured by revenues generated by the Wastewater Treatment Facility.	3,081,762
Note payable to the State of Wyoming, Office of State Lands and Investments, due in annual installments of \$57,444, including interest at 2.5% to August 2021, secured by revenues generated by the Wastewater Treatment Facility.	409,794
CAPITAL LEASES:	
Capital lease payable, due in semi-annual installments of \$29,286, including interest at 1.50% through August 2014, secured by equipment with an original cost of \$131,406.	29,068
Capital lease payable, due in semi-annual installments of \$30,197, including interest at 1.50% through August 2015, secured by equipment with an original cost of \$144,089.	89,254
Capital lease payable, due in annual installments of \$55,280, including interest at 1.57% through August 2015, secured by equipment with an original cost of \$217,000.	107,998
Capital lease payable, due in semi-annual installments of \$6,539, including interest at 4.2% through June 2026, secured by equipment with an original cost of \$140,963.	122,350
Capital lease payable, due in annual installments of \$67,922, including interest at 1.51% through August 2016, secured by equipment with an original cost of \$293,310.	197,727
Capital lease payable, due in semi-annual installments of \$47,077, including interest at 1.65% to 1.75% through February 2020, secured by equipment with an original cost of \$688,499.	534,695
Capital lease payable due in annual installments of \$82,166 including interest at 2.975% to January 2017, secured by equipment with an original cost of \$452,452.	<div style="border-top: 1px solid black; display: inline-block;">231,268</div>
Total Business-Type Activity Debt	<div style="border-top: 3px double black; display: inline-block;">\$ 12,863,232</div>

NOTES TO BASIC FINANCIAL STATEMENTS

Annual Debt Service Requirements

The annual requirements to amortize all debt outstanding as of June 30, 2014, excluding obligations associated with capital assets donations payable, compensated absences, premium on debt issuance, and landfill closure and post-closure costs are as follows:

	Governmental Activities		Business-Type Activities		Government-Wide	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 12,078,100	\$ 466,631	\$ 1,907,482	\$ 286,918	\$ 13,985,582	\$ 753,549
2016	2,100,111	423,773	1,971,090	332,340	4,071,201	756,113
2017	2,074,192	380,946	1,521,156	288,325	3,595,348	669,271
2018	2,301,916	337,222	1,428,935	227,803	3,730,851	565,025
2019	2,429,756	280,882	646,656	206,198	3,076,412	487,080
2020-2024	7,215,784	410,281	2,459,222	736,343	9,675,006	1,146,624
2025-2029	182,758	9,698	803,707	512,404	986,465	522,102
2030-2034	-	-	654,057	345,343	654,057	345,343
2035-2039	-	-	637,938	228,809	637,938	228,809
2040-2044	-	-	727,338	106,245	727,338	106,245
2045-2049	-	-	105,651	4,226	105,651	4,226
	<u>\$ 28,382,617</u>	<u>\$ 2,309,433</u>	<u>\$ 12,863,232</u>	<u>\$ 3,274,954</u>	<u>\$ 41,245,849</u>	<u>\$ 5,584,387</u>

Legal Debt Margin

The City is subject to debt margin limits related to general obligation (GO) bonds, which are based on the City's current assessed value of \$224,234,575. For GO bonds related to general projects, the debt limit is 4% of the City's assessed value. For wastewater projects financed by GO bonds, the debt limit is 8% of the City's assessed value. Per Wyoming Statute, there is no debt limit for water projects financed by GO bonds. Additional information about the City's debt limit, including the current calculation, is included in the statistical section.

3.J. LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws require the City of Laramie to place a final cover on its municipal landfill site when it stops accepting waste and to perform certain monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$2,640,336 reported as landfill closure and postclosure care liability at June 30, 2014 represents the cumulative amount reported to date based on 56.7% of the estimated usage of the landfill. The City will recognize the remaining estimated costs of closure and postclosure care of \$2,019,203 as the remaining capacity is filled. The liability for post closure care is reviewed annually by landfill engineering specialists, who recommend adjustments based on inflation, changes in technology, and changes in regulations. The City expects to close the landfill in the year 2056.

NOTES TO BASIC FINANCIAL STATEMENTS

3.K. DEFERRED INFLOWS OF RESOURCES

With the implementation of Governmental Accounting Standards Board (GASB) Statements 63 and 65 in fiscal year 2013, certain items that were previously classified as assets and liabilities are now reported as deferred outflows and inflows of resources respectively. Deferred inflows of resources are acquisitions of net position or fund balance that relate to a future period. The City is reporting several items in this category, as explained below:

Business-type Activities

Amortized gain on debt refunding – Water Refunding Bonds Issues 2001, 2008, and 2012

Water refunding bonds issued in 2001 resulted in a gain at defeasance of \$429,500 with amortization occurring over the life of the fifteen year bonds. The 2001 bonds were defeased in fiscal year 2013 with a 2012 issue of refunding bonds, and \$114,000 of the original gain was transferred to the debt reserve. The \$114,000 gain is being amortized over the remaining four year life of the 2012 refunding bond issue.	\$ 57,000
Water refunding bonds issued in 2008 resulted in a gain at defeasance of \$204,000 with amortization occurring over the life of the fifteen year bonds.	<u>136,000</u>
Total deferred inflows of resources – business type activities	<u>\$ 193,000</u>

Prior to the implementation of GASB Statements 63 and 65, the gains on refunding were reported as deferred revenue in business-type activities.

Governmental Funds

Due to the difference in measurement focus, some items are classified as deferred inflows of resources in the governmental fund statements that are recognized as revenue in the government wide statements. This difference occurs because revenue in the governmental funds can only be recognized when earned and currently available. Deferred inflows of resources in the governmental funds are listed below:

General Fund

Grants receivable for which a legal claim exists but were not received within sixty (60) days of year end.	\$ 33,452
Property taxes receivable as reported by the Albany County Treasurer, but not received within sixty (60) days of year end.	<u>56,706</u>
Total deferred inflows of resources – General Fund	<u>90,158</u>

NOTES TO BASIC FINANCIAL STATEMENTS

Capital Construction Fund

Grants receivable for which a legal claim exists but were not received within sixty (60) days of year end. 41,699

Total deferred inflows of resources – Capital Construction Fund 41,699

Total deferred inflows of resources – governmental funds \$ 131,857

Prior to the implementation of GASB Statements 63 and 65, property tax and grant receivables that were unavailable were previously reported as deferred revenue on the Governmental Fund statements.

3.L. INTERFUND TRANSACTIONS AND BALANCES

The City transfers amounts between funds to pay for operating expenses. The transfers are budgeted for by the City Council to supplement the operating costs for the respective funds for matching funds required by capital grants.

Transfers also occur with the movement of capital assets between governmental and business-type activities. These transfers are described as *capital asset transfers* in the financial statements.

The operating transfers for the year ended June 30, 2014 were as follows:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
Governmental Funds:		
Major Funds:		
General Fund	\$ 778,358	\$ 4,494,131
Specific Purpose Tax Fund	-	-
Capital Construction Fund	4,953,311	-
Nonmajor Funds	<u>314,417</u>	<u>208,282</u>
Total Governmental Funds	<u>6,046,086</u>	<u>4,702,413</u>
Proprietary Funds:		
Major Funds:		
Water Fund	-	700,011
Waste Water Fund	-	425,895
Solid Waste Fund	-	<u>217,767</u>
Total Proprietary Funds	<u>-</u>	<u>1,343,673</u>
Internal Service Funds	<u>-</u>	<u>-</u>
Total Operating Transfers	<u>\$ 6,046,086</u>	<u>\$ 6,046,086</u>

NOTES TO BASIC FINANCIAL STATEMENTS

The capital asset transfers for the year ended June 30, 2014 were as follows:

	Capital Asset Transfers In	Capital Asset Transfers Out
Governmental Funds:		
Major Funds:		
Specific Purpose Tax Fund	\$ -	\$ 9,327,872
Total Governmental Funds	-	9,327,872
Proprietary Funds:		
Major Funds:		
Water Fund	3,020,052	-
Waste Water Fund	2,469,937	-
Solid Waste Fund	3,837,883	-
Total Proprietary Funds	9,327,872	-
Total Capital Asset Transfers	\$ 9,327,872	\$ 9,327,872

Any interfund loan amounts are temporary in nature and are repaid by the respective funds on a current basis. As of June 30, 2014 there were no interfund loan balances.

3.M. FUND EQUITY

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2014 are as follows:

Classification/Fund	Purpose	Amount
<i>Nonspendable</i>		
General Fund	Prepaid Items and Inventory	\$ 35,756
Recreation Center Fund	Prepaid Items	1,542
	Recreation Endowment	2,606,764
Total Nonspendable Fund Balance		2,644,062
<i>Restricted</i>		
General Fund	Debt payments	106,063
	Grant matches	490,277
Economic Development Fund	Grant and loan program	177,911
Recreation Center Fund	Debt payments	28,997
Debt Service Fund	Wyoming Territorial Prison Debt	9,996,800
Specific Purpose Tax	Capital projects and debt service	9,912,486
Park & Recreation Mill Fund	Recreation capital projects	169,947
Capital Projects Fund	Grant matches	3,145,296
	Restricted project revenue	1,283,890
Total Restricted Fund Balance		25,311,667

NOTES TO BASIC FINANCIAL STATEMENTS

Fund equity (continued)

Classification/Fund	Purpose	Amount
<i>Committed</i>		
General Fund	Encumbered contracts	360,439
Recreation Center Fund	Encumbered contracts	6,590
Capital Projects Fund	Encumbered contracts/grants	2,180,895
Total Committed Fund Balance		<u>2,547,924</u>
<i>Assigned</i>		
General Fund	Encumbered projects and contracts	1,144,551
	Fund full vacation/comp time liability	806,089
	Fund subsequent year budget	4,370,000
	Departmental amendment contingency	910,520
	Economic contingency	1,000,000
	Grant matches pledged - pending awards	579,363
Recreation Center Fund		564,749
Emergency E911 Fund		1,213,897
Total Assigned Fund Balance		<u>10,589,169</u>
<i>Unassigned</i>		
General Fund		<u>8,084,143</u>
Total Fund Balance		<u>\$ 49,176,965</u>

NOTE 4. OTHER NOTES

4.A. EMPLOYEE PENSION PLANS

Wyoming Retirement System

All City full-time or regular part-time employees, other than policemen and firemen, participate in the Wyoming Retirement System's (WRS) Public Employee Pension Plan, a cost sharing multiple-employer defined benefit contributory pension plan. The payroll for employees covered by WRS for the year ended June 30, 2014 was \$8,028,430; the City's total payroll was \$16,321,172.

All City full-time or regular, benefitted part-time employees, other than policemen and firemen, are mandated to participate in the WRS. Retirement benefits are administered in two tiers - the second tier applying to new employees hired after September 1, 2012 – and are established by state statute.

Tier 1 Benefits

Tier 1 employees who retire at or after age 60 with four years of credited service, or are eligible for full retirement under the rule of 85 (age plus years of service = 85) are entitled to a retirement benefit according to predetermined formulas and allowed to select one of five optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained age 50, but results in a reduction of benefits

NOTES TO BASIC FINANCIAL STATEMENTS

based on the length of time remaining to normal retirement age. The pre-retirement death benefit depends on whether the employee is vested or non-vested, and the post-retirement death benefit is governed by the option the employee selects at retirement. To be eligible for a disability benefit, employees must have at least 10 years of service and be less than age 60.

Tier 2 Benefits

Tier 2 employees who retire at or after age 65 with four years of credited service, or are eligible for full retirement under the rule of 85 (age plus years of service = 85) are entitled to a retirement benefit according to predetermined formulas and allowed to select one of five optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained age 55, but results in a reduction of benefits based on the length of time remaining to normal retirement age. The pre-retirement death benefit depends on whether the employee is vested or non-vested, and the post-retirement death benefit is governed by the option the employee selects at retirement. To be eligible for a disability benefit, employees must have at least 10 years of service and be less than age 65.

Contribution Rates

The statutorily required contribution is currently 14.62%, of which 3.25% is paid by the employee and 11.37% is paid by the City. The City is only statutorily required to contribute 7.12%, and it elects to cover an additional 4.25% of the required contribution. The contribution requirement for the year ended June 30, 2014 was \$1,167,183 which consisted of \$260,924 from employees and \$906,259 from the City. 100% of the required amount was contributed for the year ended June 30, 2014. The required contribution amounts of \$1,089,555 for June 30, 2013 and \$1,066,248 for June 30, 2012 were also 100% contributed.

Actuarial Valuation

Actuarial valuations are performed annually with the most recent valuation date of January 1, 2014. According to the Wyoming Retirement System's Comprehensive Annual Financial Report (CAFR) for the period ending December 31, 2013, the Entry Age Normal Actuarial Cost Method is used to determine the plan obligation. Under this method, the employer contribution rate is determined using a level funding approach and the required contributions represent the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL) over 30 years from the valuation date. Actuarial assumptions include the following:

- 1) 7.75% investment rate of return, compounded annually, composed of an assumed 3.25% inflation rate and a 4.5% net real rate of return
- 2) Payroll growth rate of 4.25% per year

The actuarial value of assets is based on the market value of assets with a five-year phase in of actual investment returns in excess of or less than expected investment income. Interest, dividends, and other income are recognized immediately. Returns are computed net of administrative and investment expenses.

A schedule of funding progress for the Public Employee's Pension Plan is presented as part of Required Supplemental Information. Historical trend information showing the fund's progress in

NOTES TO BASIC FINANCIAL STATEMENTS

accumulating sufficient assets to pay benefits when due, including actuarial valuation information is presented in the Wyoming Retirement System's CAFR for the period ending December 31, 2013. This report, as well as historical reports, can be obtained by contacting the Wyoming Retirement System (WRS) at 6101 Yellowstone Road, Suite 500, Cheyenne, WY 82002 or by accessing WRS's website at <http://retirement.state.wy.us>.

Paid Fireman's Pension Fund

All full-time paid employees of the Fire Department participate in the Paid Fireman's Pension Fund ("Fund"), a cost sharing multiple-employer defined benefit contributory pension plan which is part of the Wyoming Retirement System. All City full-time employees of the Fire Department are mandated to participate in the Fund. Within the Paid Fireman's Pension Fund, there are two funds, Plan A and Plan B. Plan A is for those employees employed prior to July 1, 1981 and Plan B is for those employees employed after June 30, 1981. There are currently no employees for whom active contributions are being made to the Plan A fund. The payroll for employees covered by Plan B was \$3,433,847 for the year ended June 30, 2014; the City's total payroll was \$16,321,172.

Plan A Benefits

Under Plan A, to qualify for normal retirement benefits at any age, a paid fireman must have 20 years of credited service in a regularly constituted fire department. The retirement benefit is 75% of the maximum salary for a fireman first class for the first 20 years of service plus 1.5% of the maximum salary for a fireman first class for each year in excess of 20 years. The plan does provide for a 3% cost of living adjustment per year. The fund also provides death and disability benefits, which are set by state statute.

Plan B Benefits

Under Plan B, to qualify for a service pension, a fireman must have 4 years of service credit and must be at least 50 years old. The retirement benefit is 2.8% of the highest average salary for each year of service up to 25 years. Benefits are capped at 70% of the highest average salary. No benefit changes are allowed by state statute, including cost of living adjustments, unless the funded ratio of the plan stays above 100% plus a margin for adverse experiences throughout the life of the benefit change. The fund also provides death and disability benefits, which are set by state statute.

Contribution Rates

Plan B statutorily requires 20.725% of the covered employees' salary to be contributed to the Plan, of which 7.5% is paid by the employee and the remaining 13.225% is paid by the City. The City is only statutorily required to contribute 12.0%, and it elects to cover an additional 1.225% of the required contribution. The contribution requirement for the year ended June 30, 2014 was \$710,376, which consisted of \$257,539 from employees and \$452,837 from the City. 100% of the required amount was contributed for the year ended June 30, 2014. The required contribution amounts of \$702,759 for June 30, 2013 and \$690,032 for June 30, 2012 were also 100% contributed.

NOTES TO BASIC FINANCIAL STATEMENTS

Actuarial Valuation

Actuarial valuations are performed annually with the most recent valuation date of January 1, 2014. According to the Wyoming Retirement System's Comprehensive Annual Financial Report (CAFR) for the period ending December 31, 2013, the Entry Age Normal Actuarial Cost Method is used to determine the plan obligation. Under this method, the employer contribution rate is determined using a level funding approach and the required contributions represent the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL) over 30 years from the valuation date. Actuarial assumptions include the following:

- 1) 7.75% investment rate of return, compounded annually, composed of an assumed 3.25% inflation rate and a 4.5% net real rate of return
- 2) Projected salary increases at 4.25% per year

The actuarial value of assets is based on the market value of assets with a five-year phase in of actual investment returns in excess of or (less than) expected investment income. Interest, dividends, and other income are recognized immediately. Returns are computed net of administrative and investment expenses.

Plan A was actuarially determined to be fully funded in April 1997, and no further contributions to the fund were required. However, the most recent actuarial valuation indicated a funded ratio of 68.3%. The legislature did review funding requirements in January 2014 but has taken no action to date. At this time, the funding obligation lies at the state, rather than local, level.

A schedule of funding progress for the Paid Fireman's Pension Fund is presented as part of Required Supplemental Information. Historical trend information showing the fund's progress in accumulating sufficient assets to pay benefits when due, including actuarial valuation information is presented in the Wyoming Retirement System's CAFR for the period ending December 31, 2013. This report, as well as historical reports, can be obtained by contacting the Wyoming Retirement System (WRS) at 6101 Yellowstone Road, Suite 500, Cheyenne, WY 82002 or by accessing WRS's website at <http://retirement.state.wy.us>.

State of Wyoming Police Pension Fund

The City of Laramie contributes to the State of Wyoming Police Pension Fund ("Fund"), a cost sharing multiple-employer defined benefit contributory pension plan which is part of the Wyoming Retirement System. All City policemen are mandated to participate in the Fund. Benefits vest after 10 years of service.

Benefits

Any police officer who retires at age 60 with 4 years of service or with 20 years of credited service, regardless of age, is entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.5% of their average salary during their highest paid five year period multiplied by the number of years of service (up to a maximum of 75%). The Fund also provides death and disability benefits to participating employees. Benefit provisions and all

NOTES TO BASIC FINANCIAL STATEMENTS

other requirements are established by state statute. The payroll for employees covered by the Police Pension Fund was \$3,655,517 for the year ended June 30, 2014; the City's total payroll was \$16,321,172.

Contribution Rates

The Fund statutorily requires 17.2% of the covered employees' salary to be contributed to the fund, of which 4.85% is paid by the employee and the remaining 12.35% is paid by the City. The City is only statutorily required to contribute 8.6%, and it elects to cover an additional 3.75% of the required contribution. The contribution requirement for the year ended June 30, 2014 was \$628,749, which consisted of \$177,293 from employees and \$451,456 from the City. 100% of the required contribution was made for the year ended June 30, 2014. The required contributions of \$627,446 for June 30, 2013 and \$602,685 for June 30, 2012 were also 100% contributed.

Actuarial Valuation

Actuarial valuations are performed annually with the most recent valuation date of January 1, 2014. According to the Wyoming Retirement System's Comprehensive Annual Financial Report (CAFR) for the period ending December 31, 2013, the Entry Age Normal Actuarial Cost Method is used to determine the plan obligation. Under this method, the employer contribution rate is determined using a level funding approach and the required contributions represent the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL) over 30 years from the valuation date. Actuarial assumptions include the following:

- 1) 7.75% investment rate of return, compounded annually, composed of an assumed 3.25% inflation rate and a 4.5% net real rate of return
- 2) Projected salary increases at 4.25% per year

The actuarial value of assets is based on the market value of assets with a five-year phase in of actual investment returns in excess of or (less than) expected investment income. Interest, dividends, and other income are recognized immediately. Returns are computed net of administrative and investment expenses.

A schedule of funding progress for the State of Wyoming Police Pension Fund is presented as part of Required Supplemental Information. Historical trend information showing the fund's progress in accumulating sufficient assets to pay benefits when due, including actuarial valuation information is presented in the Wyoming Retirement System's CAFR for the period ending December 31, 2013. This report, as well as historical reports, can be obtained by contacting the Wyoming Retirement System (WRS) at 6101 Yellowstone Road, Suite 500, Cheyenne, WY 82002 or by accessing WRS's website at <http://retirement.state.wy.us>.

NOTES TO BASIC FINANCIAL STATEMENTS

4.B RISK MANAGEMENT- CLAIMS AND JUDGMENTS

Self-Insured Health Plan

Description

The City’s health insurance activities are recorded in the Employers Plan Services (EPS) fund. The purpose of this fund is to administer employee health insurance. This fund accounts for the financing activities of the City but does not constitute a transfer of risk from the City. An excess coverage insurance policy covers individual claims in excess of \$100,000 for each insured during the policy year.

Claims Liabilities

The City records an estimated liability for health care claims against the City. Claims liabilities are based on estimates of the ultimate cost of reported claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience.

Unpaid Claims Liabilities

The fund establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represents the changes in approximate aggregate liabilities for the City from July 1, 2010 to June 30, 2014:

Liability balance, June 30, 2010	\$	486,293
Claims and changes in estimates		1,980,720
Claims payments		<u>(2,097,355)</u>
Liability balance, June 30, 2011		369,658
Claims and changes in estimates		2,668,797
Claims payments		<u>(2,650,830)</u>
Liability balance, June 30, 2012		387,625
Claims and changes in estimates		3,022,097
Claims payments		<u>(2,964,202)</u>
Liability balance, June 30, 2013		445,520
Claims and changes in estimates		2,460,949
Claims payments		<u>(2,527,364)</u>
Liability balance, June 30, 2014	\$	<u><u>379,105</u></u>
Assets available to pay claims at June 30, 2014	\$	<u><u>5,110,023</u></u>

NOTES TO BASIC FINANCIAL STATEMENTS

Premiums are paid into the internal service fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. These interfund premiums are reported as premium income of the internal service fund.

Other Liabilities

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other cities in the state to form Wyoming Association of Risk Management (WARM), a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to WARM for its general insurance coverage. The agreement for formation of the WARM provides that WARM will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$250,000 for each insured event. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

4.C SUBSEQUENT EVENTS

The City's management has no subsequent events to report through November 24, 2014, the date the financial statements were available to be issued.

4.D ACCOUNTING CHANGES

Prior Period Adjustments – Governmental Activities

In fiscal year 2013, the City entered into a grant agreement with the Wyoming Business Council for a Business Ready Community Grant to fund the Cirrus Sky Technology Park project. Under the terms of this agreement, the City acquired land and is constructing infrastructure to support the development of a technology park in Laramie. When infrastructure construction is complete, the City must transfer ownership of the land to the Laramie Economic Development Corporation (LEDC). The land was purchased in fiscal year 2013 for \$1,461,618, and ownership of land worth \$1,144,437 will be transferred to LEDC.

A loss contingency was recognized in fiscal year 2013 for the land transfer, and the loss was valued at \$1,461,618, the purchase price of the entire site based on a provision in the Memo of Understanding with LEDC that the City would transfer ownership of the entire site. However, there was an additional agreement between the City and the University of Wyoming to exchange a certain parcel of land for \$317,181. Ownership of this land will not be transferred to LEDC, and the loss contingency should have been reduced by this amount.

Net Position at 6/30/2013	\$ 102,173,681
Adjustment to Loss Contingency for Land Donation	<u>317,181</u>
Adjusted Net Position at 6/30/2013	<u>\$ 102,490,862</u>

NOTES TO BASIC FINANCIAL STATEMENTS

4.E COMMITMENTS AND CONTINGENCIES

Contingencies

As of June 30, 2014, there were no contingent claims that were pending or threatened against the City.

Commitments

The City has multiple commitments in progress at year end, some of which are encumbrances related to capital projects and others that result from contractual obligations with suppliers for future purchases. Capital and non-capital commitments (e.g. those that result from supplier contracts) are presented separately below:

	<u>Capital</u> <u>Commitments</u>	<u>Non Capital</u> <u>Commitments</u>	<u>Total</u> <u>Commitments</u>
Governmental Funds:			
Major Funds:			
General Fund			
Streets	\$ 437,768	\$ -	\$ 437,768
Parks and recreation	273,948	10,000	283,948
Mosquito control	-	458,390	458,390
Police	-	57,500	57,500
Fire	100,000	-	100,000
Planning	28,060	-	28,060
General Government	-	226,535	226,535
Engineering	449,554	-	449,554
Capital Construction Fund	1,761,871	-	1,761,871
Specific Purpose Tax Fund	6,083,837	-	6,083,837
Non Major Funds	<u>-</u>	<u>117,225</u>	<u>117,225</u>
 Total Governmental Fund Commitments	 <u>9,135,038</u>	 <u>869,650</u>	 <u>10,004,688</u>
 Proprietary Funds:			
Water Fund	10,916,698	-	10,916,698
Waste Water Fund	8,080,713	-	8,080,713
Solid Waste Fund	<u>108,889</u>	<u>-</u>	<u>108,889</u>
 Total Proprietary Fund Commitments	 <u>19,106,300</u>	 <u>-</u>	 <u>19,106,300</u>
 Total Commitments	 <u>\$ 28,241,338</u>	 <u>\$ 869,650</u>	 <u>\$ 29,110,988</u>



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**Required Supplemental
Information Other Than MD&A**

INDEX TO ILLUSTRATIVE
REQUIRED SUPPLEMENTARY INFORMATION

PUBLIC EMPLOYEE, POLICE OFFICER, AND FIREMEN'S PENSION FUNDS

Funding Progress Schedule

BUDGETARY INFORMATION

Budgetary Comparison Statement – General Fund

Notes to Required Supplementary Information – Budgetary Comparisons

CITY OF LARAMIE, WYOMING

**REQUIRED SUPPLEMENTARY INFORMATION
PUBLIC EMPLOYEE, POLICE & FIREMEN'S PENSION FUND**

The following is a schedule of funding progress for the Public Employee Pension Plan (in thousands):

Public Employee's Pension Plan						
Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities Entry Age	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$ 5,654,023	\$ 6,015,985	\$ 361,962	94.0%	\$ 1,462,474	24.7%
January 1, 2009	4,835,875	6,152,122	1,316,247	78.6%	1,585,728	83.0%
January 1, 2010	5,742,542	6,565,677	823,135	87.5%	1,698,836	48.5%
January 1, 2011	5,799,531	6,855,643	1,056,112	84.6%	1,728,444	61.1%
January 1, 2012	5,761,222	7,037,187	1,275,965	81.9%	1,756,857	72.6%
January 1, 2013	5,749,968	7,319,205	1,569,237	78.6%	1,782,069	88.1%
January 1, 2014	6,244,502	8,045,047	1,800,545	77.6%	1,782,062	101.0%

The following is a schedule of funding progress for the Paid Firemen's Pension Plan (in thousands):

Paid Firemen's Pension Plan B						
Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities Entry Age	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$ 68,227	\$ 64,475	\$ (3,752)	105.8%	\$ 19,082	-19.7%
January 1, 2009	62,332	64,589	2,257	96.5%	20,842	10.8%
January 1, 2010	76,157	65,548	(10,609)	116.2%	22,111	-48.0%
January 1, 2011	81,763	70,667	(11,096)	115.7%	22,517	-49.3%
January 1, 2012	86,130	78,764	(7,366)	109.4%	22,678	-32.5%
January 1, 2013	91,248	85,464	(5,784)	106.8%	24,211	-23.9%
January 1, 2014	103,693	104,625	932	99.1%	25,596	3.6%

The following is a schedule of funding progress for the Police Officer Pension Plan (in thousands):

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liabilities Entry Age	Unfunded Actuarial Accrued Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$ 364,723	\$ 380,413	\$ 15,690	95.9%	\$ 119,165	13.2%
January 1, 2009	325,946	390,946	65,000	83.4%	132,702	49.0%
January 1, 2010	389,358	381,031	(8,327)	102.2%	149,481	-5.6%
January 1, 2011	409,567	410,160	593	99.9%	154,652	0.4%
January 1, 2012	422,203	440,505	18,302	95.8%	155,482	11.8%
January 1, 2013	437,236	473,545	36,309	92.3%	157,764	23.0%
January 1, 2014	486,818	526,782	39,964	92.4%	154,072	25.9%

CITY OF LARAMIE, WYOMING

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON STATEMENT
GENERAL FUND**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes and special assessments	\$ 3,556,050	\$ 3,556,050	3,842,082	\$ 286,032
Licenses and permits	118,000	118,000	135,615	17,615
Intergovernmental	19,664,485	19,664,485	22,353,068	2,688,583
Charges for services	1,523,484	1,523,484	2,177,314	653,830
Fines and forfeitures	805,000	805,000	905,192	100,192
Investment income	50,000	50,000	47,892	(2,108)
Miscellaneous	60,000	60,000	104,218	44,218
Total Revenues	<u>25,777,019</u>	<u>25,777,019</u>	<u>29,565,381</u>	<u>3,788,362</u>
EXPENDITURES:				
General government				
Executive- City Manager	604,682	603,099	536,036	67,063
Administrative services (Finance, Utility Billing, Human Resources)	1,933,826	1,952,734	1,895,678	57,056
Judicial	352,472	352,472	315,555	36,917
Legal	344,393	502,141	441,745	60,396
Other general government	3,917,354	4,019,324	3,268,362	750,962
Public safety				
Police	7,195,906	7,190,391	6,672,117	518,274
Fire	5,638,935	6,061,233	5,867,126	194,107
Engineering and code administration	1,600,473	1,605,402	1,023,237	582,165
Health and welfare				
Animal control	444,593	444,593	422,714	21,879
Mosquito control	399,766	417,413	400,897	16,516
Highways and streets	4,683,956	4,710,467	3,531,185	1,179,282
Culture and recreation				
Parks	1,310,759	1,359,859	976,639	383,220
Recreation	742,427	827,665	718,024	109,641
Cemetery	446,388	462,400	280,330	182,070
Total Expenditures	<u>29,615,930</u>	<u>30,509,193</u>	<u>26,349,645</u>	<u>4,159,548</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,838,911)</u>	<u>(4,732,174)</u>	<u>3,215,736</u>	<u>7,947,910</u>
OTHER FINANCING SOURCES (USES):				
Issuance of debt - capital leases	-	-	113,569	113,569
Operating transfers (out)	(2,591,138)	(2,597,436)	(4,494,131)	(1,896,695)
Operating transfers in	769,910	769,910	778,358	8,448
Total Other Financing Sources (Uses)	<u>(1,821,228)</u>	<u>(1,827,526)</u>	<u>(3,602,204)</u>	<u>(1,774,678)</u>

(Continued)

CITY OF LARAMIE, WYOMING

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON STATEMENT
GENERAL FUND
(Continued)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
SPECIAL ITEM:				
Gain on sale of land	-	-	817,291	817,291
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(5,660,139)	(6,559,700)	430,823	6,990,523
Fund balance - Beginning	7,794,614	6,633,557	17,033,037	-
Fund balance - Ending	<u>\$ 2,134,475</u>	<u>\$ 73,857</u>	<u>\$ 17,463,860</u>	<u>\$ 6,990,523</u>

**Explanation of differences between budgetary revenue and expenditures and
GAAP revenue and expenditures.**

Revenue:

Actual total revenue budgetary basis	\$ 29,565,381
Differences - Budget to GAAP	
Change in accrued interest receivable	(320)
Unrealized gains and losses on investments	36,524
	<u>36,524</u>

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 29,601,585</u>
--	----------------------

Expenditures:

Actual total expenditures budgetary basis	\$ 26,349,645
Differences - Budget to GAAP	
Vacation accruals	(79)
	<u>(79)</u>

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 26,349,566</u>
--	----------------------

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
- BUDGETARY COMPARISONS
June 30, 2014

A. Budgetary Basis

The City prepares its budget and related appropriations for all funds using the *modified accrual basis, with certain exceptions*. Using this basis, revenue is budgeted when considered measureable and available. Expenditures, including capital outlay, are budgeted when the related liability is incurred or, in the case of debt service principal and interest, due. Exceptions to the modified accrual basis include depreciation budgets in the Enterprise Funds and exclusions in the budget for fair market value adjustments on investments, gains or losses on disposals, and current period vacation accruals. A biennium budget was prepared for FY13 and FY14 for the General Fund, Recreation Center Special Revenue Fund, Major Capital Construction Fund, Parks and Recreation Development Fund, Water Fund, and Wastewater Fund. Annual budgets were adopted for all other funds. Since accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of the resultant timing differences has been provided on page 104. All annual appropriations lapse at year end.

B. Budgetary Information

The appropriated budget is prepared by fund, function, and department. The government's department heads, with the manager's approval, may make transfers of appropriations within a department or division. Transfers of appropriations between departments and/or divisions require approval of the council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The council made one supplementary budgetary appropriation during the year.

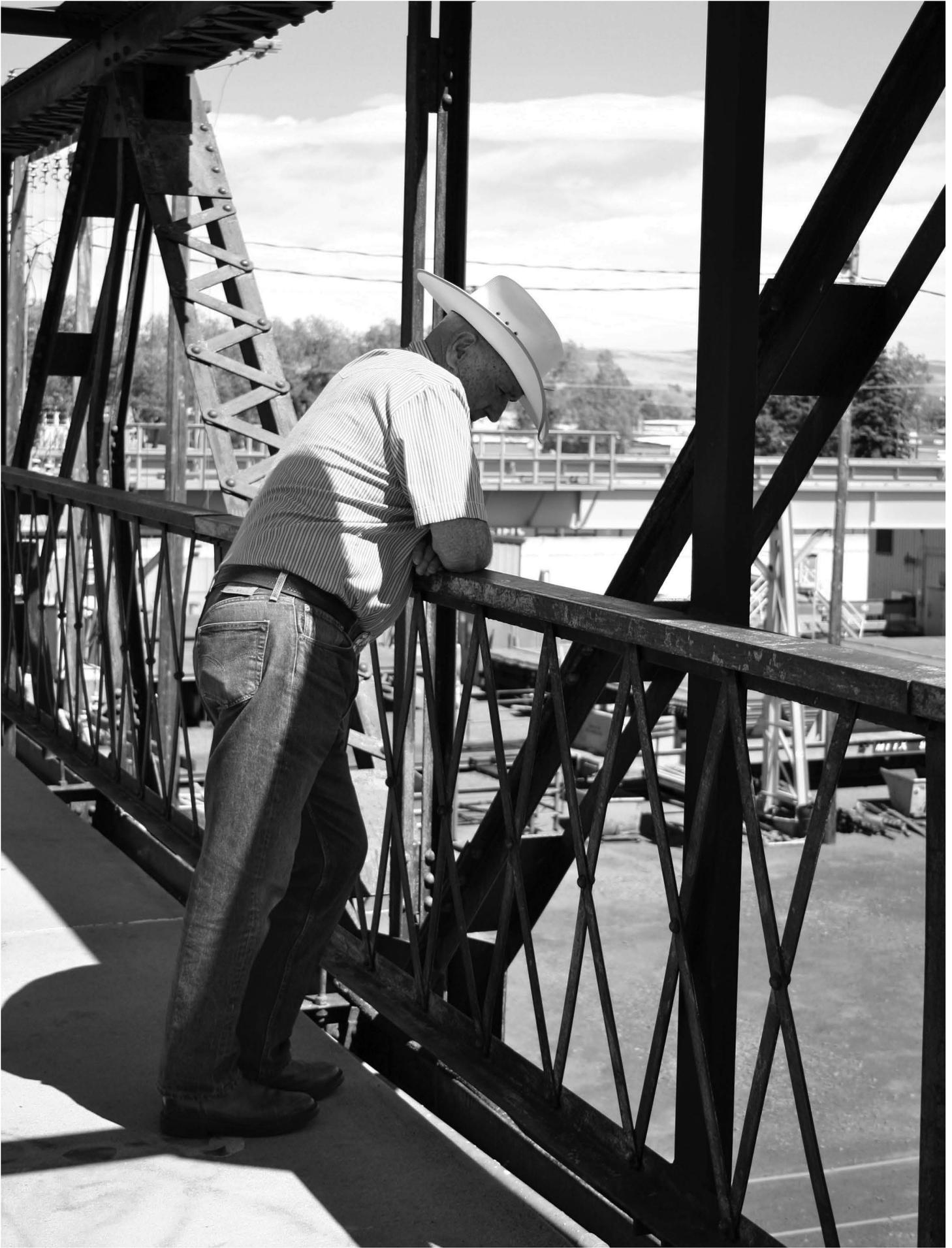
C. Excess of Expenditures over Appropriations

For the year ended June 30, 2014, there were no instances of excess of expenditures over appropriations.



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CITY OF LARAMIE, WYOMING

**COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS**
June 30, 2014

	Special Revenue Funds		
	Economic Development	Recreation Center	Emergency 911 fund
ASSETS			
Cash	\$ 200,220	\$ 826,088	\$ 886,405
Investments	25,072	-	317,454
Prepaid Items	-	1,542	-
Receivables:			
Accounts, customer	-	38,942	-
Notes	27,951	-	-
Accrued interest	-	-	175
Operating	-	13,260	9,864
Grants	-	11,080	-
Restricted assets:			
Investments	-	2,622,334	-
Total Assets	<u>253,243</u>	<u>3,513,246</u>	<u>1,213,898</u>
DEFERRED OUTFLOWS OF RESOURCES			
	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 253,243</u>	<u>\$ 3,513,246</u>	<u>\$ 1,213,898</u>
LIABILITIES			
Accounts payable	\$ -	\$ 88,453	\$ -
Unearned revenue	75,332	210,231	-
Accrued vacation and compensatory time	-	5,920	-
Total Liabilities	<u>75,332</u>	<u>304,604</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
	-	-	-
FUND BALANCES			
Nonspendable	-	2,608,306	-
Restricted	177,911	28,997	-
Committed	-	6,590	-
Assigned	-	564,749	1,213,898
Total Fund Balances	<u>177,911</u>	<u>3,208,642</u>	<u>1,213,898</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 253,243</u>	<u>\$ 3,513,246</u>	<u>\$ 1,213,898</u>

<u>Capital Project Fund</u>	<u>Total Non-Major Governmental Funds</u>
\$ 271,198	\$ 2,183,911
-	342,526
-	1,542
-	38,942
-	27,951
-	175
-	23,124
-	11,080
-	2,622,334
<u>271,198</u>	<u>5,251,585</u>
-	-
<u>\$ 271,198</u>	<u>\$ 5,251,585</u>
\$ 34,733	\$ 123,186
66,518	352,081
-	5,920
<u>101,251</u>	<u>481,187</u>
-	-
-	2,608,306
169,947	376,855
-	6,590
-	1,778,647
<u>169,947</u>	<u>4,770,398</u>
<u>\$ 271,198</u>	<u>\$ 5,251,585</u>

CITY OF LARAMIE, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – OTHER GOVERNMENTAL FUNDS**

For the Fiscal Year Ended June 30, 2014

	Special Revenue Funds		
	Economic Development	Recreation Center	Emergency 911 Fund
REVENUES:			
Taxes and special assessments	\$ -	\$ -	\$ -
Intergovernmental	-	237,093	281,672
Charges for services	-	1,137,854	-
Investment income	4,790	9,913	7,506
Miscellaneous	75,500	-	-
Total Revenues	<u>80,290</u>	<u>1,384,860</u>	<u>289,178</u>
EXPENDITURES:			
Current operating:			
Public safety	-	-	88,795
Culture and recreation	-	1,638,228	-
Capital outlay	-	47,809	-
Debt service:			
Principal retirement	-	17,069	83,378
Interest	-	11,928	1,642
Total Expenditures	<u>-</u>	<u>1,715,034</u>	<u>173,815</u>
Excess (deficiency) of revenues over (under) expenditures	<u>80,290</u>	<u>(330,174)</u>	<u>115,363</u>
OTHER FINANCING SOURCES AND (USES):			
Transfers in	-	263,167	-
Transfers (out)	<u>(208,282)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources and (Uses)	<u>(208,282)</u>	<u>263,167</u>	<u>-</u>
Net Change in Fund Balance	(127,992)	(67,007)	115,363
Fund Balances - Beginning	<u>305,903</u>	<u>3,275,649</u>	<u>1,098,535</u>
Fund Balances - Ending	<u>\$ 177,911</u>	<u>\$ 3,208,642</u>	<u>\$ 1,213,898</u>

<u>Capital Project Fund</u>	<u>Total</u>
Parks and Recreation Development	Non-Major Governmental Funds
\$ -	\$ -
128,003	646,768
-	1,137,854
72	22,281
-	75,500
<u>128,075</u>	<u>1,882,403</u>
-	88,795
21,745	1,659,973
51,746	99,555
-	100,447
-	13,570
<u>73,491</u>	<u>1,962,340</u>
<u>54,584</u>	<u>(79,937)</u>
51,250	314,417
-	(208,282)
<u>51,250</u>	<u>106,135</u>
105,834	26,198
<u>64,113</u>	<u>4,744,200</u>
<u>\$ 169,947</u>	<u>\$ 4,770,398</u>



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CITY OF LARAMIE, WYOMING

**BUDGETARY COMPARISON STATEMENT
SPECIFIC PURPOSE TAX FUND**

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 2,960,000	\$ 2,960,000	\$ 3,355,104	\$ 395,104
Investment income	5,000	5,000	1,678	(3,322)
Total Revenues	<u>2,965,000</u>	<u>2,965,000</u>	<u>3,356,782</u>	<u>391,782</u>
EXPENDITURES:				
Capital outlay	14,273,081	14,273,081	7,480,062	6,793,019
Debt service				
Principal	1,825,000	1,825,000	1,825,000	-
Interest	<u>465,375</u>	<u>465,375</u>	<u>465,375</u>	<u>-</u>
Total Expenditures	<u>16,563,456</u>	<u>16,563,456</u>	<u>9,770,437</u>	<u>6,793,019</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,598,456)</u>	<u>(13,598,456)</u>	<u>(6,413,655)</u>	<u>7,184,801</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(124,513)</u>	<u>(124,513)</u>	<u>-</u>	<u>124,513</u>
Total Other Financing Sources (Uses)	<u>(124,513)</u>	<u>(124,513)</u>	<u>-</u>	<u>124,513</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(13,722,969)</u>	<u>(13,722,969)</u>	<u>(6,413,655)</u>	<u>7,309,314</u>
Fund balance - Beginning	<u>(50,446,954)</u>	<u>(53,918,229)</u>	<u>16,326,141</u>	<u>-</u>
Fund balance - Ending	<u>\$ (64,169,923)</u>	<u>\$ (67,641,198)</u>	<u>\$ 9,912,486</u>	<u>\$ 7,309,314</u>

CITY OF LARAMIE, WYOMING

BUDGETARY COMPARISON STATEMENT
WYOMING TERRITORIAL PRISON DEBT SERVICE FUND
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 10,000,000	\$ 10,000,000	\$ 30,000	\$ (9,970,000)
Total Revenues	<u>10,000,000</u>	<u>10,000,000</u>	<u>30,000</u>	<u>(9,970,000)</u>
EXPENDITURES:				
General government	10,000,000	10,000,000	-	-
Total Expenditures	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>(9,970,000)</u>
Fund balance - Beginning	<u>9,646,500</u>	<u>9,646,500</u>	<u>9,966,800</u>	<u>-</u>
Fund balance - Ending	<u>\$ 9,646,500</u>	<u>\$ 9,646,500</u>	<u>\$ 9,996,800</u>	<u>\$ (9,970,000)</u>

CITY OF LARAMIE, WYOMING

BUDGETARY COMPARISON STATEMENT
CAPITAL CONSTRUCTION FUND
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 8,512,202	\$ 8,512,202	\$ 2,256,856	\$ (6,255,346)
Investment income	14,000	14,000	7,583	(6,417)
Miscellaneous	3,491,500	3,491,500	640	(3,490,860)
Total Revenues	<u>12,017,702</u>	<u>12,017,702</u>	<u>2,265,079</u>	<u>(9,752,623)</u>
EXPENDITURES:				
Capital outlay	<u>16,191,255</u>	<u>21,587,667</u>	<u>4,404,748</u>	<u>17,182,919</u>
Total Expenditures	<u>16,191,255</u>	<u>21,587,667</u>	<u>4,404,748</u>	<u>17,182,919</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,173,553)</u>	<u>(9,569,965)</u>	<u>(2,139,669)</u>	<u>7,430,296</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>2,835,489</u>	<u>2,835,489</u>	<u>4,953,311</u>	<u>2,117,822</u>
Total Other Financing Sources (Uses)	<u>2,835,489</u>	<u>2,835,489</u>	<u>4,953,311</u>	<u>2,117,822</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(1,338,064)</u>	<u>(6,734,476)</u>	<u>2,813,642</u>	<u>9,548,118</u>
Fund balance - Beginning	<u>(3,200,831)</u>	<u>(4,260,124)</u>	<u>3,796,439</u>	<u>-</u>
Fund balance - Ending	<u>\$ (4,538,895)</u>	<u>\$ (10,994,600)</u>	<u>\$ 6,610,081</u>	<u>\$ 9,548,118</u>

CITY OF LARAMIE, WYOMING

BUDGETARY COMPARISON STATEMENT
ECONOMIC DEVELOPMENT FUND
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 5,125	\$ 5,125	\$ 4,790	\$ (335)
Miscellaneous income	75,500	75,500	75,500	-
Total Revenues	<u>80,625</u>	<u>80,625</u>	<u>80,290</u>	<u>(335)</u>
EXPENDITURES:				
General government	<u>143,548</u>	<u>143,548</u>	<u>-</u>	<u>143,548</u>
Total Expenditures	<u>143,548</u>	<u>143,548</u>	<u>-</u>	<u>143,548</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(62,923)</u>	<u>(62,923)</u>	<u>80,290</u>	<u>143,213</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers (out)	<u>(199,863)</u>	<u>(199,863)</u>	<u>(208,282)</u>	<u>(8,419)</u>
Total other financing sources (uses)	<u>(199,863)</u>	<u>(199,863)</u>	<u>(208,282)</u>	<u>(8,419)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(262,786)</u>	<u>(262,786)</u>	<u>(127,992)</u>	<u>134,794</u>
Fund balance - Beginning	<u>180,278</u>	<u>180,278</u>	<u>305,903</u>	<u>-</u>
Fund balance - Ending	<u>\$ (82,508)</u>	<u>\$ (82,508)</u>	<u>\$ 177,911</u>	<u>\$ 134,794</u>

CITY OF LARAMIE, WYOMING

BUDGETARY COMPARISON STATEMENT
RECREATION CENTER FUND
For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 249,750	\$ 249,750	\$ 237,093	\$ (12,657)
Investment income	8,500	8,500	9,913	1,413
Charges for services	954,300	954,300	1,137,854	183,554
Miscellaneous	500	500	-	(500)
Total Revenues	<u>1,213,050</u>	<u>1,213,050</u>	<u>1,384,860</u>	<u>171,810</u>
EXPENDITURES:				
Culture and recreation	1,639,586	1,639,586	1,642,292	(2,706)
Capital outlay	61,913	61,913	47,809	14,104
Debt service				-
Principal	17,069	17,069	17,069	-
Interest	11,928	11,928	11,928	-
Total Expenditures	<u>1,730,496</u>	<u>1,730,496</u>	<u>1,719,098</u>	<u>11,398</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(517,446)</u>	<u>(517,446)</u>	<u>(334,238)</u>	<u>183,208</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>520,694</u>	<u>520,694</u>	<u>263,167</u>	<u>(257,527)</u>
Total Other Financing Sources (Uses)	<u>520,694</u>	<u>520,694</u>	<u>263,167</u>	<u>(257,527)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>3,248</u>	<u>3,248</u>	<u>(71,071)</u>	<u>(74,319)</u>
Fund balance - Beginning	<u>2,538,929</u>	<u>2,342,258</u>	<u>3,284,467</u>	<u>-</u>
Fund balance - Ending	<u>\$ 2,542,177</u>	<u>\$ 2,345,506</u>	<u>\$ 3,213,396</u>	<u>\$ (74,319)</u>
Explanation of differences between budgetary expenditures and GAAP expenditures.				
Actual total expenditures budgetary basis				\$ 1,719,098
Differences - Budget to GAAP				
Vacation accruals				<u>(4,064)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds				<u>\$ 1,715,034</u>

CITY OF LARAMIE, WYOMING

**BUDGETARY COMPARISON STATEMENT
EMERGENCY 911 FUND**

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 280,000	\$ 280,000	\$ 281,672	\$ 1,672
Investment income	3,500	3,500	7,506	4,006
Total Revenues	<u>283,500</u>	<u>283,500</u>	<u>289,178</u>	<u>5,678</u>
EXPENDITURES:				
Public safety	54,540	54,540	88,795	(34,255)
Debt service:				
Principal retirement	160,495	160,495	83,378	77,117
Interest	14,700	14,700	1,642	13,058
Total Expenditures	<u>229,735</u>	<u>229,735</u>	<u>173,815</u>	<u>55,920</u>
Excess of revenues over expenditures	<u>53,765</u>	<u>53,765</u>	<u>115,363</u>	<u>61,598</u>
Fund balance - Beginning	<u>992,392</u>	<u>967,345</u>	<u>1,098,535</u>	<u>-</u>
Fund balance - Ending	<u>\$ 1,046,157</u>	<u>\$ 1,021,110</u>	<u>\$ 1,213,898</u>	<u>\$ 61,598</u>

CITY OF LARAMIE, WYOMING

BUDGETARY COMPARISON STATEMENT
PARKS AND RECREATION DEVELOPMENT FUND
 For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 129,251	\$ 129,251	\$ 128,003	\$ (1,248)
Investment income	-	-	72	72
Miscellaneous	43,091	43,091	-	(43,091)
Total Revenues	<u>172,342</u>	<u>172,342</u>	<u>128,075</u>	<u>(44,267)</u>
EXPENDITURES:				
Culture and recreation	16,086	21,745	21,745	-
Capital outlay	480,634	480,634	51,746	428,888
Total Expenditures	<u>496,720</u>	<u>502,379</u>	<u>73,491</u>	<u>428,888</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(324,378)</u>	<u>(330,037)</u>	<u>54,584</u>	<u>384,621</u>
OTHER FINANCING SOURCES:				
Operating transfers in	51,250	51,250	51,250	-
Total Other Financing Sources	<u>51,250</u>	<u>51,250</u>	<u>51,250</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(273,128)</u>	<u>(278,787)</u>	<u>105,834</u>	<u>384,621</u>
Fund balance - Beginning	<u>(9,864)</u>	<u>(210,918)</u>	<u>64,113</u>	<u>-</u>
Fund balance - Ending	<u>\$ (282,992)</u>	<u>\$ (489,705)</u>	<u>\$ 169,947</u>	<u>\$ 384,621</u>



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STATISTICAL SECTION

STATISTICAL SECTION

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

Contents:

Financial Trends

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government’s most significant local revenue sources and assessment valuations.

Debt Capacity

These schedules present information to enable the reader to assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to enable the reader to understand the environment within which the government’s financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the City’s operations and resources to enable the reader to understand how the City’s financial information relates to the services the City provides and the activities it performs.



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FINANCIAL TRENDS INFORMATION

CITY OF LARAMIE, WYOMING

NET ASSETS/NET POSITION BY COMPONENT

Last Ten Fiscal Years (1)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities				
Net investment in capital assets	\$ 27,896,068	\$ 38,884,805	\$ 41,790,914	\$ 33,151,731
Restricted	20,624,620	16,393,849	12,123,210	26,639,695
Unrestricted	<u>10,676,405</u>	<u>12,941,985</u>	<u>17,141,553</u>	<u>21,297,756</u>
Total governmental activities				
net assets/net position	<u>\$ 59,197,093</u>	<u>\$ 68,220,639</u>	<u>\$ 71,055,677</u>	<u>\$ 81,089,182</u>
Business-type activities				
Net investment in capital assets	\$ 32,248,576	\$ 33,540,229	\$ 44,717,590	\$ 48,455,389
Restricted	-	-	-	-
Unrestricted	<u>8,812,170</u>	<u>10,319,534</u>	<u>13,636,224</u>	<u>17,791,445</u>
Total business-type activities				
net assets/net position	<u>\$ 41,060,746</u>	<u>\$ 43,859,763</u>	<u>\$ 58,353,814</u>	<u>\$ 66,246,834</u>
Primary Government				
Net investment in capital assets	\$ 60,144,644	\$ 72,425,034	\$ 86,508,504	\$ 81,607,120
Restricted	20,624,620	16,393,849	12,123,210	26,639,695
Unrestricted	<u>19,488,575</u>	<u>23,261,519</u>	<u>30,777,777</u>	<u>39,089,201</u>
Total primary government				
net assets/net position	<u>\$ 100,257,839</u>	<u>\$ 112,080,402</u>	<u>\$ 129,409,491</u>	<u>\$ 147,336,016</u>

Notes:

(1) Fiscal years 2013 and after are presented in accordance with GASB 63.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013 (1)</u>	<u>2014 (1)</u>
\$ 43,391,849	\$ 50,125,029	\$ 32,997,484	\$ 43,607,791	\$ 46,011,879	\$ 48,567,860
27,050,432	26,075,342	47,871,169	40,142,898	34,668,849	30,011,751
<u>20,516,509</u>	<u>21,727,591</u>	<u>21,377,399</u>	<u>20,414,863</u>	<u>21,810,134</u>	<u>22,248,682</u>
<u>\$ 90,958,790</u>	<u>\$ 97,927,962</u>	<u>\$ 102,246,052</u>	<u>\$ 104,165,552</u>	<u>\$ 102,490,862</u>	<u>\$ 100,828,293</u>
\$ 52,083,366	\$ 57,522,786	\$ 60,172,117	\$ 63,574,084	\$ 68,567,110	\$ 82,733,113
317,287	779,744	779,744	3,738,630	3,966,985	3,433,271
<u>15,792,004</u>	<u>17,585,909</u>	<u>22,379,158</u>	<u>24,504,199</u>	<u>30,579,641</u>	<u>36,165,175</u>
<u>\$ 68,192,657</u>	<u>\$ 75,888,439</u>	<u>\$ 83,331,019</u>	<u>\$ 91,816,913</u>	<u>\$ 103,113,736</u>	<u>\$ 122,331,559</u>
\$ 95,475,215	\$ 107,647,815	\$ 93,169,601	\$ 107,181,875	\$ 114,578,989	\$ 131,300,973
27,367,719	26,855,086	48,650,913	43,881,528	38,635,834	33,445,022
<u>36,308,513</u>	<u>39,313,500</u>	<u>43,756,557</u>	<u>44,919,062</u>	<u>52,389,775</u>	<u>58,413,857</u>
<u>\$ 159,151,447</u>	<u>\$ 173,816,401</u>	<u>\$ 185,577,071</u>	<u>\$ 195,982,465</u>	<u>\$ 205,604,598</u>	<u>\$ 223,159,852</u>

CITY OF LARAMIE, WYOMING

CHANGES IN NET ASSETS/NET POSITION

Last Ten Fiscal Years (1)

	2005	2006	2007	2008
Expenses				
Governmental activities				
Executive-City Manager	\$ 294,968	\$ 423,091	\$ 449,172	\$ 349,741
Administrative services	1,141,400	1,267,246	1,602,031	1,614,403
Judicial	228,351	252,871	406,871	305,086
Legal	170,165	208,313	235,608	247,994
General government	971,630	4,921,879	5,063,200	5,638,682
Police	5,603,923	6,011,027	6,248,176	6,686,404
Fire	3,898,195	4,044,488	4,231,843	4,477,800
Engineering	686,812	739,230	891,698	1,125,564
Highways and streets	2,851,919	3,224,586	3,360,767	4,758,799
Animal control	287,268	293,262	340,783	369,047
Mosquito control	267,391	236,620	256,408	267,558
Parks	1,531,303	826,351	926,471	1,565,351
Recreation	2,099,972	2,355,457	2,363,886	2,475,019
Cemetery	179,804	142,233	187,409	231,371
Interest on long-term debt	629,554	559,368	482,963	532,592
Unallocated depreciation	39,444	-	-	-
Total general governmental activities expenses	<u>20,882,099</u>	<u>25,506,022</u>	<u>27,047,286</u>	<u>30,645,411</u>
Business-type activities				
Water	4,179,589	4,650,288	4,267,022	5,133,752
Waste water	2,144,033	2,485,331	2,417,312	2,419,977
Solid waste	1,263,774	1,513,198	2,159,998	1,802,237
Total business-type activities expenses	<u>7,587,396</u>	<u>8,648,817</u>	<u>8,844,332</u>	<u>9,355,966</u>
Total primary government expenses	<u>\$ 28,469,495</u>	<u>\$ 34,154,839</u>	<u>\$ 35,891,618</u>	<u>\$ 40,001,377</u>
Program revenues				
Governmental activities				
Charges for services				
Police	\$ 1,142,112	\$ 1,167,176	\$ 1,245,216	\$ 973,372
Fire	857,624	899,055	987,114	987,756
Engineering	803,746	760,946	793,637	1,270,589
Recreation	931,374	1,321,170	1,018,092	1,257,093
Other activities	529,752	524,960	683,902	477,259
Operating grants and contributions	2,034,968	1,798,893	1,120,026	1,247,624
Capital grants and contributions	470,128	390,477	2,428,705	2,199,234
Total governmental activities program revenues	<u>6,769,704</u>	<u>6,862,677</u>	<u>8,276,692</u>	<u>8,412,927</u>
Business-type activities				
Charges for services				
Water	4,126,010	5,290,909	5,866,751	6,428,443
Waste water	4,397,770	4,044,857	4,284,394	4,183,500
Solid waste	1,594,430	1,904,587	1,924,591	2,075,699
Capital grants and contributions	201,634	112,848	679,048	3,874,851
Total business-type activities program revenues	<u>10,319,844</u>	<u>11,353,201</u>	<u>12,754,784</u>	<u>16,562,493</u>
Total primary government program revenues	<u>\$ 17,089,548</u>	<u>\$ 18,215,878</u>	<u>\$ 21,031,476</u>	<u>\$ 24,975,420</u>

	2009	2010	2011	2012	2013 (1)	2014 (1)
\$	451,267	\$ 443,020	\$ 474,161	\$ 540,309	\$ 513,424	\$ 546,395
	1,706,795	1,683,960	1,656,587	1,658,157	1,686,014	1,905,150
	318,626	302,052	297,656	295,681	312,825	318,549
	284,098	285,520	292,007	295,158	351,036	446,873
	1,393,602	6,801,990	5,462,306	10,636,199	7,501,315	6,696,931
	7,165,048	6,885,221	6,438,464	6,873,667	7,077,980	6,962,074
	4,901,561	5,005,985	4,969,733	5,408,803	6,154,233	5,900,156
	1,020,006	1,042,825	1,013,440	1,092,003	934,729	1,027,794
	5,561,309	3,878,835	3,988,560	4,541,738	4,550,807	4,235,937
	377,798	378,571	382,283	394,505	407,794	420,204
	284,303	287,767	254,118	371,254	274,249	399,663
	1,362,942	1,003,754	1,138,147	1,253,047	1,180,285	1,266,286
	2,737,026	2,627,080	2,539,949	2,690,250	2,731,009	2,890,082
	272,797	278,295	314,339	283,812	271,391	305,779
	388,593	330,786	561,621	543,731	573,487	467,829
	-	-	-	-	-	-
	<u>28,225,771</u>	<u>31,235,661</u>	<u>29,783,371</u>	<u>36,878,314</u>	<u>34,520,578</u>	<u>33,789,702</u>
	5,392,790	5,135,172	5,489,684	5,593,830	6,422,539	5,466,871
	3,349,373	2,733,250	2,586,630	3,093,020	2,634,834	2,908,994
	<u>2,307,135</u>	<u>1,835,066</u>	<u>2,405,080</u>	<u>2,085,724</u>	<u>2,292,220</u>	<u>2,731,142</u>
	<u>11,049,298</u>	<u>9,703,488</u>	<u>10,481,394</u>	<u>10,772,574</u>	<u>11,349,593</u>	<u>11,107,007</u>
\$	<u>39,275,069</u>	<u>40,939,149</u>	<u>40,264,765</u>	<u>47,650,888</u>	<u>45,870,171</u>	<u>44,896,709</u>
\$	1,211,293	\$ 1,244,280	\$ 1,157,125	\$ 1,195,029	\$ 1,122,939	\$ 1,120,313
	1,288,042	1,046,826	1,071,644	1,061,075	1,131,251	1,137,745
	937,365	690,400	748,689	732,249	708,478	1,067,949
	1,332,157	1,345,059	1,432,498	1,470,399	1,580,949	1,470,709
	575,108	526,555	565,138	731,272	740,919	740,850
	1,234,991	1,278,612	1,220,772	1,332,452	1,461,981	1,314,117
	<u>2,590,527</u>	<u>3,803,835</u>	<u>3,139,098</u>	<u>2,635,063</u>	<u>2,772,014</u>	<u>3,375,302</u>
	<u>9,169,483</u>	<u>9,935,567</u>	<u>9,334,964</u>	<u>9,157,539</u>	<u>9,518,531</u>	<u>10,226,985</u>
	5,985,899	6,166,621	7,558,798	9,238,455	9,361,012	8,683,198
	3,797,171	4,001,808	4,769,968	5,246,558	5,272,104	5,268,205
	2,213,056	2,218,972	2,213,178	2,698,185	3,016,692	3,622,031
	<u>1,562,303</u>	<u>5,466,197</u>	<u>4,149,406</u>	<u>381,921</u>	<u>682,328</u>	<u>4,446,294</u>
	<u>13,558,429</u>	<u>17,853,598</u>	<u>18,691,350</u>	<u>17,565,119</u>	<u>18,332,136</u>	<u>22,019,728</u>
\$	<u>22,727,912</u>	<u>27,789,165</u>	<u>28,026,314</u>	<u>26,722,658</u>	<u>27,850,667</u>	<u>32,246,713</u>

(Continued)

CITY OF LARAMIE, WYOMING

CHANGES IN NET ASSETS/NET POSITION

Last Ten Fiscal Years (1)
(Continued)

	2005	2006	2007	2008
Net (Expenses)/Revenue				
Governmental activities	\$ (14,112,395)	\$ (18,643,345)	\$ (18,770,594)	\$ (22,232,484)
Business-type activities	<u>2,732,448</u>	<u>2,704,384</u>	<u>3,910,452</u>	<u>7,206,527</u>
Total primary government net expense	<u>\$ (11,379,947)</u>	<u>\$ (15,938,961)</u>	<u>\$ (14,860,142)</u>	<u>\$ (15,025,957)</u>
General revenues and other changes in net assets/net position				
Governmental activities:				
Taxes				
Property taxes	\$ 1,677,673	\$ 1,677,224	\$ 1,648,015	\$ 2,036,893
Franchise taxes	1,144,084	1,316,267	1,291,776	1,311,916
Shared Intergovernmental Revenue				
Sales and use taxes	11,905,540	13,345,828	14,927,076	14,016,540
Gas and fuel taxes	565,704	531,782	632,511	613,859
Mineral and severance taxes	4,027,737	4,812,439	5,870,731	7,952,882
Other taxes	-	-	-	-
Investment earnings	1,310,429	918,449	2,074,789	2,184,370
Miscellaneous income	3,791,458	6,132,521	3,675,489	2,768,552
Special items	-	-	-	-
Transfers	<u>303,690</u>	<u>365,640</u>	<u>(9,966,996)</u>	<u>(82,566)</u>
Total governmental activities	<u>24,726,315</u>	<u>29,100,150</u>	<u>20,153,391</u>	<u>30,802,446</u>
Business-type activities				
Investment earnings	117,803	322,796	769,147	603,926
Transfers	<u>(303,690)</u>	<u>(365,640)</u>	<u>9,966,996</u>	<u>82,566</u>
Total business-type activities	<u>(185,887)</u>	<u>(42,844)</u>	<u>10,736,143</u>	<u>686,492</u>
Total primary government	<u>\$ 24,540,428</u>	<u>\$ 29,057,306</u>	<u>\$ 30,889,534</u>	<u>\$ 31,488,938</u>
Change in net assets/net position				
Governmental activities	\$ 10,613,920	\$ 10,456,805	\$ 1,382,797	\$ 8,569,962
Business-type activities	<u>2,546,561</u>	<u>2,661,540</u>	<u>14,646,595</u>	<u>7,893,019</u>
Total primary government	<u>\$ 13,160,481</u>	<u>\$ 13,118,345</u>	<u>\$ 16,029,392</u>	<u>\$ 16,462,981</u>

Notes:

(1) Fiscal years 2013 and after are presented in accordance with GASB 63.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013 (1)</u>	<u>2014 (1)</u>
\$ (19,056,288)	\$ (21,300,094)	\$ (20,448,407)	\$ (27,720,775)	\$ (25,002,047)	\$ (23,562,717)
<u>2,509,131</u>	<u>8,150,110</u>	<u>8,209,956</u>	<u>6,792,545</u>	<u>6,982,543</u>	<u>10,912,721</u>
<u>\$ (16,547,157)</u>	<u>\$ (13,149,984)</u>	<u>\$ (12,238,451)</u>	<u>\$ (20,928,230)</u>	<u>\$ (18,019,504)</u>	<u>\$ (12,649,996)</u>
\$ 2,091,672	\$ 2,124,989	\$ 2,220,558	\$ 2,301,308	\$ 2,379,684	\$ 2,204,237
1,395,604	1,437,991	1,462,641	1,528,697	1,592,726	1,622,207
13,273,325	12,516,164	10,498,815	17,406,537	12,135,400	12,620,398
523,083	553,360	568,385	581,749	627,299	984,278
7,514,647	7,267,137	5,641,783	6,442,759	5,621,660	7,409,857
-	-	-	-	-	458,293
1,335,830	1,173,415	604,881	657,893	94,560	261,496
2,503,302	2,622,494	2,878,225	3,476,093	4,866,078	3,826,291
-	-	-	-	-	497,290
<u>351,625</u>	<u>573,716</u>	<u>889,073</u>	<u>(2,754,761)</u>	<u>(3,990,050)</u>	<u>(7,984,199)</u>
<u>28,989,088</u>	<u>28,269,266</u>	<u>24,764,361</u>	<u>29,640,275</u>	<u>23,327,357</u>	<u>21,900,148</u>
(211,682)	119,385	121,694	356,237	324,230	320,903
<u>(351,625)</u>	<u>(573,716)</u>	<u>(889,073)</u>	<u>2,754,761</u>	<u>3,990,050</u>	<u>7,984,199</u>
<u>(563,307)</u>	<u>(454,331)</u>	<u>(767,379)</u>	<u>3,110,998</u>	<u>4,314,280</u>	<u>8,305,102</u>
<u>\$ 28,425,781</u>	<u>\$ 27,814,935</u>	<u>\$ 23,996,982</u>	<u>\$ 32,751,273</u>	<u>\$ 27,641,637</u>	<u>\$ 30,205,250</u>
\$ 9,932,800	\$ 6,969,172	\$ 4,315,954	\$ 1,919,500	\$ (1,674,690)	\$ (1,662,569)
1,945,824	7,695,779	7,442,577	9,903,543	11,296,823	19,217,823
<u>11,878,624</u>	<u>14,664,951</u>	<u>11,758,531</u>	<u>11,823,043</u>	<u>9,622,133</u>	<u>17,555,254</u>

CITY OF LARAMIE, WYOMING

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years (1)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General fund				
Reserved	\$ 2,000,000	\$ -	\$ -	\$ -
Unreserved	<u>9,040,699</u>	<u>11,107,879</u>	<u>15,374,284</u>	<u>17,320,437</u>
General fund				
Nonspendable				
Restricted				
Committed				
Assigned				
Unassigned				
Total general fund	<u>\$ 11,040,699</u>	<u>\$ 11,107,879</u>	<u>\$ 15,374,284</u>	<u>\$ 17,320,437</u>
All other governmental funds				
Unreserved	\$ 728,133	\$ 1,439,905	\$ 1,671,269	\$ 2,144,434
Reserved				
Special revenue funds	-	2,002,100	2,002,100	2,217,003
Capital project funds	11,775,620	7,888,749	12,115,364	16,506,692
Debt service funds	<u>6,849,000</u>	<u>6,503,000</u>	<u>6,934,400</u>	<u>7,916,000</u>
All other governmental funds				
Nonspendable				
Restricted				
Committed				
Assigned				
Total other governmental funds	<u>\$ 19,352,753</u>	<u>\$ 17,833,754</u>	<u>\$ 22,723,133</u>	<u>\$ 28,784,129</u>

Notes:

(1) Amounts include the General Fund, Special Revenue Funds and Long-Term Debt Fund.

(2) Fiscal years 2011 and after are reported in accordance with GASB 54.

<u>2009</u>	<u>2010</u>	<u>2011 (2)</u>	<u>2012 (2)</u>	<u>2013 (2)</u>	<u>2014 (2)</u>
\$ 273,344	\$ 216,861				
<u>16,722,338</u>	<u>17,532,149</u>				
		\$ -	\$ 23,685	\$ 39,262	\$ 35,756
		1,566,366	259,023	486,013	596,340
		762,344	1,739,932	1,731,412	360,439
		8,738,752	7,271,857	6,111,900	8,810,522
		<u>7,081,964</u>	<u>8,634,701</u>	<u>9,051,507</u>	<u>8,084,143</u>
<u>\$ 16,995,682</u>	<u>\$ 17,749,010</u>	<u>\$ 18,149,426</u>	<u>\$ 17,929,198</u>	<u>\$ 17,420,094</u>	<u>\$ 17,887,200</u>
\$ 1,354,294	\$ 1,598,859				
11,985,111	2,285,941				
6,237,277	8,104,774				
<u>8,554,700</u>	<u>15,467,766</u>				
		\$ 2,351,692	\$ 2,786,643	\$ 2,902,843	\$ 2,608,306
		41,675,338	34,569,455	28,138,050	24,715,327
		2,624,604	1,439,343	2,136,230	2,187,485
		<u>1,564,489</u>	<u>1,041,687</u>	<u>1,656,457</u>	<u>1,778,647</u>
<u>\$ 28,131,382</u>	<u>\$ 27,457,340</u>	<u>\$ 48,216,123</u>	<u>\$ 39,837,128</u>	<u>\$ 34,833,580</u>	<u>\$ 31,289,765</u>

CITY OF LARAMIE, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenues				
Taxes and special assessments	\$ 2,818,761	\$ 9,853,869	\$ 8,024,372	\$ 7,055,700
Licenses and permits	99,791	102,389	104,249	126,360
Intergovernmental	19,464,215	17,885,383	21,808,588	23,284,671
Charges for services	2,188,326	1,541,310	1,653,256	1,986,657
Fines and forfeitures	791,903	769,563	850,506	621,184
Investment income	1,345,084	1,031,573	2,109,599	2,120,216
Miscellaneous	<u>2,275,938</u>	<u>1,220,635</u>	<u>1,029,642</u>	<u>1,434,977</u>
Total revenues	<u>28,984,018</u>	<u>32,404,722</u>	<u>35,580,212</u>	<u>36,629,765</u>
Expenditures				
General government	3,422,278	14,683,043	8,863,131	8,184,686
Public safety	9,107,839	10,184,880	12,077,557	11,914,975
Health and welfare	520,424	523,565	1,153,186	611,290
Highways and streets	1,156,094	1,741,642	3,563,194	3,445,097
Culture and recreation	2,589,132	3,011,694	2,017,109	3,194,597
Capital outlay	9,590,549	-	-	-
Debt service funds				
Interest	2,107,776	1,973,994	2,295,794	2,350,784
Principal	<u>646,525</u>	<u>599,651</u>	<u>557,395</u>	<u>550,194</u>
Total expenditures	<u>29,140,617</u>	<u>32,718,469</u>	<u>30,527,366</u>	<u>30,251,623</u>
Excess of revenues over (under) expenditures	<u>(156,599)</u>	<u>(313,747)</u>	<u>5,052,846</u>	<u>6,378,142</u>
Other financing sources (uses)				
Proceeds from borrowing	-	-	1,881,764	268,861
Transfers to component unit				
Transfers in	2,254,474	1,590,939	3,180,792	2,958,986
Transfers (out)	<u>(2,246,884)</u>	<u>(1,242,849)</u>	<u>(2,832,702)</u>	<u>(2,964,722)</u>
Total other financing sources (uses)	<u>7,590</u>	<u>348,090</u>	<u>2,229,854</u>	<u>263,125</u>
Special Item				
Proceeds from sale of land	-	-	-	-
Net change in fund balance	<u>\$ (149,009)</u>	<u>\$ 34,343</u>	<u>\$ 7,282,700</u>	<u>\$ 6,641,267</u>
Debt service as a percentage of noncapital expenditures	14.09%	11.69%	11.53%	10.39%

*For the years 2006-2009, the capital outlay is included in the respective department.

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 7,141,166	\$ 6,583,085	\$ 5,454,187	\$12,108,311	\$ 7,101,975	\$ 3,842,082
112,886	113,372	123,415	125,519	136,292	135,615
22,895,468	23,506,467	20,359,491	21,201,903	19,201,915	28,611,796
2,903,739	2,600,337	2,740,288	2,901,790	2,921,939	3,315,168
839,015	909,716	809,983	926,727	885,460	905,192
1,192,450	1,058,041	523,217	476,838	86,518	145,638
<u>197,070</u>	<u>282,435</u>	<u>753,825</u>	<u>592,631</u>	<u>1,926,688</u>	<u>180,358</u>
<u>35,281,794</u>	<u>35,053,453</u>	<u>30,764,406</u>	<u>38,333,719</u>	<u>32,260,787</u>	<u>37,135,849</u>
10,487,975	5,763,060	5,633,974	5,964,545	6,097,958	6,405,000
13,624,951	12,619,988	11,951,238	13,064,758	12,977,059	12,889,163
675,244	672,768	654,926	727,893	651,610	768,137
5,388,971	3,048,415	2,107,127	3,030,649	2,467,858	1,918,313
4,198,920	3,357,077	2,999,408	3,704,838	3,418,113	3,465,502
-	7,063,523	6,629,482	16,304,840	10,317,484	14,525,425
2,750,447	2,714,668	3,054,295	5,533,013	2,040,353	2,008,552
<u>438,169</u>	<u>365,572</u>	<u>741,862</u>	<u>632,415</u>	<u>573,414</u>	<u>506,999</u>
<u>37,564,677</u>	<u>35,605,071</u>	<u>33,772,312</u>	<u>48,962,951</u>	<u>38,543,849</u>	<u>42,487,091</u>
<u>(2,282,883)</u>	<u>(551,618)</u>	<u>(3,007,906)</u>	<u>(10,629,232)</u>	<u>(6,283,062)</u>	<u>(5,351,242)</u>
1,000,777	74,753	23,316,032	1,178,936	-	113,569
4,861,623	2,001,478	1,809,073	1,856,745	3,845,096	6,046,086
<u>(4,509,702)</u>	<u>(1,457,762)</u>	<u>(958,000)</u>	<u>(1,005,672)</u>	<u>(3,074,686)</u>	<u>(4,702,413)</u>
<u>1,352,698</u>	<u>618,469</u>	<u>24,167,105</u>	<u>2,030,009</u>	<u>770,410</u>	<u>1,457,242</u>
-	-	-	-	-	817,291
<u>\$ (930,185)</u>	<u>\$ 66,851</u>	<u>\$21,159,199</u>	<u>\$ (8,599,223)</u>	<u>\$ (5,512,652)</u>	<u>\$ (3,076,709)</u>
8.49%	10.79%	13.99%	17.71%	9.39%	8.86%

CITY OF LARAMIE, WYOMING

GENERAL GOVERNMENT EXPENDITURE BY FUNCTION

Last Ten Fiscal Years (1)

<u>Fiscal Year</u>	<u>City Manager</u>	<u>Legal</u>	<u>Finance</u>	<u>Engineering</u>	<u>Highways and Streets</u>
2005	\$ 303,027	\$ 170,164	\$ 536,984	\$ 349,813	\$ 1,156,094
2006	423,091	208,313	586,829	385,659	1,741,642
2007	449,172	241,512	684,987	460,403	2,286,273
2008	349,602	244,835	745,443	667,827	3,445,097
2009	449,821	284,103	801,595	574,918	3,212,981
2010	445,618	284,654	809,833	680,869	3,053,782
2011	468,929	285,933	722,096	522,674	2,971,960
2012	541,873	295,316	754,614	611,138	2,916,994
2013	512,268	349,605	747,621	448,776	2,473,537
2014	536,036	441,745	840,715	495,600	3,502,335

<u>Fiscal Year</u>	<u>Municipal Court</u>	<u>Other General Accounts (2)</u>	<u>Cemetery</u>	<u>Health and Welfare (4)</u>	<u>Planning</u>
2005	\$ 226,819	\$ 5,111,141	\$ 164,063	\$ 520,424	\$ 190,990
2006	252,871	2,398,642	142,233	523,565	351,939
2007	406,871	2,316,489	175,313	1,153,186	266,485
2008	297,660	2,323,968	219,708	611,290	420,144
2009	319,526	2,748,833	525,083	675,244	312,719
2010	301,450	3,327,477	310,159	780,132	259,539
2011	295,856	3,317,634	344,381	767,516	234,961
2012	295,063	3,628,139	307,653	839,443	277,816
2013	316,696	3,975,547	251,654	648,345	351,078
2014	315,555	4,497,436	278,800	823,611	298,244

- Notes:
- (1) Includes General, Special Revenue and Debt Service funds.
 - (2) Other general accounts include expenditures for Other general government, City Council, insurance, printing, professional and consulting and social services.
 - (3) Includes Police and Fire Departments, Emergency Management.
 - (4) Health and Welfare includes Animal Control and Mosquito control.
 - (5) Culture and Recreation includes park and recreation.

<u>Culture and Recreation (5)</u>	<u>Public Safety (3)</u>
\$ 2,589,132	\$ 9,219,394
2,986,261	10,184,880
3,239,643	12,077,557
3,137,561	11,914,975
3,884,382	13,624,951
3,046,918	12,929,936
3,242,320	11,666,301
3,498,833	12,488,730
3,176,101	12,375,523
3,368,287	12,619,018

<u>Debt Service</u>	<u>Total</u>
\$ 320,612	\$ 20,858,657
178,877	20,364,802
459,468	24,217,359
508,156	24,886,266
812,821	28,226,977
671,004	26,901,371
712,301	25,552,862
664,278	27,119,890
464,392	26,091,143
225,176	28,242,558



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REVENUE CAPACITY INFORMATION

CITY OF LARAMIE, WYOMING

GENERAL GOVERNMENT REVENUES BY SOURCE

Last Ten Fiscal Years (1)

<u>Fiscal Year</u>	<u>Taxes</u>	<u>Special Assessment</u>	<u>Licenses and Permits</u>	<u>Intergovernmental Revenue</u>	<u>Charges for Services</u>
2005	\$ 2,709,050	\$ 2,091	\$ 99,791	\$ 15,816,083	\$ 2,187,945
2006	2,972,126	2,674	102,389	17,656,794	1,541,310
2007	2,927,794	2,383	104,249	19,432,485	1,653,256
2008	3,220,809	3,673	126,360	21,427,709	1,986,657
2009	3,368,276	-	112,886	20,729,105	2,903,739
2010	3,502,980	-	113,372	20,049,209	2,600,337
2011	3,560,439	-	123,415	17,781,925	2,740,288
2012	3,639,286	-	125,519	18,611,133	2,901,790
2013	3,761,050	-	136,292	17,946,508	2,921,939
2014	3,842,082	-	135,615	22,871,833	3,315,168

Notes: (1) Includes General, Special Revenue and Debt Service funds.

Fines and Forfeits	Interest and Miscellaneous	Total
\$ 791,903	\$ 430,286	\$ 22,037,149
769,563	2,172,789	25,217,645
850,506	2,011,510	26,982,183
621,184	2,942,664	30,329,056
839,015	1,169,031	29,122,052
909,716	1,164,342	28,339,956
809,983	986,683	26,002,733
926,727	878,067	27,082,522
885,460	1,667,174	27,318,423
905,192	316,023	31,385,913

CITY OF LARAMIE, WYOMING

TAX REVENUE BY SOURCE

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Taxes</u>	<u>General Property Taxes</u>	<u>Automobile Taxes</u>	<u>Franchise Taxes</u>	<u>Sales Tax (1)</u>
2005	\$ 11,830,507	\$ 1,141,507	\$ 423,460	\$ 1,144,083	\$ 7,598,184
2006	12,892,829	1,309,218	346,641	1,316,268	8,362,138
2007	14,271,824	1,244,938	393,463	1,291,776	8,553,231
2008	14,198,145	1,480,345	432,209	1,311,916	9,341,454
2009	13,510,787	1,563,275	409,388	1,395,605	8,717,960
2010	13,552,399	1,625,138	439,851	1,437,991	8,579,965
2011	12,789,620	1,671,868	425,930	1,462,641	7,688,215
2012	13,329,267	1,682,619	427,970	1,528,697	8,267,575
2013	13,321,843	1,728,380	439,944	1,592,726	8,233,882
2014	14,193,346	1,780,800	439,074	1,622,207	8,656,487

Note: (1) Includes one percent optional sales and use tax.

<u>Use Tax (1)</u>	<u>Cigarette Tax</u>	<u>Gasoline Tax</u>
\$ 825,991	\$ 131,578	\$ 565,704
889,635	137,136	531,793
2,043,588	112,317	632,511
900,205	118,157	613,859
782,078	119,397	523,084
806,287	109,807	553,360
863,901	108,680	568,385
735,389	105,268	581,749
596,472	103,140	627,299
608,808	101,692	984,278

CITY OF LARAMIE, WYOMING

DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City of Laramie/Albany County **</u>	<u>State of Wyoming</u>
2005	2.00%	4.00%
2006	2.00%	4.00%
2007	2.00%	4.00%
2008	2.00%	4.00%
2009	2.00%	4.00%
2010	2.00%	4.00%
2011	2.00%	4.00%
2012	2.00%	4.00%
2013	2.00%	4.00%
2014	2.00%	4.00%

Note: For fiscal years 2005 through 2014, an optional specific purpose tax of 1% was imposed.

** The one percent optional general purpose tax and the one percent optional specific purpose tax may be changed only with the approval of the voters in the County.

Source: State of Wyoming, Department of Revenue

CITY OF LARAMIE, WYOMING

PRINCIPAL SALES TAX REMITTERS
Current Year and Nine Years Ago (1)

Fiscal Year 2014

<u>Rank</u>	<u>Remitter</u>	<u>Type of Business</u>
1	Wal-Mart Stores Inc.	Retail
2	PacifiCorp	Utilities (Power)
3	University of Wyoming	University
4	Source Gas Distribution LLC	Utilities (Gas)
5	Verizon Wireless (VAW) LLC	Communications
6	Ranch and Home Supply LLC	Retail
7	TA Operating LLC	Travel Plaza
8	Laramie GM Auto Center Inc.	Vehicle Sales
9	Safeway Stores 46 Inc.	Retail
10	Hilton Garden Inn & Conference Center	Hospitality

Fiscal Year 2005

<u>Rank</u>	<u>Remitter</u>	<u>Type of Business</u>
1	Wal-Mart Stores Inc.	Retail
2	Binford Street Associates LLC	Real Estate Rental
3	MJB Acquisition Corp, a Wyoming Co.	Technical School
4	Mountain West Farm Bureau Mutual Ins. Co.	Insurance Company
5	RMFP Corporation	Manufacturing
6	B Hive, Inc.	Real Estate Rental
7	Laramie Plains Properties	Rental
8	WY Plaza, LLC	Commercial Rental
9	Gem City Properties	Commercial Rental
10	Foster's Inc.	Retail

(1) Source: State of Wyoming, Department of Revenue

CITY OF LARAMIE, WYOMING

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1) (2)

Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2005	\$ 134,634,400	\$ 1,417,204,211	\$ 7,699,235	\$ 81,044,579
2006	150,260,250	1,581,686,842	7,968,708	83,881,137
2007	162,723,707	1,712,881,126	8,208,466	86,404,905
2008	187,545,559	1,974,163,779	8,908,353	93,772,137
2009	196,444,119	2,035,617,794	7,256,055	75,787,278
2010	198,021,160	2,049,176,466	7,690,632	80,933,394
2011	203,440,680	2,102,123,168	6,672,549	69,909,531
2012	206,503,793	2,130,701,310	7,934,214	83,123,725
2013	211,350,257	2,187,540,434	8,695,234	91,193,787
2014	215,874,682	2,234,536,593	8,359,893	87,970,074

Notes:

- (1) In general, property is assessed in Wyoming by county assessors working under the supervision of the Wyoming tax commission.
- (2) Source - Albany County Assessor

Total		
Assessed Value	Estimated Actual Value	Ratio of Total Assessed Value to Estimated Actual Value
\$ 142,333,635	\$ 1,498,248,790	9.50
158,228,958	1,665,567,979	9.50
170,932,173	1,799,286,031	9.50
196,453,912	2,067,935,916	9.50
203,700,174	2,111,405,072	9.64
205,711,792	2,130,109,860	9.66
210,113,229	2,172,032,699	9.67
214,438,007	2,213,825,035	9.69
220,045,491	2,287,734,211	9.62
224,234,575	2,322,506,667	9.65

CITY OF LARAMIE, WYOMING

**PROPERTY TAX RATES AND TAX LEVIES – DIRECT AND OVERLAPPING
GOVERNMENTS (1)(2)**
Last Ten Fiscal Years

TAX RATES (IN MILS) (2)

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>	<u>School District</u>	<u>County</u>
2005	8.00	-	8.00	35.00	14.00
2006	8.00	-	8.00	34.00	14.00
2007	8.00	-	8.00	33.00	14.00
2008	8.00	-	8.00	32.00	14.00
2009	8.00	-	8.00	32.00	14.00
2010	8.00	-	8.00	32.00	14.00
2011	8.00	-	8.00	32.00	14.00
2012	8.00	-	8.00	32.00	14.00
2013	8.00	-	8.00	36.00	14.00
2014	8.00	-	8.00	36.00	14.00

TAX LEVIES

2005	\$ 1,265,832	\$ -	\$ 1,265,832	\$ 5,538,014	\$ 2,215,205
2006	1,367,457	-	1,367,457	5,811,694	2,393,050
2007	1,500,364	-	1,500,364	6,189,003	2,625,638
2008	1,626,656	-	1,626,656	6,506,624	2,846,648
2009	1,629,601	-	1,629,601	6,518,406	2,851,802
2010	1,645,741	-	1,645,741	6,582,963	2,880,046
2011	1,680,906	-	1,680,906	6,723,623	2,941,585
2012	1,715,504	-	1,715,504	6,862,016	3,002,132
2013	1,760,364	-	1,760,364	7,921,638	3,080,637
2014	1,793,877	-	1,793,877	8,072,445	3,139,284

Notes:

- (1) The Wyoming Constitution limits the mil levy for the General Fund to eight mils, not including debt service requirements. There is no limit on the mil levy for current debt service requirements. First half taxes are due November 10th and second half taxes are due May 10th after which they become delinquent. No discounts are allowed on taxes and an 18% penalty is imposed on delinquent taxes. Property upon which taxes are delinquent is advertised and sold in the following year. Property is assessed by the County Assessor and taxes are collected by the County Treasurer. 100% of taxes levied by the City which are collected are remitted. A fee of ½% of taxes collected is paid annually by the City to the County for tax collection services.

<u>State</u>	<u>Hospital District</u>	<u>Downtown Development District (3)</u>	<u>Total</u>
12.00	3.00	-	72.00
12.00	3.00	-	71.00
12.00	3.00	-	70.00
12.00	3.00	-	69.00
12.00	3.00	-	69.00
12.00	3.00	-	69.00
12.00	3.00	-	69.00
12.00	3.00	-	69.00
12.00	3.00	-	73.00
12.00	3.00	-	73.00
\$ 1,898,747	\$ 474,687	\$ -	\$ 11,392,485
2,051,186	512,797	-	12,136,184
2,250,547	562,637	-	13,128,189
2,439,984	609,996	-	14,029,908
2,444,402	611,101	-	14,055,312
2,468,611	617,153	-	14,194,514
2,521,359	630,340	-	14,497,813
2,573,256	643,314	-	14,796,222
2,640,546	660,136	-	16,063,321
2,690,815	672,704	-	16,369,125

Notes: (2) Source - Albany County Assessor
(3) Mil levy only applied to property in a specified business district.

CITY OF LARAMIE, WYOMING

PRINCIPAL TAXPAYERS CURRENT YEAR AND NINE YEARS AGO (1)

June 30, 2014

Taxpayer	Type of Business	2014 Assessed Value	Percentage of Total Assessed Valuation
1 COCO (WY) Inc.	School	\$ 2,087,706	0.93%
2 Campus Crest	Apartments	2,146,085	0.96%
3 Hilton Garden Inn	Hospitality	1,776,378	0.79%
4 Walmart Stores, Inc.	Retail	1,120,992	0.50%
5 Campus Habitat 15, LLC	Apartments	897,553	0.40%
6 Gladstone Investment Co.	Apartments	1,316,604	0.59%
7 Timberline Hospitalities, LLC	Hospitality	844,839	0.38%
8 CHF WYO LLC	Housing	824,825	0.37%
9 Mountain West Farm Bureau Mutual Insurance Co.	Insurance	816,057	0.36%
10 Bed Company of wyo	Hospitality	670,935	0.30%
		<u>\$ 12,501,974</u>	5.58%

Taxpayer	Type of Business	2005 Assessed Value	Percentage of Total Assessed Valuation
1 Wal-Mart Stores, Inc.	Retail	\$ 1,328,072	0.92%
2 Binford Street Associates, LLC	Apartment Buildings	1,025,009	0.71%
3 MJB Acquisition Corp., a Wyoming Company	Technical School	957,642	0.66%
4 Mountain West Farm Bureau Mutual Insurance Co.	Insurance	782,810	0.54%
5 RMFP Corporation	Manufacturing	564,035	0.39%
6 B Hive, Inc.	Real Estate Rental	469,519	0.33%
7 Laramie Plains Properties	Real Estate Rental	429,780	0.30%
8 WY Plaza, LC	Commercial Rental	392,743	0.27%
9 Gem City Properties	Commercial Rental	357,722	0.25%
10 Foster's Inc.	Retail	328,880	0.23%
		<u>\$ 6,636,212</u>	4.60%

(1) Source - Albany County Assessor



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CITY OF LARAMIE, WYOMING

PROPERTY TAX LEVIES AND COLLECTIONS (1)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>
2005	\$ 1,139,669	\$ 936,426	82.2	\$ 52,457	\$ 988,883
2006	1,265,832	1,210,503	95.6	98,715	1,309,218
2007	1,367,457	1,314,926	96.2	45,109	1,360,035
2008	1,500,364	1,445,066	96.3	39,245	1,484,311
2009	1,626,656	1,547,648	95.1	61,179	1,608,827
2010	1,629,601	1,553,918	95.4	72,320	1,626,238
2011	1,655,372	1,602,642	96.8	68,636	1,671,278
2012	1,675,064	1,615,489	96.4	89,411	1,704,900
2013	1,715,504	1,665,291	97.1	56,332	1,721,623
2014	1,760,605	1,734,912	98.5	45,888	1,780,800

Delinquent Tax Collections

<u>Levy Year</u>	<u>2010 Collections</u>	<u>2011 Collections</u>	<u>2012 Collections</u>	<u>2013 Collections</u>	<u>2014 Collections</u>
1999 & Prior	\$ -	\$ -	\$ -	\$ -	\$ -
2000	31	-	-	-	-
2001	72	1	-	-	-
2002	121	1	-	697	-
2003	93	(20)	-	333	-
2004	82	9	-	1	-
2005	538	128	1,107	65	-
2006	21,149	138	275	55	-
2007	3,288	476	380	188	5
2008	46,946	2,741	484	221	74
2009	-	65,162	6,128	975	345
2010	-	-	46,351	3,343	760
2011	-	-	34,686	50,454	3,679
2012	-	-	-	-	41,025
2013	-	-	-	-	-
Total	\$ 72,320	\$ 68,636	\$ 89,411	\$ 56,332	\$ 45,888

Notes: (1) Source - Albany County Treasurer

Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
86.8	\$ 149,786	13.1
103.4	30,187	2.4
99.5	52,531	3.8
98.9	68,584	4.6
98.9	84,550	5.2
99.8	92,876	5.7
101.0	73,714	4.5
101.8	94,261	5.6
100.4	72,343	4.2
101.1	87,078	4.9



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DEBT CAPACITY INFORMATION

CITY OF LARAMIE, WYOMING

COMPUTATION OF LEGAL DEBT MARGIN – GENERAL OBLIGATION

End of Fiscal Year 2014

Assessed value	<u>\$ 224,234,575</u>
Debt limit 4% of assessed value	8,969,383
Total amount of debt applicable to debt limit	<u>6,300,000</u>
Legal debt margin	<u><u>\$ 2,669,383</u></u>

Fiscal Year	Debt Limit	Total Debt Amount Applicable To		Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
		Debt Limit	Debt Limit		
2005	\$ 5,693,345	\$ -	\$ -	\$ 5,693,345	0.00%
2006	6,329,158	-	-	6,329,158	0.00%
2007	6,837,287	-	-	6,837,287	0.00%
2008	7,858,156	-	-	7,858,156	0.00%
2009	8,148,007	-	-	8,148,007	0.00%
2010	8,228,472	-	-	8,228,472	0.00%
2011	8,404,529	8,110,000	-	294,529	96.50%
2012	8,577,520	7,563,636	-	1,013,884	88.18%
2013	8,801,820	6,963,636	-	1,838,184	79.12%
2014	8,969,383	6,300,000	-	2,669,383	70.24%

CITY OF LARAMIE, WYOMING

COMPUTATION OF LEGAL DEBT MARGIN - SEWER
End of Fiscal Year 2014

Assessed value	<u>\$ 224,234,575</u>
Debt limit - Double 4% of assessed value	17,938,766
Total amount of debt applicable to debt limit	<u>4,609,756</u>
Legal debt margin	<u><u>\$ 13,329,010</u></u>

Fiscal Year	Debt Limit	Total Debt Amount Applicable To		Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of
		Debt Limit	Debt Limit		Debt Limit
2005	\$ 11,386,690	\$ -	\$ -	11,386,690	0.00%
2006	12,658,316	-	-	12,658,316	0.00%
2007	13,674,574	-	-	13,674,574	0.00%
2008	15,716,312	-	-	15,716,312	0.00%
2009	16,296,014	-	-	16,296,014	0.00%
2010	16,456,944	-	-	16,456,944	0.00%
2011	16,809,058	5,933,500	-	10,875,558	35.30%
2012	17,155,041	5,534,368	-	11,620,673	32.26%
2013	17,603,639	5,095,344	-	12,508,295	28.94%
2014	17,938,766	4,609,756	-	13,329,010	25.70%

CITY OF LARAMIE, WYOMING

COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)

End of Fiscal Year

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Overlapping Net Debt Outstanding				
Albany County School District One	\$2,840,000	\$1,910,000	\$ 965,000	\$ -
Percentage applicable to City	59.44%	59.44%	59.44%	59.44%
City's Estimated Share of Overlapping Debt	<u>1,688,096</u>	<u>1,135,304</u>	<u>573,596</u>	<u>-</u>
City Direct Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Direct and Overlapping Debt	<u><u>\$1,688,096</u></u>	<u><u>\$1,135,304</u></u>	<u><u>\$ 573,596</u></u>	<u><u>\$ -</u></u>

Note: (1) Source - Albany County Treasurer

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
59.44%	59.44%	59.44%	59.44%	59.44%	59.44%
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>					

CITY OF LARAMIE, WYOMING

RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			
	General Obligation Bonds	Notes Payable	Capital Leases	Total Governmental Activities
2004	\$ -	\$ 10,248,382	\$ 17,527,584	\$ 27,775,966
2005	-	10,223,853	15,685,862	25,909,715
2006	-	10,197,698	13,758,675	23,956,373
2007	-	10,169,810	13,379,589	23,549,399
2008	-	10,140,074	11,327,402	21,467,476
2009	-	10,108,367	9,609,312	19,717,679
2010	-	10,074,558	6,939,673	17,014,231
2011	22,300,000	10,038,509	4,476,666	36,815,175
2012	20,800,000	10,000,000	1,660,196	32,460,196
2013	19,150,000	10,000,000	1,127,602	30,277,602
2014	17,568,094	10,000,000	1,057,617	28,625,711

Business-Type Activities							
<u>Revenue</u> <u>Bonds</u>	<u>Notes</u> <u>Payable</u>	<u>Capital</u> <u>Leases</u>	<u>Total</u> <u>Business-Type</u> <u>Activities</u>	<u>Total</u> <u>Primary</u> <u>Government</u>	<u>Percentage</u> <u>of Personal</u> <u>Income</u>	<u>Per Capita</u>	
\$ 3,815,000	\$ 15,398,424	\$ 2,923,501	\$ 22,136,925	\$ 49,912,891	5.65%	\$ 1,851.64	
3,590,000	14,798,803	2,453,722	20,842,525	46,752,240	5.00%	1,768.17	
3,360,000	13,974,888	2,016,008	19,350,896	43,307,269	4.51%	1,637.88	
3,110,000	13,222,972	1,536,844	17,869,816	41,419,215	4.18%	1,566.48	
2,850,000	12,868,715	1,038,598	16,757,313	38,224,789	3.62%	1,405.12	
4,625,000	10,499,848	818,682	15,943,530	35,661,209	3.16%	1,310.88	
4,235,000	11,017,669	217,355	15,470,024	32,484,255	2.73%	1,194.10	
3,850,000	10,492,314	133,082	14,475,396	51,290,571	4.04%	1,885.41	
3,450,000	9,588,526	421,904	13,460,430	45,920,626	3.61%	1,490.16	
2,765,000	8,642,114	1,568,930	12,976,044	43,253,646	3.40%	1,365.29	
3,362,000	8,188,872	1,312,360	12,863,232	41,488,943	3.05%	1,309.58	

CITY OF LARAMIE, WYOMING

RATIO OF GENERAL BONDED DEBT OUTSTANDING
 Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding	Per Capita
2005	\$ -	\$ -
2006	-	-
2007	-	-
2008	-	-
2009	-	-
2010	-	-
2011	14,043,500	456
2012	13,098,004	425
2013	12,058,980	391
2014	10,909,756	343

- 1) Includes General and Debt Service Funds (GO debt includes Street, Solid Waste and Sewer principal only).
- 2) Population of City of Laramie 2014 - 31,814

CITY OF LARAMIE, WYOMING

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL
GENERAL EXPENDITURES (1)**
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Principal (3)</u>	<u>Interest (3)</u>	<u>Total Debt Service</u>	<u>Total General Expenditures (2)</u>	<u>Ratio of Debt Service to General Expenditures</u>
2005	\$ -	\$ -	\$ -	\$ 21,791,731	0.00%
2006	-	-	-	20,364,802	0.00%
2007	-	-	-	24,217,359	0.00%
2008	-	-	-	24,886,266	0.00%
2009	-	-	-	28,226,977	0.00%
2010	-	-	-	27,356,987	0.00%
2011	157,438	28,794	186,232	25,552,862	0.73%
2012	944,568	332,198	1,276,766	27,119,890	4.71%
2013	1,039,024	327,259	1,366,283	26,091,143	5.24%
2014	1,149,224	270,983	1,420,207	28,242,558	5.03%

- Notes:
- (1) Includes General and Debt Service Funds (GO debt includes Street, Solid Waste and Sewer).
 - (2) Includes General, Special Revenue and Debt Service Funds.
 - (3) Tax Supported Debt.



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DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF LARAMIE, WYOMING

DEMOGRAPHIC AND ECONOMIC STATISTICS (1)
Last Ten Fiscal Years

Date of Incorporation: December 12, 1873
Form of Government: Council-Manager

<u>Fiscal Year</u>	<u>Population</u>	<u>Per Capita Income (2)</u>	<u>Total Personal Income (7)</u>	<u>Median Age (3)</u>	<u>Unemployment Rate % (5)</u>	<u>Enrollment (4)</u>
2005	26,441(6)	30,207	\$ 935,936,000	28.6	3.0 (5)	3,559
2006	26,441(6)	32,497	961,022,000	30.3	2.9 (5)	3,485
2007	26,441(6)	33,703	991,318,000	26.8	3.0 (5)	3,491
2008	27,204(6)	36,940	1,055,684,000	26.7	2.4 (5)	3,507
2009	27,204(6)	34,279	1,129,523,000	25.3	2.5 (8)	3,544
2010	28,138(3)	35,271	1,191,322,000	25.3	4.1 (8)	3,579
2011	30,816(3)	38,406	1,270,947,000	25.4	5.1 (8)	3,587
2012	31,312(3)	38,601	1,270,490,000	25.7	5.3 (8)	3,673
2013	31,681(3)	38,601	1,359,879,000	25.4	4.4 (8)	3,657
2014	31,814(3)	38,601	1,438,900,000	25.1	4.6 (8)	3,762

- Sources:
- (1) Wyoming Department of Administration and Fiscal Control, Wyoming Population & Employment Forecast Report.
 - (2) State of Wyoming Bureau of Economic Analysis - Albany County figures, most recent data 2012.
 - (3) U.S. Bureau of Census. Population of Laramie includes University of Wyoming students.
 - (4) Wyoming Department of Education.
 - (5) Wyoming Employment Security Commission, Research and Analysis, Albany County figures.
 - (6) State of Wyoming Department of Administration and Information Division of Economic Analysis. 2003 Census.
 - (7) U.S. Commerce Department - Bureau of Economic Analysis, Albany County figures.
 - (8) Bureau of Labor Statistics, Albany County figures.
 - (9) Wikipedia.
 - (10) Albany County School District #1.

<u>Education Centers (4)</u>	<u>Number of Teachers (4)</u>	<u>Area (9)</u>
15	332	17.7 Sq. Miles
18	331	17.7 Sq. Miles
18	316	17.7 Sq. Miles
19	317	17.7 Sq. Miles
19	322	17.7 Sq. Miles
19	318	17.7 Sq. Miles
19	323	17.7 Sq. Miles(3)
19	324 (10)	17.7 Sq. Miles(3)
19	326 (10)	17.7 Sq. Miles(3)
19	340 (4)	17.7 Sq. Miles(3)

CITY OF LARAMIE, WYOMING

MAJOR EMPLOYERS IN ALBANY COUNTY

Current Year and Nine Years Ago

Fiscal Year 2014 (1) (2)

Rank	Employer	Type of Business	Employees	Percentage of Total City Employment
1	University of Wyoming	Educational	6,728	35.04%
2	Albany County School District	Educational	817	4.26%
3	Iverson Memorial Hospital	Health Care	460	2.40%
4	City of Laramie	City Government	427	2.22%
5	Wal-Mart Supercenter	Retail	320	1.67%
6	ARK Regional Services	Non-Profit	232	1.21%
7	Cathedral Home	Non-Profit	186	0.97%
8	County of Albany	County Government	149	0.78%
9	Trihydro	Environmental Consulting	148	0.77%
10	WyoTech	Education/Trade School	133	0.69%
	Total		<u>9,600</u>	50.00%

Fiscal Year 2005 (1) (2)

Rank	Employer	Type of Business	Employees	Percentage of Total City Employment
1	University of Wyoming	University	5,767	27.64%
2	Albany County School District #1	Education	805	3.86%
3	Iverson Memorial Hospital	Healthcare	362	1.74%
4	County of Albany	County Government	143	0.69%
5	Wyoming Technical Institute	Education	390	1.87%
6	City of Laramie	Municipal Government	368	1.76%
7	Wal-Mart Stores, Inc.	Retail	275	1.32%
8	ARK Regional Services	Individual/Family Services	157	0.75%
9	Rocky Mountain Forest Products	Manufacturing	132	0.63%
10	Foster's, Inc.	Hotel	130	0.62%
	Total		<u>8,529</u>	40.26%

Source (1) Laramie Economic Development Corporation / Per Wyoming Market Research.

(2) The following employers were contacted directly and updated accordingly:

University of Wyoming, School District, Hospital, City of Laramie, Albany County.

OPERATING INFORMATION

CITY OF LARAMIE, WYOMING

**FULL-TIME EQUIVALENT CITY OF LARAMIE EMPLOYEES
AND OTHER OPERATING STATISTICS (1)**

Last Ten Fiscal Years

Budgeted Full-Time Equivalent City Government Employees by Function

Fiscal Year	Total Employees	City Manager	Administrative Services	Judicial	Legal	General Government	Fire	Police
2005	241.00	4.00	10.00	3.00	0.00	60.10	43.00	78.50
2006	249.50	5.00	12.50	3.00	0.00	64.10	42.00	78.50
2007	264.50	5.00	13.50	4.00	3.00	67.50	42.00	81.00
2008	267.25	4.70	14.00	4.00	3.50	69.80	43.00	79.75
2009	274.25	4.70	15.00	4.00	3.50	69.30	46.00	79.75
2010	279.25	4.70	15.00	4.00	3.50	72.30	48.00	78.75
2011	272.75	5.70	15.00	3.50	3.00	68.30	51.00	77.75
2012	275.75	5.70	15.00	3.50	3.00	70.30	50.00	79.75
2013	279.25	5.50	15.00	3.50	3.00	72.00	50.00	80.75
2014	282.75	5.50	15.50	3.50	4.00	72.00	50.00	81.75

<u>Code & Engineering</u>	<u>Highways & Streets</u>	<u>Parks & Recreation</u>	<u>Miles of Streets</u>	<u>Number of Street Lights</u>	<u>Building Permits Issued</u>	<u>Number of Fire Stations</u>	<u>Number of Police Stations</u>
10.00	10.90	21.50	142	1,012	1,978	2	1
11.00	10.90	22.50	143	1,013	1,790	2	1
12.00	12.00	24.50	150	1,035	1,556	2	1
12.00	12.00	24.50	166	1,040	1,787	2	2
12.50	13.00	26.50	166	1,040	2,064	2	1
12.50	13.00	27.50	170	1,110	1,740	3	1
10.00	13.00	25.50	172	1,115	1,652	3	1
10.00	13.00	25.50	173	1,135	1,310	3	1
10.00	13.00	26.50	174	1,223	1,278	3	1
10.00	13.00	27.50	174	1,327	978	3	1

CITY OF LARAMIE, WYOMING

CAPITAL ASSET STATISTICS (1)

Last Ten Fiscal Years

Fiscal Year	Municipal Water Department			Acres of			
	Number of Customers	Estimated Daily Water Production	Feet of Water Lines	Feet of Sewer Lines	Landfill Capacity Used	Number of Parks	Number of Libraries
2005	7,815	4,981,244	1,017,979	748,089	2.8	15	1
2006	7,865	5,532,745	1,075,688	748,089	2.7	15	1
2007	8,165	5,249,268	1,154,436	860,640	2.5	15	1
2008	8,162	5,090,605	1,156,742	860,640	3.0	15	1
2009	8,600	4,874,608	1,161,600	897,600	4.8	16	1
2010	8,652	4,781,532	1,162,300	898,300	5.2	16	1
2011	8,929	5,253,408	1,165,349	900,300	3.9	16	1
2012	8,973	5,336,160	1,168,190	902,450	3.6	16	1
2013	9,085	5,749,332	1,170,000	904,600	1.3	16	1
2014	9,372	4,885,179	1,243,173	908,160	1.3	16	1



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CITY OF LARAMIE, WYOMING

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
Last Ten Fiscal Years

Fiscal Year	Commercial Construction (1)		Residential Construction (1)	
	Number of Units	Value	Number of Units	Value
2005	14	\$ 10,558,698	52	\$ 9,852,369
2006	17	14,225,563	63	10,125,421
2007	18	47,176,236	89	13,304,588
2008	19	45,718,713	122	12,391,155
2009	16	45,985,059	105	13,450,080
2010	16	18,852,715	82	12,837,650
2011	6	26,601,606	122	16,167,744
2012	4	8,016,858	52	9,174,482
2013	5	23,207,622	42	10,569,685
2014	2	13,722,605	65	24,319,128

- Notes:
- (1) City of Laramie Community Development Department.
 - (2) www2.fdic.gov/sod - Albany County totals.
 - (3) Albany County Assessor estimated actual values.

<u>Bank Deposits (2)</u>		<u>Property Value (3)</u>
(Thousands)		
\$ 347,799	\$	1,498,248,790
351,488		1,665,567,979
377,405		1,799,286,031
385,112		2,067,935,916
451,665		2,111,405,072
476,280		2,049,176,466
491,633		2,102,123,168
490,563		2,130,701,310
528,786		2,287,734,211
551,180		2,722,506,667

CITY OF LARAMIE, WYOMING

INSURANCE IN FORCE
 End of Fiscal Year 2014

Type of Coverage and Name of Company	Policy Number	From	To
Casualty Insurance:			
Wyoming Association for Risk Management - an intergovernmental Risk Sharing Pool	None	7/1/2013	6/30/2014
Property: Driver Alliant Insurance Services			
All risk of direct physical loss or damage		7/1/2013	6/30/2014
Earthquake		7/1/2013	6/30/2014
Flood		7/1/2013	6/30/2014
Police Professional Liability Policy:			
Compass Insurance Company			

Details of Coverage	Liability Limits	Annual Premiums
Scheduled exposure, general liability, automobile liability, watercraft liability, public officials errors and omissions liability, personal injury liability, civil rights liability and sudden accidental pollution	\$250,000 per claimant	\$ 254,110
Per occurrence and annual aggregate	\$ 500,000,000	
Per occurrence and annual aggregate	\$ 25,000,000	
Per occurrence and annual aggregate	\$ 25,000,000	\$ 186,965
Personal injury, bodily injury, property damage due to negligent acts, errors and omissions of law enforcement officers	\$250,000 each person \$500,000 each accident	Policy carried and paid for by Wyoming Department of Administration and Fiscal Control pursuant to W.S. 9-712-10, 1957

CITY OF LARAMIE, WYOMING

SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS

For Fiscal Year Ended June 30, 2014

Name and Title of Official	Annual Salary	Amount of Surety Bond
Janine Jordan City Manager	\$119,350	\$75,000
Malea Brown Administrative Services Director	\$112,050	\$75,000
David A. Paulekas Mayor and President of City Council	\$120 per meeting attended	None
David C. Clark City Attorney	\$104,666	\$10,000
Meredith O. Peterson Municipal Judge	\$55,000	\$10,000
All other employees	N/A	\$10,000 blanket coverage



M A D E R T S C H A C H E R
P E T E R S O N & C O .

CITY OF LARAMIE, WYOMING

COMPLIANCE REPORTS

June 30, 2014

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**INDEPENDENT AUDITOR'S REPORT
ON ADDITIONAL INFORMATION**

To Honorable Mayor and Members of the
City Council and City Manager
City of Laramie, Wyoming

We have audited the financial statements of City of Laramie, Wyoming as of and for the year ended June 30, 2014, and our report thereon dated November 24, 2014, which expressed an unmodified opinion of their comprehensive annual financial reporting package, appears on pages 9-11. Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements of City of Laramie, Wyoming. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Mader Tschacher Peterson + Co, LLC

Laramie, Wyoming
November 24, 2014

CITY OF LARAMIE, WYOMING
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program/Title	Federal CFDA Numbers	Expenditures
<u>U.S. Department of Agriculture</u>		
<i>Food and Nutrition Service</i>		
Passed through Wyoming Department of Education Special Milk	10.556	818
 <i>State and Urban Forestry Program</i>		
Passed through Wyoming State Forestry Division Cooperative Forestry Assistance	10.664	5,000
 <i>Rural Utilities Service</i>		
Water and Waste Disposal Loans and Grants	10.760	<u>835,414</u>
Total U.S. Department of Agriculture		<u>841,232</u>
 <u>U.S. Department of Housing and Urban Development</u>		
<i>Office of Community Planning and Development</i>		
Passed through the Wyoming Business Council Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	<u>41,699</u>
Total U.S. Department of Housing and Urban Development		<u>41,699</u>
 <u>U.S. Department of Justice</u>		
<i>Bureau of Justice Assistance</i>		
Bulletproof Vest Partnership Program	16.607	4,738
Passed through Wyoming Division of Criminal Investigation Edward Byrne Memorial Justice Assistance Grant Program	16.738	47,582
 <i>Office of Community Oriented Policing Services</i>		
ARRA - COPS Hiring Program	16.710	25,494
 <i>Office of Juvenile Justice and Delinquency Prevention</i>		
Passed through Wyoming Department of Health Enforcing Underage Drinking Laws Program	16.727	<u>9,477</u>
Total U.S. Department of Justice		<u>87,291</u>
 <u>U.S. Department of Transportation</u>		
<i>National Highway Traffic Safety Administration - Highway Safety Cluster</i>		
Passed through Wyoming Department of Transportation State and Community Highway Safety	20.600	23,430
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	<u>70,419</u>
Total Highway Safety Cluster		<u>93,849</u>

(Continued)

CITY OF LARAMIE, WYOMING
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2014
(Continued)

Federal Grantor/Pass-Through Grantor/Program/Title	Federal CFDA Numbers	Expenditures
<i>National Highway Traffic Safety Administration</i>		
Passed through Wyoming Department of Transportation		
National Priority Safety Programs	20.616	<u>90,587</u>
Total U.S. Department of Transportation		<u>184,436</u>
<u>Environmental Protection Agency</u>		
<i>Office of Water</i>		
Passed through the Wyoming State Loan and Investment Board		
Capitalization Grants for Drinking Water State		
Revolving Funds	66.468	<u>\$ 1,033,978</u>
Total Environmental Protection Agency		<u>1,033,978</u>
<u>U.S. Department of Education</u>		
<i>Office of Educational Research and Improvement</i>		
Passed through Greater Wyoming Big Brothers Big Sisters	84.287	<u>38,717</u>
Total U.S. Department of Education		<u>38,717</u>
<u>Executive Office of the President</u>		
Passed through Wyoming Division of Criminal Investigation		
High Intensity Drug Trafficking Areas Program	95.001	<u>86,942</u>
Total Executive Office of the President		<u>86,942</u>
<u>U.S. Department of Homeland Security</u>		
Passed through Wyoming Office of Homeland Security		
Homeland Security Grant Program	97.067	<u>251,940</u>
Total U.S. Department of Homeland Security		<u>251,940</u>
Total Federal Awards		<u>\$ 2,566,235</u>

CITY OF LARAMIE, WYOMING
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2014

Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Laramie, Wyoming under programs of the federal government for the year ended June 30, 2014. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the City of Laramie, Wyoming, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Laramie, Wyoming.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.



**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, City Council
And City Manager
City of Laramie, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Laramie, Wyoming, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise City of Laramie, Wyoming’s basic financial statements and have issued our report thereon dated November 24, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Laramie, 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 City of Laramie, Wyoming’s internal control. Accordingly, we do not express an opinion on the effectiveness of City of Laramie, Wyoming’s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Laramie, 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.

Madel Tschacher Peterson + Co, LLC

City of Laramie, Wyoming
November 24, 2014



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Honorable Mayor, City Council
And City Manager
City of Laramie, Wyoming

Report on Compliance for Each Major Federal Program

We have audited the City of Laramie, Wyoming's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Laramie, Wyoming's major federal programs for the year ended June 30, 2014. The City of Laramie, Wyoming's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Laramie, Wyoming's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Laramie, Wyoming's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Laramie, Wyoming's compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Laramie, Wyoming complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control over Compliance

Management of the City of Laramie, Wyoming is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Laramie, Wyoming's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Laramie, Wyoming's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Madel Tschacher Peterson + Co, LLC

City of Laramie, Wyoming
November 24, 2014

CITY OF LARAMIE, WYOMING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2014

PART I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weakness?	No
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weakness?	No
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133	No

Identification of Major Programs:

CFDA Numbers	Name of Federal Program or Cluster	Expenditures
10.760	Water and Waste Disposal Loans and Grants	\$ 835,414
66.468	Capitalization Grants for Drinking Water State Revolving Funds	\$ 1,033,978

Dollar threshold used to distinguish between Type A and Type B programs: \$ 300,000

Auditee qualified as low-risk auditee? Yes

(Continued)

CITY OF LARAMIE, WYOMING
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2014
(Continued)

**PART II – FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT
REQUIRED TO BE REPORTED IN ACCORDANCE WITH *GOVERNMENTAL
AUDITING STANDARDS*.**

No such findings.

PART II – FINDINGS AND QUESTIONED COSTS

No such findings.