

City of Laramie



Comprehensive Annual Financial Report Fiscal Year 2015 | July 1, 2014 to June 30, 2015

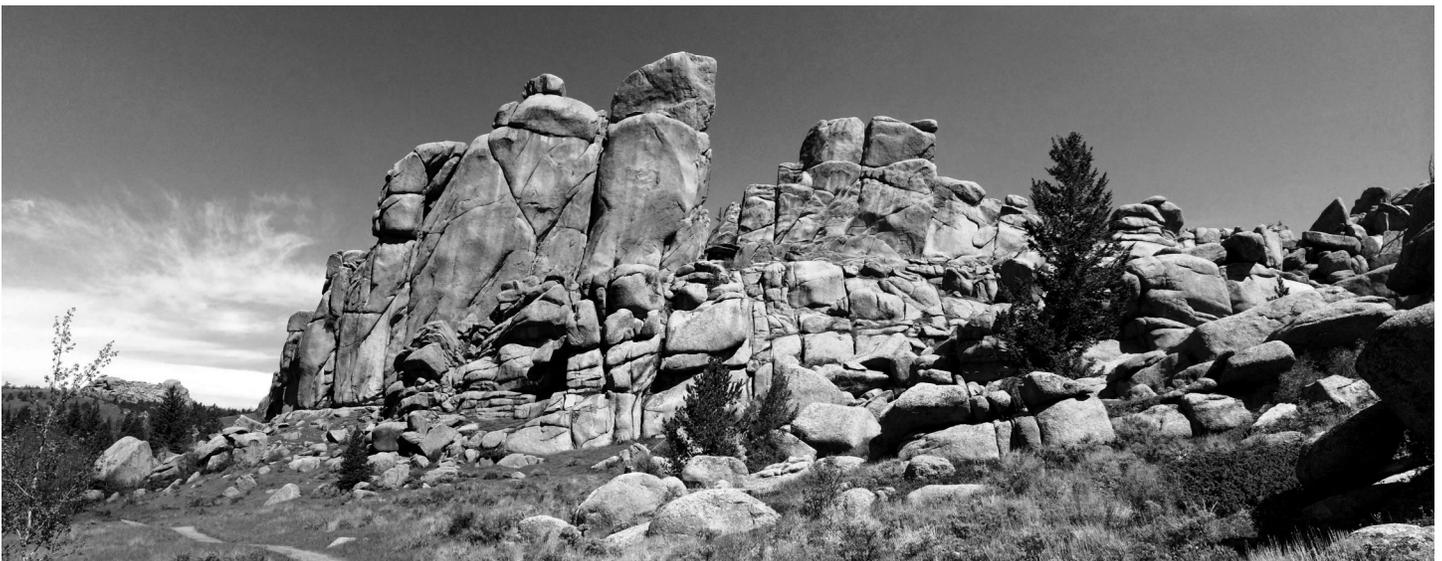


Mission

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

Vision

Community Excellence in the Gem City of the Plains



City of Laramie, Wyoming

Community Excellence in the Gem City of the Plains



Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2015

Prepared Under the Supervision of

Malea Brown

Administrative Services Director

The City of Laramie

Also known as the “Gem City of the Plains”, Laramie, Wyoming, is located in southeastern Wyoming about 45 miles from the state capital, Cheyenne, and 130 miles from Denver, Colorado. With a population of 30,816, Laramie is the county seat of Albany County. 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. The City is home to the state’s only land grant university: the University of Wyoming.

The City was incorporated on December 12, 1873 – seventeen years before Wyoming became a state. The transcontinental railroad was essential to the city’s establishment. Laramie began as a tent city along the Overland Stage Line route, the Union Pacific portion of the transcontinental rail road. The City’s rich history includes the colorful characters of an early railroad town, traditional old-west heritage, women’s suffrage, and the establishment of the University of Wyoming in 1886.

Laramie is a high plains community characterized by a small town feel, low crime and unemployment rates, and tremendous outdoor recreation opportunities in the form of hiking, mountain biking, rock climbing, fishing, hunting, skiing, snowshoeing, and snowmobiling. The University of Wyoming recruits a diverse student, faculty, and staff population. Cultural and sporting events are not in short supply, and Laramie sees over 250 days of sunshine each year. Residents are not alone in thinking that Laramie is truly a great place to live, work, and play. College Values Online ranked Laramie #1 in its 2015 “50 Best Small College Towns in America” list; and, in 2014, Wallethub.com rated Laramie #6 in its “Best College Cities and Towns in America” list.

For more information about the City of Laramie, please visit the city’s website at www.cityoflaramie.org, or get in touch with the Laramie Chamber Business Alliance at www.laramie.org.



The Laramie Range provides a backdrop for historic downtown

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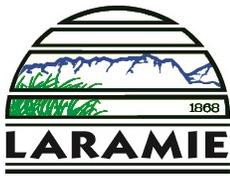
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December 15, 2015

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

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Laramie for the fiscal year ended June 30, 2015 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.

This report was prepared by the City's Finance division, under the supervision of the Administrative Services Director, and the responsibility for the accuracy of the data, the completeness and fairness of the presentation, and all disclosures rests with the City. To the best of our knowledge and belief, the information in the CAFR is accurate in all material respects and presents fairly the financial position and results of operations of the City.

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, 2015 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, 2015, 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 City of Laramie

The City of Laramie, Wyoming, has a population of about 31,000 and is located in Albany County, in the southeast 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.

Budgetary Appropriations and Controls

The City complies with Wyoming state statute, which requires a balanced budget that is adopted by the third Tuesday in June. 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 2015 and 2016, the City adopted a biennial budget for the General Fund, Recreation Center Fund, Capital Construction Fund, Parks and Recreation Development Fund, Water Fund, Waste Water Fund, and Solid Waste Fund. An annual budget was adopted for all other funds. The City did not exceed legally-adopted budget appropriations during fiscal year 2015. The City's fiscal year, which goes from July 1 through June 30, complies with Wyoming state statute.

Financial Controls

The City's management is responsible for establishing and maintaining a system of internal control designed to ensure the reliability of financial reporting and the safeguarding of City assets. Internal controls are designed to provide reasonable, rather than absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. We believe that the City's system of internal controls adequately safeguards assets and provides reasonable assurance as to the proper recording of financial transactions.

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 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 educational and government institutions.

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, Ivinson 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 2.7%, which is lower than the state average of 4.1% and slightly lower than the unemployment rate for Albany County at the end of fiscal year 2014.

The Wyoming Comparative Cost of Living Index indicates an overall value of 97 for Albany County, with 100 representing the statewide average. The inflation rate for the past year was 0.8% percent in southeastern Wyoming, with 0.9% being the state average. The State's unemployment rate dropped to 2.7% in the second quarter of 2015, compared to 3.8% in the second quarter of 2014. After setbacks by sharply falling natural gas prices beginning in the second quarter of 2012, the mining industry showed a slight job loss in the second quarter of 2015. According to a state economic report, the second quarter of 2015 showed economic growth in the majority of industrial sectors.. At the state level, sales and use tax revenues have increased 16.5% from fiscal year 2014 to fiscal year 2015, and marks four consecutive quarters of double digit growth in sales tax alone. In the same period, Albany County experienced a 6.5% 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 ten 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 were substantially completed in fiscal year 2015.

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 work collaboratively with staff members to 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 2016, as the landfill scale house is built and the City now has 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 sectors in the local economy, 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 was substantially completed in fiscal year 2015. Additionally, in fiscal years 2014 and 2015, the City secured funding from the Wyoming Business Council to assist with the relocation of HI VIZ Shooting Systems and Underwriters Laboratories 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

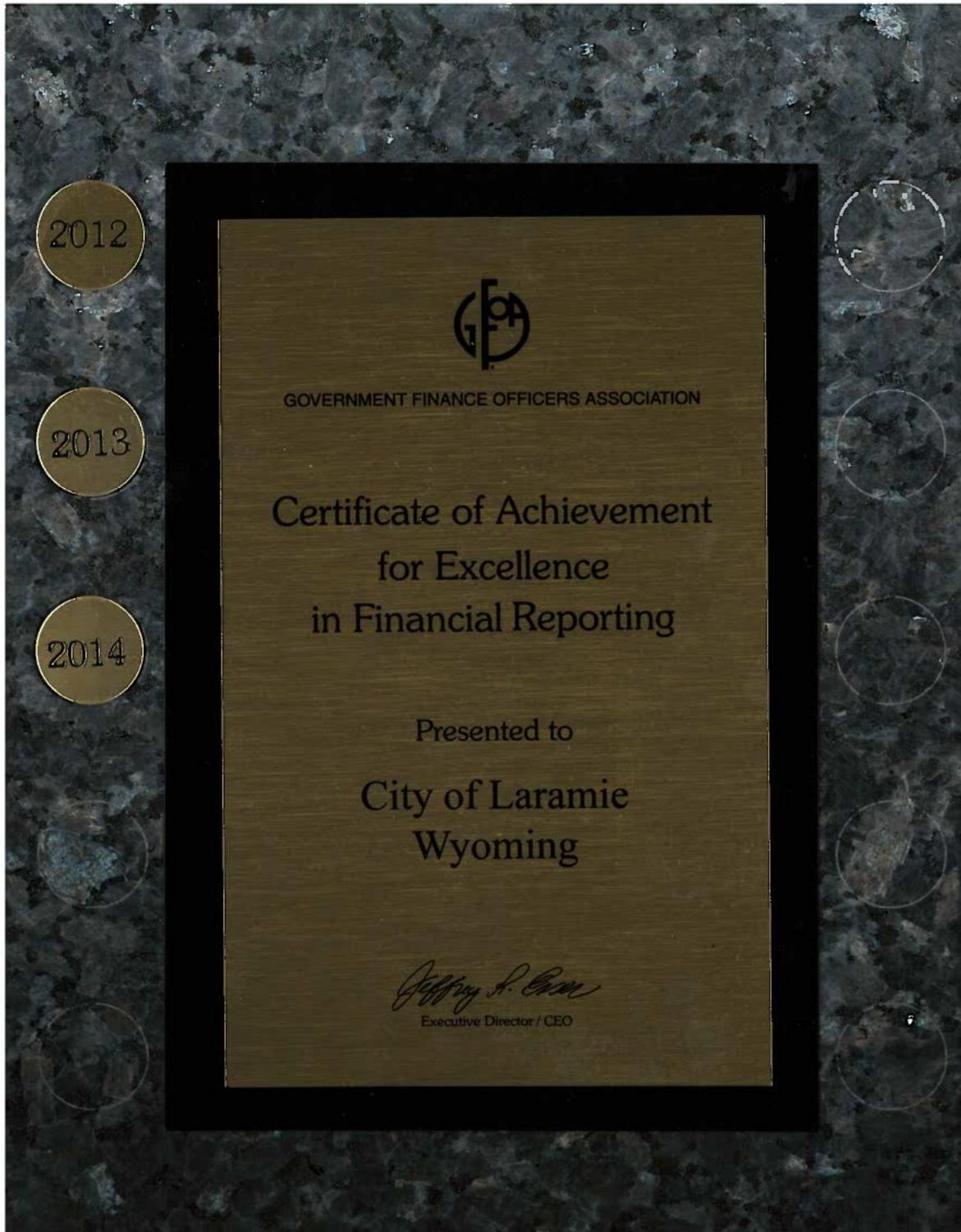
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Laramie for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This was the 38th consecutive year 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.

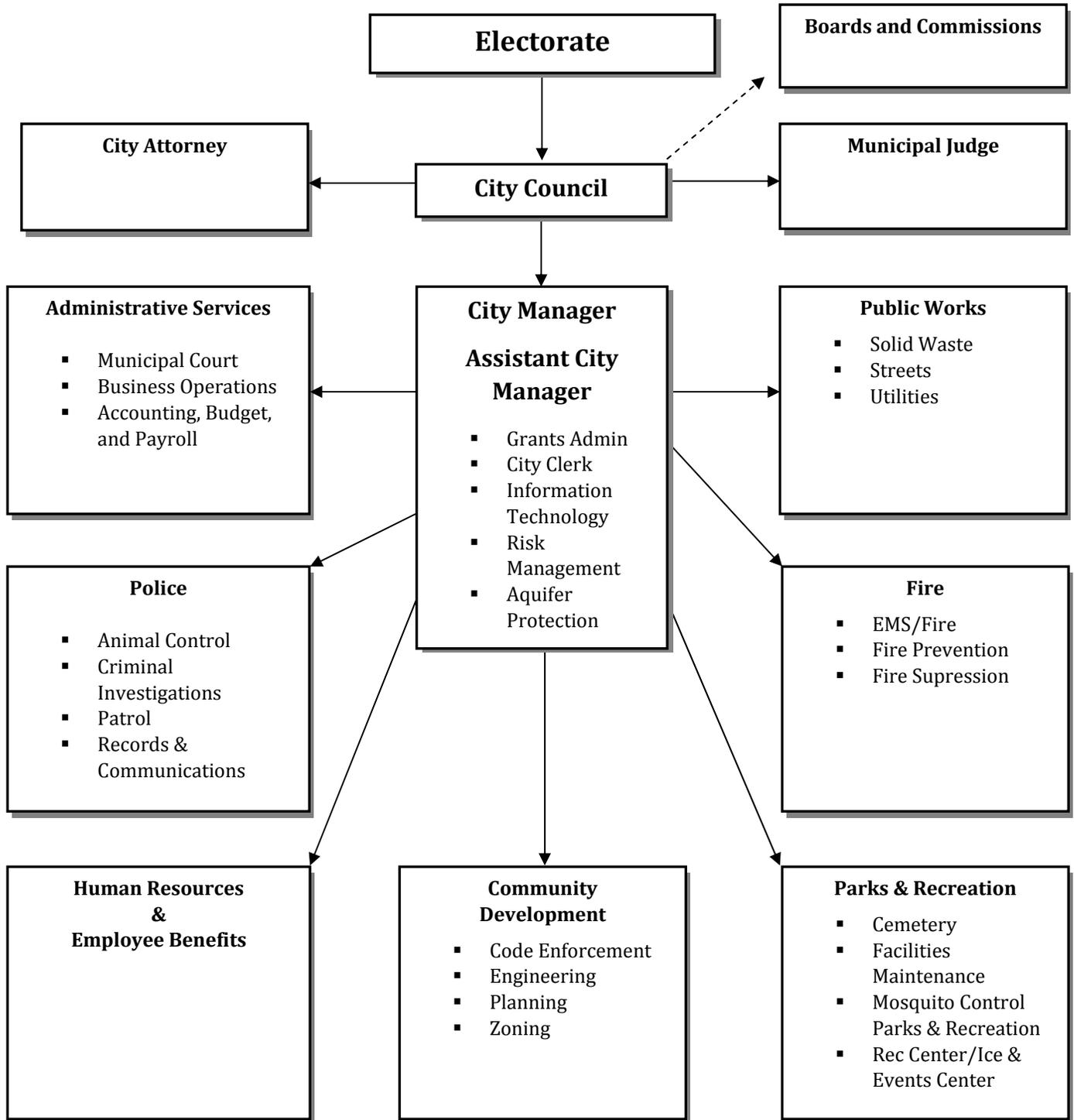
Acknowledgements

The compilation of the Comprehensive Annual Financial Report is the combined responsibility of the Finance Division and the Administrative Services Director. 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 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



City of Laramie Organization Chart



City of Laramie Officials

CITY COUNCIL

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

MUNICIPAL JUDGE

Joshua Merseal, *Municipal Judge*

CITY ATTORNEY

Jason Loos, *City Attorney*

MANAGEMENT TEAM

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



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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members of the
City Council and City Manager
City of 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, 2015, 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, 2015, 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.

Emphasis of Matter

As discussed in Note 4.D to the basic financial statements, the City has changed its method of accounting and reporting pension plans during 2015 due to the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Report for Pensions – an amendment of GASB Statement No. 27*. The adoption of the standard required retrospective application resulting in a \$16,398,254 reduction of previously reported net position. Our opinion is not modified with respect to this matter.

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 101-103 and 108-114 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, 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 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
December 15, 2015



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Management's Discussion and Analysis

Management's discussion and analysis is based on the City's financial activities for the fiscal year ended June 30, 2015. 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

New Significant Accounting Standards Implemented

In fiscal year 2014-2015, the City implemented two new statements of financial accounting standards issued by the Governmental Accounting Standards Board (GASB) that relate to pension obligations:

- Statement No. 68, "Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, "
- Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB statement No. 68"

Statement No 68 (the Statement) establishes standards for accounting and financial reporting, but not funding or budgeting requirements, for the City's participation in cost sharing multiple-employer pension plans administered by Wyoming Retirement System. This Statement replaces the requirements of prior GASB statements impacting the accounting and disclosure of pensions.

The significant impact to the City of implementing Statement No. 68 is the reporting of the City's proportionate share of the net pension liability on the government-wide financial statements and the enterprise fund financial statements. There are also new note disclosure requirements and supplementary schedules required by the Statement.

The measurement date for the net pension liabilities, and the City's proportionate share of the liabilities, is December 30, 2014, as provided by the Wyoming Retirement System (WRS). This date reflects the most recent fiscal year end and actuarial valuation date for WRS and was used so that these financial statements could be issued in an expedient manner. Activity subsequent to the measurement date (i.e. contributions made by the City occurring between January 1 and June 30, 2015) are reported as deferred outflows of resources in accordance with Statement No. 71.

In order to implement the Statement, a prior period adjustment was made to the City's June 30, 2014 net position. This prior period adjustment decreased the City's net position by \$16,398 (in thousands) from \$223,159 to \$206,762, and reflects reporting of: 1) net pension liabilities of \$17,309; and 2) deferred outflows of resources \$911. Please refer to Note 4.A. for more information regarding the City's pensions.

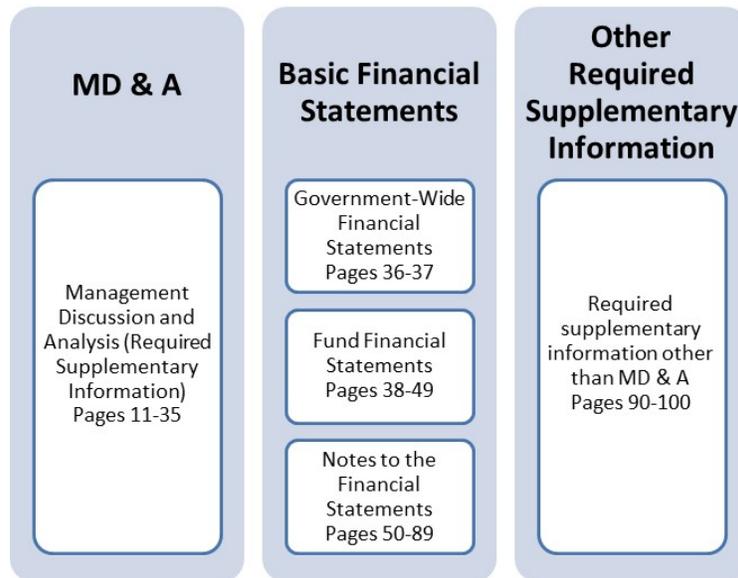
The adoption of Statement No. 68 has no impact on the City's governmental fund financial statements, which will continue to report expenditures equal to the amount actuarially determined contribution (formerly referred to as the "annual required contribution") determined by Wyoming Retirement System and required by state statute. The calculation of pensions contributions is also unaffected by this Statement.

Other Highlights

- The assets of the City of Laramie exceeded its liabilities and deferred inflows of resources at the close of 2015 by \$199.3 million (*net position*). Of that amount, \$32.1 million is in unrestricted net position, (\$2.8) in Governmental Activities and \$34.9 in Business-Type Activities. Net Position was reduced by Statement No. 68 requirements to recognize the proportionate share of the net pension liability.
- In FY15, the City's governmental activities net position decreased \$14.2 million while the business-type activities net position increased \$6.7 million compared to FY14. The City's total net position decreased by \$7.5 million during the current fiscal year.

- At fiscal year-end, the City’s total combined governmental funds ending fund balances were at \$41.6 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 paid off \$10 million for the Wyoming Territorial Park loan. The 2010 specific purpose 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 \$8.8 million. The Capital Construction Fund has restricted and committed fund balance related to projects, including Cirrus Sky Technology Park Development, Cleveland Street project and other improvements, such as the Turner Tract development. 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 \$19.3 million. There is \$9.8 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, FY15-16, for one-time over the cap severance monies. The City of Laramie’s initial distribution was for \$4.8 million each year 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.
- The City’s debt decreased in total by \$11.9 million. In the governmental activities, debt decreased by \$11.4 million. The 2010 general obligation bonded debt had a pay down of \$2.0M, which is being backed by the specific purpose one-penny tax. The Wyoming Territorial prison loan was paid off in the amount of \$10 million dollars. The business-type activities debt decreased in total by \$0.5 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 \$742,222, and payments of bond refinance projects totaling \$604,085. A \$2,796,511 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 sweeper (governmental activities), a solid waste collection truck and landfill compactor (business-type 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 36-37) provide readers with a broad overview of the City's finances, in a manner similar to a private sector's 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 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 presents information on all the City's assets, including capital assets (land, buildings, and equipment) and infrastructure (roads, bridges, etc.), deferred outflows of resources, all liabilities, and deferred inflows of resources with the difference reported as Net Position. This statement encourages reporting financial statement elements in order of liquidity.

$$\text{Net Position} = (\text{Assets} + \text{Deferred Outflows of Resources}) - (\text{Liabilities} + \text{Deferred Inflows of Resources})$$

GASB (Governmental Accounting Standards Board) Statement No. 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 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 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. Over time, increases or decreases in Net Position are a useful indicator of an improving or deteriorating City financial condition.

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 (including enterprise 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 No. 54 was implemented, which required a change in fund balance reporting (see note disclosures, pages 58-59).

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 38-42).

Each of the fund statements report 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 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 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 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 101-102).

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.

Note Disclosures

The notes to the basic financial statements provide a statement of significant accounting policies and detail regarding both amounts displayed on the financial statements and information on items that do not meet the criteria for financial statement recognition. The notes provide narrative disclosures that are essential to a full understanding of the data provided in the government-wide and fund financial statements, and the notes are an integral and essential part of the basic 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 \$199.3 million as of June 30, 2015. Governmental activities net position was \$72.1 million and business-type activities net position was \$127.2 million. In total, the City's net position decreased \$7.5 million, or 3.6% from FY 2014 to FY 2015. Net investments in capital assets increased \$17.0 million, or 12.9%. Restricted net position decreased \$14.5 million, or 43.5%. Unrestricted net position decreased \$9.9 million, or 23.7%.

- \$148,327 million represents the City's investment in capital assets, less (1) accumulated depreciation, (2) related outstanding debt used to acquire those assets, and (3) related deferred inflows of resources.
- \$18,902 million is available for the City's ongoing obligations related to programs with external restrictions.
- \$32,070 million is unrestricted dollars, but includes (\$2,838) in governmental funds as a result of the City's unfunded pension obligations.

Total Net Position

By far, the largest portion of the City of Laramie's net position (74.4%) 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 9.5% of the City's net position represents resources that are subject to external restrictions on how they can be used. Another \$32.1 million or 7.6% (which includes a decrease in governmental net position) is the change in resources available to fund City programs to citizens and creditors.

Governmental Activities Net Position

The total net position of the City's governmental activities decreased approximately \$14.2 million, or 16.4% during the current fiscal year. This decrease was comprised of a decrease in restricted net position of \$17.1 million, an increase in net investment in capital assets of \$13.5 million, and an decrease \$10.6 in unrestricted net position.

The decrease in restricted net position includes a zero coupon bond, \$10.0 million par value, used to pay off the Wyoming Territorial Prison Debt. This caused restricted assets to decrease by \$10.0 million and the Net Investment in Capital Assets to increase \$10.0 million as the loan was paid off.

Restricted assets also decreased 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 2015 of \$3.6 million. From the restricted balance in FY 2015, \$2.1 million was spent on water, street, sewer, and landfill infrastructure projects, and \$2.4 million went against principal debt and interest bond payments. There was an increase of \$2.7 million in restricted fund balance monies restricted for the construction of the Cirrus Sky Spec building. There were increases in restricted funded capital projects for grant matches, specific purpose tax (SPT) capital projects and bonded debt.

Besides the debt obligation being paid on the Territorial Park loan, 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 and road projects, and equipment and fleet in the governmental funds.

Business-Type Activities Net Position

Business-type activities increased the City's net position by \$6.7 million. This increase was comprised primarily of \$3.5 million in net investment in capital assets and \$2.6 million in restricted assets.

The Utility department had significant infrastructure projects which included a 36' transmission line, Grand Ave water line and South Laramie 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.

With SPT funding mainly spent, 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.

The unrestricted monies increased due to B-line sanitary sewer projects with State Land and Investment Board (SLIB) grant matches.

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>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>
Current and Other Assets	\$ 52,335	\$ 60,094	\$ 48,605	\$ 44,697	\$ 100,940	\$ 104,791
Capital assets	79,238	77,194	98,822	95,789	178,060	172,983
Total assets	131,573	137,288	147,427	140,486	279,000	277,774
Deferred Outflows of Resources	2,531	-	359	-	2,890	-
Long-term liabilities (As Restated)	55,689	30,943	18,529	15,704	74,218	46,647
Other liabilities	6,268	5,516	1,922	2,258	8,190	7,774
Total liabilities	61,957	36,459	20,451	17,962	82,408	54,421
Deferred Inflows of Resources	32	-	151	193	183	193
Net Position:						
Net investment in capital assets	62,075	48,568	86,252	82,733	148,327	131,301
Restricted	12,878	30,012	6,023	3,433	18,901	33,445
Unrestricted (As Restated)	(2,838)	7,706	34,908	34,310	32,070	42,016
Total Net Position	\$ 72,115	\$ 86,286	\$ 127,183	\$ 120,476	\$ 199,298	\$ 206,762

(See note disclosure on prior period adjustments – page 87)

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>Activities</u>		<u>Business -Type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>
REVENUES						
Program revenues:						
Charges for services	\$ 4,980	\$ 5,538	\$ 17,679	\$ 17,574	\$ 22,659	\$ 23,112
Operating grants and contributions	1,004	1,314	-	-	1,004	1,314
Capital grants and contributions	9,468	6,730	3,639	4,446	13,107	11,176
General revenues:						
Property tax	2,241	2,204	-	-	2,241	2,204
Sales & Use Tax -unrestricted	9,866	9,265	-	-	9,866	9,265
Gas & fuel Tax	1,051	985	-	-	1,051	985
Other taxes	8,872	9,491	-	-	8,872	9,491
Investments income	320	262	91	112	411	374
Miscellaneous	4,811	3,826	55	209	4,866	4,035
Gain on Sale of land	-	497	-	-	-	497
Total revenues	\$ 42,613	\$ 40,112	\$ 21,464	\$ 22,341	\$ 64,077	\$ 62,453

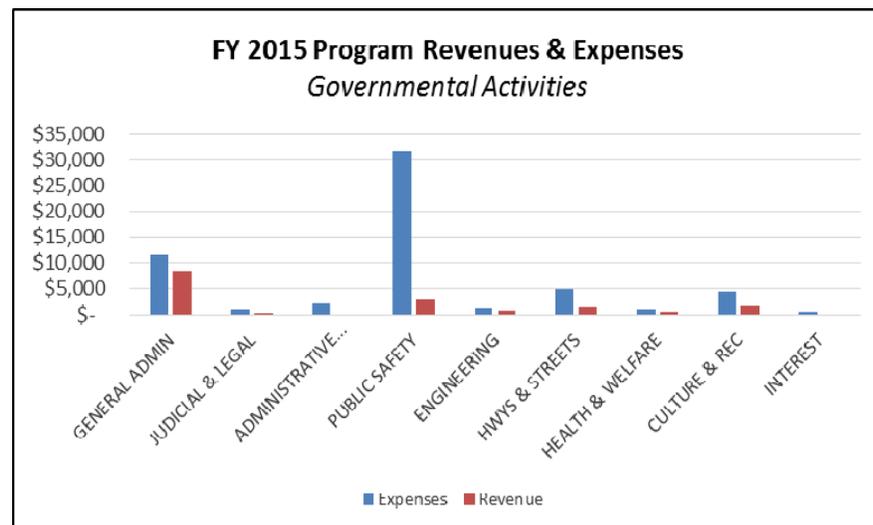
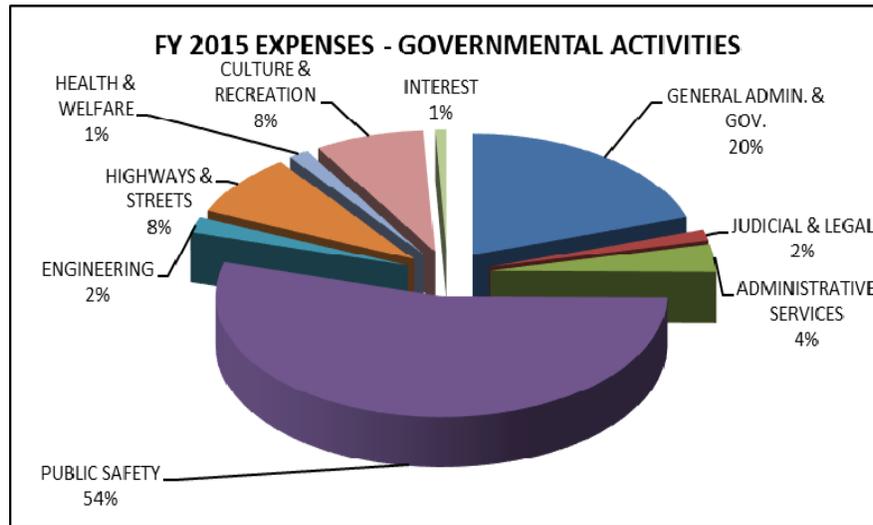
Table 2
Changes in Net Position
(Continued)
(In Thousands)

	<u>Governmental</u>		<u>Business - Type</u>		<u>Total Primary</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Government</u>	
	<u>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>
EXPENSES						
Program Activities						
Primary Government:						
Governmental Activities:						
General Administration	\$ 661	\$ 546	\$ -	\$ -	\$ 661	\$ 546
Administrative Services	2,191	1,906	-	-	2,191	1,906
Judicial and Legal	857	765	-	-	857	765
General Government	11,006	6,697	-	-	11,006	6,697
Police	7,178	6,962	-	-	7,178	6,962
Fire	24,639	5,900	-	-	24,639	5,900
Engineering	1,201	1,028	-	-	1,201	1,028
Highways & Streets	4,882	4,236	-	-	4,882	4,236
Animal Control	474	420	-	-	474	420
Mosquito Control	370	400	-	-	370	400
Parks & Recreation	4,243	4,156	-	-	4,243	4,156
Cemetery	347	306	-	-	347	306
Interest Costs	481	468	-	-	481	468
Business-type Activities:						
Water	-	-	5,937	5,467	5,937	5,467
Waste Water	-	-	3,128	2,909	3,128	2,909
Solid Waste	-	-	3,945	2,731	3,945	2,731
Total expenses	\$ 58,530	\$ 33,790	\$ 13,010	\$ 11,107	\$ 71,540	\$ 44,897
Increase in net position before transfers	(15,917)	6,322	8,454	11,234	(7,463)	17,556
Subsidy Transfers	1,953	1,343	(1,953)	(1,343)	-	-
Capital Asset Transfers	(206)	(9,328)	206	9,328	-	-
Change in net position	(14,170)	(1,663)	6,707	19,219	(7,463)	17,556
Net Position beginning (as Restated)	86,286	102,491	120,476	103,113	206,762	205,604
Prior period adjustment - (as Restated)	-	(14,542)	-	(1,856)	-	(16,398)
Net Position ending	\$ 72,116	\$ 86,286	\$ 127,183	120,476	\$ 199,299	\$ 206,762

(See note disclosure on prior period adjustments – page 87)

Governmental-type Activities Revenues and Expenses

The governmental activities charts below illustrate operating expenses and program revenues by function. Public Safety is the largest function at 54% of total governmental operating expense, followed by General Administration & General Government at 20%, Highways & Streets at 8%, Culture & Recreation at 8%, Administrative Services at 4%, Engineering at 2%, Judicial & Legal at 2% and Health & Welfare at 1%. Public Safety is a higher percent than last year (38%) due to Fire Pension A in which the City booked over \$18.7 million in pension expense per GASB 68 statement.



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 23% of total revenue. Other categories of revenue, as a percentage of total revenue, are as follows: other taxes, such as severance and mineral taxes and franchise fees at 21%; property tax at 6%; charges for services at 12%; operating grants and contributions at 3%; capital grants and contributions at 23%; and investment and miscellaneous income at 12%. Governmental activities, including transfers, decreased \$14.2 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 \$2.5 million or 6.3%. Capital grants, operating grants and other contributions increased by approximately \$2.7 million, or 30.1%. The largest grant funded was a Wyoming Business Council Business Ready Community grant for Cirrus Sky Technology Park development. In 2015, The City received an over \$4.6 million grant reimbursement for development of the technology park. The City has also supplemented their operations with grants due to the low sales tax dollars per capita compared to other Wyoming Cities which results from the concentration of governmental employers in the community who do not pay sales and use tax, including the University of Wyoming.
- The State allocates over the cap supplemental severance tax from the State with the biennium budget FY15 and FY16. Other taxes are down 6.5% because in FY14 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. Based on economic conditions, the Legislature considers extra distributions of over the cap monies to local governments in the second year of a biennium.
- Collections on the fourth and fifth penny sales tax increased approximately 6.5% from FY 2014. 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 6.5% with the 6th penny sales tax. This tax pays for bonding of infrastructure capital projects including streets.
- Charges for Services revenues have dropped 10% or by \$557,986 compared to 2014. This was mainly due to planning and construction permit decreases and a decrease in recreation programs.

Governmental Activities Expenses

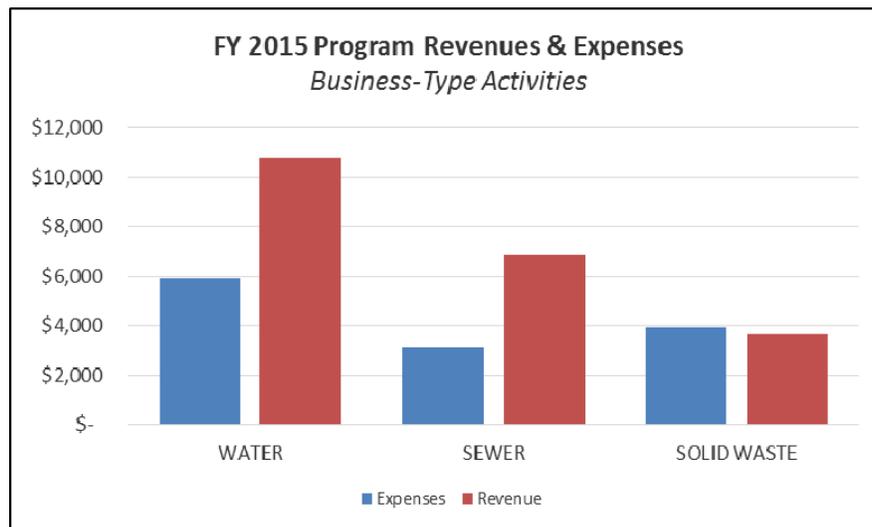
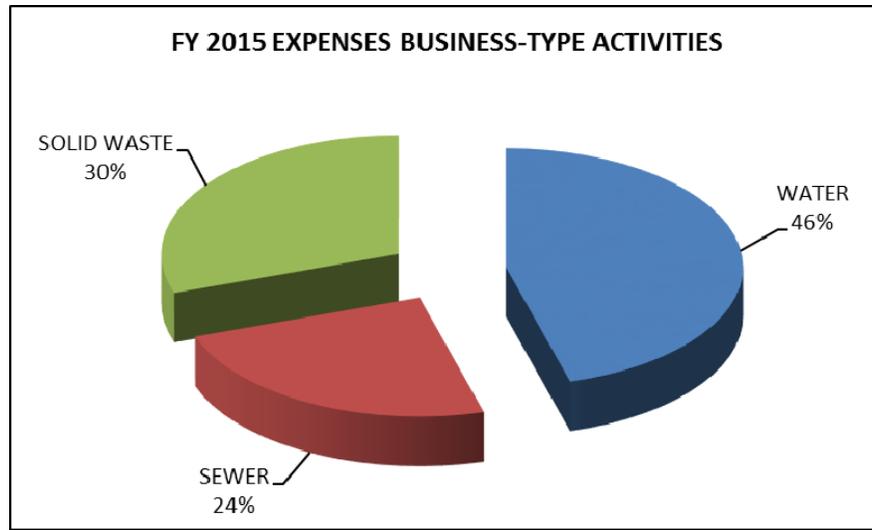
Expenses for governmental activities increased by \$24.7 million or 73.1%. There was an increase in pension expense of \$19.0 million due to accounting changes required by GASB Statement No. 68 for recording pension expense. The majority of this expense is contributed to Fire Pension A which totaled \$18.7 million. This plan is a closed plan and the Wyoming Retirement System (WRS) Board suspended contributions in 1997. This plan is funded solely on earnings from investments. WRS actuarial provided the projected and actuals earnings on the pension plan to be recognized in pension expense (see Note 4.A.).

- 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. In 2015, The City proceeded with development of this park with \$2.5 million in expenditures which is covered by Business Ready Community (BRC) grant funds. Also, the City expended another \$2.6 million for a new building for HiViz Shooting Systems who relocated their business to Laramie. This project was funded with a BCR grant and loan program. This is the major difference in the general government accounts compared to last year.
- The Engineering division spent more on studies which included a city-wide storm drainage study for \$126,868 and a city-wide speed study for \$73,319.
- Police expenditures increased due to salary and benefit increases based on hiring police officer's from attrition in the Police department.

- The Human Resources department had an increase of approximately \$50,000 for a city-wide compensation study. There was a planned upgrade to the City’s Microsoft Office products for approximately \$45,000. There were increases in salary and benefits due to filling open positions from the previous years.
- Highways and Streets spent more on street sealing and road materials and had a major storm drainage improvement project in Indian Ridge.

Business-type activities

The following 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 \$6.7 million. The business-type funds did have a prior period adjustment from implementation of the GASB Statement No. 68 (See Disclosure Notes pages 87-88) Major variations are described in the next section.

Business-type revenues

- Charges for services in the business-type activities totaled \$17.7 million which remained constant compared to FY 2014. Water operating revenues, excluding plant investment and development fees, decreased by 2.2%, even though the City enacted tiered rate revenue requirement increases of 1.0% in January of 2014. With the adoption of fiscal year 2015-2016 biennium budget, the Council adopted a 1.5% water rate increase in January of 2015 and another 1.5% rate increase in January of 2016. The decrease in revenues was mainly due to one-time payments from the Wyoming Department of Transportation South Laramie Corridor and Monolith Ranch grazing fees in 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 continue to slightly decrease due to the weather conditions in Laramie being mild and rainy. Wastewater operating revenues, excluding plant investment and development fees, decreased by 1.2% even though the City enacted a 1.0% increase in January of 2014. With the adoption of the Fiscal Year 2015- 2016 biennium budget, the Council adopted rate increases of 2.5% for both years effective January 1. 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. Lower water consumption for commercial irrigation had a direct effect on lower Wastewater revenue. Solid Waste operating revenues increased 4.2%. The increase was mainly due to gain on disposals of major equipment and an increase in revenue from scrap metal recycling. The State Department of Environmental Quality (DEQ) required lining of the Laramie landfill, which increased the cost of service to the public. 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 the added 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 which is up for review in January 2016.
- Non-operating revenues (water, sewer, solid waste) remained relatively stable without change as investment income decreased slightly while plant investment fees increased.
- \$3.5 million was received from grant funding sources in FY 2015. 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 \$100,000 and spent \$34,000 from state project consensus funding to purchase equipment and operational dollars to better manage trash littering at the landfill.

Business-type expenses

- Total business-type expenses totaled \$13.0 million in FY 2015, an increase of \$1.9 million compared to FY 2014. Water Fund expenses increased \$470,000, Solid Waste expenses increased \$1.2 million, while Waste Water Fund expenses increased by \$219,000. The Solid Waste Division had an engineering review that reevaluated the landfill closure and post-closure costs, which estimates significantly increase the landfill closure liability by approximately \$900,000.
- Both Water and Wastewater had increases in salaries and benefits which also included the pension adjustment for GASB Statement No. 68. In addition, the Wastewater treatment plant had a significant increase in electric of approximately \$80,000. With increasing improvements in priority line and major funded grant projects (i.e. South Laramie extension of water and sewer) in the Utilities (Water & Wastewater), depreciation expense has increased within both divisions.

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.

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 58-59).

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 another major funds, the Capital Construction Fund, as well as a combined total for non-major funds, for which statements are available on pages 101-102. Activity in the Capital Construction Fund includes multi-year capital projects that usually have grant or other funding sources.

Fund Balances

The City's governmental funds (presented on the Balance Sheet, page 38) reported a combined fund balance of \$41.6 million, which is approximately a 15.9% decrease in comparison with the prior year. The majority of the change was in FY 2015 as the Wyoming Territorial Prison Debt Service Fund loan payment was due for \$10 million and paid by a zero coupon bond. Another change was due to activity in the 2010 Specific Purpose Tax (SPT) Fund bonded projects. In FY 2014, there was \$9.9 million in fund balance for bonded infrastructure projects, non-bonded aquifer protection, and debt repayments. The City had capital outlay of additional \$2.1 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, \$2.4 million was expended on bond principal repayment; however, the debt payment was made with collections (\$3.6 million in FY2015) from the 6th penny sales tax. These activities reduced the total SPT Fund balance by \$1.2 million or 11.6%. There was a decrease in fund balance in the Capital Construction Fund of approximately \$840,000 or 12.7%.

Approximately 23.5% of total governmental fund balance, or \$9.8 million, is unassigned, which is available for spending at the City's discretion. The remaining fund balance of \$31.8 million has different levels of restrictions including an unspendable balance of \$2.7 million, a restricted balance of \$14.9 million, a committed balance of \$5.0 million, and an assigned balance of \$9.2 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 proceeds from sale of Laramie Technology building where the Economic Development agreement restricts proceeds to be used for Cirrus Sky Spec building for approximately \$2.7 million.

The General Fund's fund balance increased by \$1.1 million or 6.0%. 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 decreased by \$3.1 million or 10.6%. While property and franchise fees increased slightly 1.3%, most revenues categories were down including fines and forfeitures, investment income, intergovernmental and charges for services. In FY 2014, the governor recommended, and legislature approved, a supplemental distribution to local governments in over the cap monies severance taxes of which the City of Laramie received \$1.8 million. This extra distribution was not given in FY 2015 which explains the lower intergovernmental revenues. Charges for services decreased as construction was at a slower pace than 2014, resulting in decreased revenues in planning, contractor's license fees, and building permits.

At fiscal year-end, the unassigned fund balance for the General Fund was \$9.8 million, while the total governmental fund balance for the General Fund was \$19.3 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 \$7.9 million from FY 2014 to FY 2015. 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 \$2.1 million. The City also made a debt payment for the 2010 bonded infrastructure projects for \$2.4 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.
- The Debt Service fund for the Wyoming Territorial Park loan was paid off (\$10 million) with the restricted investment zero coupon bond.
- The General Fund had deferred inflows of resources for \$88,835. This included a property tax receivable for which legal claims exist, and grant receivables from Police grants (DUI enforcement and Speed enforcement), Fire Homeland Security grants, and grants from the National Endowment for the Arts and the Wyoming Cultural Trust Fund to support the Community Art plan. The Capital Construction Fund showed deferred inflow for \$88,610, which was the grant receivable for the UL Office Building project funded by the Wyoming Business Council. Although the receivables are recognized, the revenues were not received within 60 days of year-end. (see note disclosure 3.L.)
- The Emergency E911 fund increased its fund balance by \$188,343. The fund paid off a capital lease for dispatch consoles. The remaining fund balance will be used to fund capital and equipment for E911 operations.
- Several capital projects were completed, including the Indian Ridge Drainage project and the Police evidence building. However, many projects are still in the initial stages of the design phase or construction phase, including Cirrus Sky Technology Park development, Turner Tract development, Cirrus Sky park trail, and Cleveland Street Improvements to name a few. The propriety funds and Specific Purpose Tax Fund transferred \$1.7 million for the portion of sewer and water line expenses for the Cleveland Street Project. The fund balance in the Capital Construction Fund decreased due to the completion of funded projects by approximately \$839,891.
- 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 \$145,248. The increase was due to mill levy monies receipted for projects still in process, such as cowboy infield upgrades, little league complex fence replacement and Jacoby golf course trail. 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 an increase in fund balance of \$183,228. Of the \$3.4 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 \$724,792. This balance contains an operating reserve to assist in meeting minimal operating and capital needs. Comparing FY 2014 to FY 2015, the fund had a decrease in total revenues of \$68,331 mainly due to memberships and passes being lower by \$63,589. However, expenditures were also down by \$60,413 compared to FY2014. The City increased the transfer from the General Fund to this Recreation Center fund from \$263,167 to \$521,320.
- The Economic Development Fund had an increase in fund balance of \$2.7 million at the end of FY 2015. These monies are restricted from a sale of a building with proceeds restricted for a new Cirrus Sky Development Park Spec building for economic development.

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 2015, the City gave 2.5% cost of living raises to all employees, as well as merit-based step increases. The CIP index for the southeast Wyoming economy in 2nd quarter of 2014 was 3.2% and decreased in the 2nd quarter of 2015 to 0.9%.

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:	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>FY15</u>	<u>FY14</u>	<u>FY15</u>	<u>FY14</u>
Police Department	\$ 7,178	\$ 6,962	\$ 5,470	\$ 5,104
Fire	24,639	5,900	23,433	4,243
Highways and Streets	4,882	4,236	3,568	3,058
Parks & Recreation	4,243	4,156	2,719	2,559
Administrative Services	2,191	1,905	2,191	1,905
General Government (As Restated)	11,006	6,697	2,663	4,649
Engineering	1,201	1,028	440	(40)
Other	3,190	2,906	2,594	2,085
Totals	\$ 58,530	\$ 33,790	\$ 43,078	\$ 23,563

(See note disclosure on prior period adjustments – page 87)

Business-Type Funds

Operating revenues for the Business-Type funds were \$17.2 million and operating expenses for the City's Business-Type funds were \$12.8 million. There was an increase in net position of \$6.7 million after non-operating and transfer adjustments. This change was due to rate increases and 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 44, reported a combined net position of \$127.2 million. The net position by fund is as follows: Water \$78.1 million, Waste Water \$39.1 million and Solid Waste \$10.0 million. Unrestricted net position for the proprietary funds was \$34.9 million. The unrestricted amount by fund is \$23.4 million in the Water Fund, \$9.3 million in the Waste Water Fund, and \$2.2 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.

The 2010 specific purpose tax projects originally funded with bonds \$17.7 million in water and sewer line replacement and liner and scale upgrades at the landfill are close to 100% complete. There are monies still remaining in bond funds of approximately \$643,000 for water and sewer lines. This bonding is paid with the six cent penny. Council recommended major infrastructure projects be funded through the In FY 2015 with funding available through awarded grants or proprietary fund revenues.

Council adopted rate increases for water and sewer services based on the recommendation of Red Oak (now Raftelis) rate consultants. Raftelis reviewed the City's updated 10-year financial plans during the Fiscal Year 2015-16 biennium budget process. In 2015, due to the heavy emphasis on continued infrastructure upgrades, the Council recommended

an amendment for rate increase reductions in both water and sewer. The Council adopted a 1.5% rate increase for water and 2.5% rate increase for waste water. This is markedly lower than the projected 17.0% increase that was previously forecasted by Red Oak. The 1.5% 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.

The water rate increase was implemented to phase in during January and February of 2015. Consumption rates, including the enacted increases, were as follows for water: Residential Users 0-3 units \$3.67 per unit, next 3 units \$4.59 per unit, next 18 units increased to \$5.74 per unit. The final tier saw an increase to \$8.61 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 \$3.60 per unit, commercial class to \$3.68 per unit, wholesale class to \$4.80 a unit, and the irrigation class remained unchanged at \$6.51 per unit, and the University of Wyoming rate class increased to \$3.95 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 \$20.60 ($\frac{3}{4}$ inch meter) to \$858.30 (8-inch meter).

In FY 2012, sewer base charges were redesigned to reflect charges relating to meter size. Sewer base fees range from \$11.58 per month ($\frac{3}{4}$ inch meter) to \$439.27 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 \$3.63 per unit to \$3.75 per unit. Residential user fees are calculated by using the average January, February and March water consumption period or the winter flow rate. The residential flow rate of \$3.75 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 \$3.45 per unit to \$7.03 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.

In 2014, The City of Laramie constructed 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 to \$9.00 per load. The out-of-town minimum gate fee was increased from \$11.00 to \$12.00 per load for out-of-town haulers. With a year of tonnage history and engineering review of closure costs, the City is beginning to update the Solid Waste financial plan to review revenue requirements for rate increases for next year.

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 (including transfers) of \$197,966 was approved for FY 2015 which was partially offset by miscellaneous funding sources, such as grants and donations totaling \$115,285.

Judicial – Municipal Court - Municipal Court expenditures were increased by \$3,500 to update the Court filing system. City Council directed the new Municipal Judge to attend the National Judicial College and approved (+\$4,600) for the travel and registration fees.

General & Other Governmental: The facilities division bid out HVAC maintenance for several buildings and the contracted bid was higher than the current budget. The new maintenance contract went to Long Technologies. The general accounts required a budget amendment for \$3,235 and the facilities division was amended for \$4,125. The facility division had to amend \$8,696 for Wyolink Radios not delivered in Fiscal Year 2014. The Parks division transferred budget to the facilities divisions for \$32,500 to reallocate appropriations from the concrete and asphalt project to the Annex and Police Replacement Roof project due to project cost overruns. General accounts had an amendment for the Depot Park Lighting project of \$5,000.

Transfers out from the General account include funding for Recreation Center fund \$521,320, and Specific Purpose Tax fund \$239,449, and Park and Recreation Fund \$6,500.

Public Safety: The Police division was awarded a grant which fully-funded expenditures of \$20,000 for the department Bomb Squad. The facilities division bid out HVAC maintenance for several buildings and the contracted bid was higher than the current budget. The new maintenance contract went to Long Technologies. The Police department required a budget amendment for \$3,643.

The Fire department EMS received funding by the American Heart Association for automated external defibrillator (AED) equipment for the ambulance of \$36,110. The department also received an Assistance for Fire Fighter Grant which required a 10% match of \$15,750. The facilities division bid out HVAC maintenance and the contracted bid was higher for several buildings over the current budget. The new maintenance contract went to Long Technologies. The Fire Department required a budget amendment for \$1,460. Other budget amendments included fire training reference books for \$4,000 and exercise equipment per Union Contract for \$2,000.

Health & Welfare: The Mosquito control division received additional funding of \$16,000 for part-time personnel costs for associated burdens and expanded services approved to assist in the surveillance and control of West Nile virus. The facilities division bid out HVAC maintenance for several buildings and the contracted bid was higher than the current budget. The new maintenance contract went to Long Technologies. The Mosquito Shop required a budget amendment for \$292.

Highways & Streets: The Street division needed funding for a Utility Trailer (\$6,706) and a truck (\$24,811), because the purchases were delayed from 2014 until 2015.

Culture and Recreation: The Parks department had an increase of \$21,000 to fund central irrigation controllers at Sandy Aragon Softball Complex. From donations from the Beautification Committee, private citizens and University of Wyoming, the Parks division received additional funding for Community Service Day of \$20,000 to aid in beautification projects. The Laramie Rotary Club presented a donation to the Shawver Tree Utilization Program for \$4,000. In addition, the Parks division transferred budget to the facilities divisions in the amount of \$32,500 to reallocate the concrete and asphalt project to the Annex and Police Replacement Roof project due to project cost overruns. The facilities division bid out HVAC maintenance for several buildings and the contracted bid was higher than the current budget. The new maintenance contract went to Long Technologies. The Park Shop required a budget amendment for \$105.

The Ice and Event Center was funded \$15,314 for overages in hockey security (\$1,800), actuals for City of Laramie Utilities (\$5,700), HVAC increased maintenance contract (\$567), and the replacement of natural gas hot water heater (\$7,247). The Cemetery department had increased HVAC maintenance from Long Technologies for \$215.

Comparing actuals against budget, the General Fund reflected a positive fund balance variance totaling \$6.7 million, which consists of a negative revenue variance of (\$455,446), a negative expenditure variance of \$3.2 million, a net positive variance for other funding sources of \$7.8 million, and proceeds from a sale of a building of \$2.6 million. The actual net position increased \$1.1 million. General fund actual revenues were lower than budgeted revenues due to lower fines and forfeitures, intergovernmental revenue and miscellaneous revenues. Intergovernmental revenues had State Land and Investment Board consensus grant monies not reimbursed due to project delays. Due to delay in a Fire Truck delivery, lease revenues budgeted were not used. The City sold the Laramie Technology Building with partner Laramie Economic Development Corporation (LEDC). Proceeds from the building were \$2.6 million. The City transferred \$10 million from the Wyoming Territorial Prison Debt Service Fund to pay off the loan with a zero coupon bond.

On the budgetary basis, General Fund expenditures were below budget primarily due to lower than budgeted expenditures in Public Safety (\$2,465,502), Health & Welfare (\$83,784), Highways and Streets (\$2,194,188) and Culture and Recreation (\$726,458).

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 Other General Government budget expended \$10 million to pay off the Wyoming Territorial Prison Debt loan. This expenditure was offset by a transfer in from the Wyoming Territorial Debt Service Fund which had a zero coupon bond to pay off the loan. With this adjustment, the other general government is under budget by \$1,093,578. There were several incomplete projects in this budget, including planning portion of the Park & Recreation Trail Master Plan for \$25,000, and approximately \$92,000 in project budget remaining on Zoning Plan and Business Plan Revitalization study, which is still in process. There were savings on the housing study of approximately \$28,000. The City Council voted for a contingency reserve, which was unexpended, totaling \$62,438. General accounts had professional services delayed retail leakage study \$62,500 and public safety study (fire) \$142,000. There were utility savings from the sale of the Laramie Technical building \$20,000. Additional savings included delay of Employee Engagement program and Public Relation Committee projects \$88,950. Wyoming Association of Risk Management (WARM) property and liability insurance were less than budgeted by \$64,757. Hospice was funded by a grant match by the City of \$65,264 in outside agency funding in which the project is in progress and has remaining funding of \$59,020. Other savings included Council travel being underspent by approximately \$52,000 and broadcasts and public events by \$12,000. 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 \$320,000.
- The Highways and Streets division under Public Works was unexpended by over \$2.2 million. Street projects and equipment purchases were lower than projections, and other maintenance and replacement lines were underspent including storm drainage and sign installation and repair.
- The Fire department had \$843,000 in equipment savings mainly due to seeking grant monies to support purchase of a new pumper. Other savings included medical changes with employees, contractual, and supply accounts.
- The Police department was under-expended by \$725,121. Most departmental accounts were under budget, including salary and benefit savings from turnover and new hire salary differentials, as well as contracted services, gas and oil and supplies. There was a \$70,000 savings from purchase price of patrol cars to budgeted amounts. In addition, the Police implemented Digi-ticket software which was funded by a grant to issue electronic citations. The project will continue next year and had remaining funds of approximately \$24,000.
- The Engineering and Code division cost centers were under budget by \$651,577. Engineering had delays in the Spring Creek Floodplain plan (\$75,000), Concrete Evaluation and Pavement project for (\$125,000), Laramie River Floodplain plan (\$100,000) and a City-wide Storm Drainage study in process with remaining budget (\$173,000). The Code division delayed purchasing two vehicles (\$53,000). The remaining budget savings were due to new hire savings from turnover in the Engineering department.

- The Culture and Recreation function consists of several departments. The Parks division had capital project delays, including playground upgrades, backflow and central irrigation, bandshell painting and repair, Imperial Heights playground (beginning project), and equipment delays totaling \$378,000. The Cemetery division had savings on 15th Street Landscaping project and equipment purchases, totaling approximately \$36,000. The cemetery house upgrades were not completed and the project will continue into next year, totaling approximately \$17,000. The Cemetery division delayed a new columbarium for \$66,625 and the 7th phase of central irrigation design for \$35,000. The Ice Arena and Event Center had projects in process for a water heater and a replacement compressor, with a total budget remaining of approximately \$25,000. All divisions had savings from provisional employees budgeted and the Ice Arena and Parks division had employee turnover and benefit costs savings. 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 \$287,647. The main savings were from salary savings due to employee turnover and recruitment lead time for re-hiring. There was unemployment savings of approximately \$40,000. 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 \$178.1 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 \$5.1 million or 2.9% from the end of last year.

Table 4

Capital Assets

(Net of Depreciation, In Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities			
	FY15	FY14	FY15	FY14	FY15	FY14
Land	\$ 3,703	\$ 3,499	\$ 3,634	\$ 3,634	\$ 7,337	\$ 7,133
Water Rights	-	-	88	88	88	88
Buildings	24,922	27,110	18,149	18,947	43,071	46,057
Improvements other than Buildings	3,525	3,734	63,512	59,106	67,037	62,840
Furniture & Equipment	3,851	4,392	6,289	6,449	10,140	10,841
Infrastructure	34,743	34,669	2,878	2,716	37,621	37,385
Construction in Progress	8,494	3,790	4,272	4,849	12,766	8,639
(Restated)						
Total	\$ 79,238	\$ 77,194	\$ 98,822	\$ 95,789	\$ 178,060	\$ 172,983

The City, in partnership with Laramie Economic Development Corporation (LEDC), sold the Laramie Technical Building to the State of Wyoming Game and Fish Department. This disposal is noted under general fund buildings \$2.5M (see Note 3.E).

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

• Cirrus Sky Technology Park	\$4,838
• 36" Steel Transmission Pipeline	\$3,226
• South Laramie Water Pipeline	\$2,361
• Recreation Center Expansion & Improvements (Specific Purpose Tax)	\$1,800
• Indian Ridge Drainage Project	\$1,373
• Grand Ave Water Pipeline Project	\$1,365
• Oversizing Spring Creek Bridge & Street improvement	\$ 901
• Oversizing 30 th Street	\$ 900
• Police Evidence Building & Storage	\$ 860
• South Laramie Sewer Line	\$ 762
• Priority 1 Sewer line Canby/Harney	\$ 325
• Street Sweeper	\$ 186
• Wastewater Treatment Drainage Relining project	\$ 183
• Land Purchases Cirrus Sky Open Space	\$ 137
• Police Fleet Replacement 2015 Ford Explorers (5 total)	\$ 111

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 \$29.6 million in bonds, notes, and lease obligations compared to \$41.5 million last year. This is a 28.7% decrease, as shown in Table 5. In the Governmental Funds, the Territorial Prison note matured and was paid by a zero coupon bond. There is \$15.6 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			
	FY15	FY14	FY15	FY14	FY15	FY14
Revenue bonds and G.O. bonds* (backed by Specific purpose tax, fee revenues and zero coupon)	\$ 15.6	\$ 17.6	\$ 2.8	\$ 3.4	\$ 18.4	\$ 21.0
Capital lease obligations	1.1	1.0	1.4	1.3	2.5	2.3
Contractual obligations	0.5	10.0	8.2	8.2	8.7	18.2
Total	\$ 17.2	\$ 28.6	\$ 12.4	\$ 12.9	\$ 29.6	\$ 41.5

*Includes premium GO bond issue

Governmental Activities Debt

In the Governmental funds, the City incurred an additional lease for a street sweeper with remaining lease amount of \$137,975. The lease has semi-annual payments with 1.44% interest through June 2017. The Wyoming Territorial Park loan of \$10M was fully paid this year with a zero coupon bond investment. The Wyoming Business Council approved a new loan for \$518,375 with the City of Laramie to support the relocation and new building development of HiViz Technologies. This Business Council loan is passed through the City's Economic Development fund and lease payments on the loan are backed by HiViz monthly lease payments. Laramie Economic Development Corporation (LEDC) owns and leases the facility to HiViz Shooting Systems with option to purchase within five years. The City has a cooperative agreement with LEDC. The term of the loan is 20 years with an interest rate of one percent (1%) per annum. The governmental portion of the energy improvement project lease has a current year-end obligation of \$840,986. 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 completed a year with landfill scales and completion of a lined cell 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 130).

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 \$15.4 million with premium on GO bond of \$203K. The semi-variable installments range from \$1.0M to 1.4M at a net rate of 2.32%. The penny tax collections remain at or above projections and easily have paid down the bonded debt.

Business-Type Debt

In 2013, 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 \$1.4M with semi-annual interest payments between 2.90% and 4.50%. Standard and Poor's reviewed the City's 2008 revenue bonding and upgraded the City to a new rating to AA from A+ which is two notches above the current rating. 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 0.54% 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 \$831,089. 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 \$ 556,661 with a 20 year term and two-and-a-half percent per annum (2.5%).

WWDC is currently funding, by grant and loan, a Laramie transmission pipeline. The current loan balance for this project is \$2,796,511 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 \$567,566. 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 \$363,549 and \$2,339,540 respectively.

In 2015, the Solid Waste department leased a solid waste truck (\$259,647) and a land compactor (\$287,197). These leases both have semi-annual payments. The collection truck payment is \$33,644 with a 4-year term at 1.61% interest rate and the compactor payment is \$30,187 with a 5 year term at a 1.84% interest rate.

More detailed information about the City's debt can be found in Note 1.D for long-term debt, and Note 3.J., 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 2015 increased by 16.5% from the previous year. The annual growth rate was 5.9% in comparison to FY 2014's 8.9% increase. According to the report, "amid the dramatic drop in oil prices, the trend of solid recovery was abruptly stalled during the spring of 2015, taking its toll on mineral extraction industry. As a result, sales and use tax collections started to experience year-over-year declines in April 2015."

Employment declined by 0.1% in the second quarter of 2015 bringing Wyoming's unemployment rate up to 4.1%. The industries with the fastest growth rate were financial activities and leisure & hospitality, with 3.2% and 2.6% increases respectively. Also in the second quarter of 2015, Wyoming saw a 2.4% increase in personal income. U.S. personal income also saw an increase of growth at 4.1% during the same period. Wyoming housing prices continue to be 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 2015 was 0.8% which was below the state inflation rate of 0.9% and above the national CPI index rate of 0.1%. The Wyoming Comparative Cost of Living Index for 2014 put Laramie at 97 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 collections (four and fifth penny) were up 6.5% compared to 2014. As the economy in Laramie had a slight overall growth we do not see a robust increase to our economy. With food tax exemption and backfill dollars from the State ending in 2010, the City is just beginning to see levels of sales tax at the 2007 levels. These increases from sales tax helps the City to keep pace with inflationary expenditures. 2014 State distribution reports indicated that Laramie was one of the lowest "per capita" in state and local sales and use tax at \$160 per capita versus the weighted average of \$371 for the municipal distribution.

In the Fiscal Year 2015-2016 biennium budget, the State legislature appropriated a \$113 million for direct distribution (over the cap severance tax) to local governments. The 2015 session had discussions of limited or reduced funding at the state level. Per the State CREG (Consensus Revenue Estimating Group) report, oil prices were \$10 a barrel less than projected for January 2015. Also, natural gas prices are roughly \$1/mcf less than projected. These two projected results could decrease the State's General Fund and budget reserve accounts by approximately \$360 million in Fiscal Years 2016-2018.

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's 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, 2014. 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 38 consecutive years (Fiscal Years 1977-2014).

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.



City of Laramie
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Laramie, Wyoming 82073

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STATEMENT OF NET POSITION

June 30, 2015

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	\$ 21,737,445	\$ 38,664,173	\$ 60,401,618
Investments	11,530,794	6,817,208	18,348,002
Prepaid expenses	33,490	2,999	36,489
Receivables:			
Accounts, customers	54,650	1,383,719	1,438,369
Notes	841,996	-	841,996
Accrued interest	14,264	7,564	21,828
Grants	296,750	676,699	973,449
Operating	3,391,848	25,623	3,417,471
Restricted assets			
Cash and cash equivalents	11,654,534	68,586	11,723,120
Investments	2,634,698	958,238	3,592,936
Capital assets			
Land	3,703,150	3,634,470	7,337,620
Water rights	-	87,685	87,685
Construction in progress	8,494,139	4,271,982	12,766,121
Buildings	35,923,045	36,490,038	72,413,083
Improvements	5,883,538	95,776,796	101,660,334
Infrastructure	67,258,236	3,368,789	70,627,025
Furniture and equipment	14,521,081	16,039,286	30,560,367
Accumulated depreciation	(56,545,070)	(60,847,165)	(117,392,235)
Net pension asset	144,597	-	144,597
Total Assets	<u>131,573,185</u>	<u>147,426,690</u>	<u>278,999,875</u>
DEFERRED OUTFLOWS OF RESOURCES			
Aggregate deferred outflows of resources related to pensions	2,531,063	358,513	2,889,576
Total Assets and Deferred Outflows of Resources	<u>134,104,248</u>	<u>147,785,203</u>	<u>281,889,451</u>
LIABILITIES			
Accounts payable	2,752,426	1,811,459	4,563,885
Accrued interest payable	44,984	109,398	154,382
Unearned revenue	2,956,757	1,469	2,958,226
Benefit claims incurred but not reported	513,846	-	513,846
Noncurrent liabilities			
Due within one year	3,528,714	2,103,413	5,632,127
Due in more than one year	15,941,122	14,071,910	30,013,032
Aggregate net pension liability	36,219,552	2,353,312	38,572,864
Total Liabilities	<u>61,957,401</u>	<u>20,450,961</u>	<u>82,408,362</u>
DEFERRED INFLOWS OF RESOURCES			
Aggregate deferred inflows of resources related to pensions	31,778	-	31,778
Amortized gains on refundings of defeased debt	-	150,900	150,900
Total Deferred Inflows of Resources	<u>31,778</u>	<u>150,900</u>	<u>182,678</u>
NET POSITION			
Net investment in capital assets	62,074,674	86,252,001	148,326,675
Restricted for:			
Recreation center endowment	2,619,096	-	2,619,096
Recreation center scholarships	15,602	-	15,602
Capital projects	10,243,378	5,508,480	15,751,858
Debt service	-	515,181	515,181
Unrestricted	(2,837,681)	34,907,680	32,069,999
Total Net Position	<u>\$ 72,115,069</u>	<u>\$ 127,183,342</u>	<u>\$ 199,298,411</u>

See Accompanying Notes to the Basic Financial Statements.
Basic Financial Statements

STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2015

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental activities:							
Executive - City Manager	\$ 660,797	\$ -	\$ -	\$ -	\$ (660,797)	\$ -	\$ (660,797)
Administrative services	2,191,086	-	-	-	(2,191,086)	-	(2,191,086)
Judicial	330,162	134,030	-	-	(196,132)	-	(196,132)
Legal	527,215	-	-	-	(527,215)	-	(527,215)
General government	11,006,009	130,165	161,185	8,051,484	(2,663,175)	-	(2,663,175)
Police	7,177,679	1,078,683	629,185	-	(5,469,811)	-	(5,469,811)
Fire	24,638,951	1,025,796	76,997	102,794	(23,433,364)	-	(23,433,364)
Engineering	1,201,421	761,035	-	-	(440,386)	-	(440,386)
Highways and streets	4,881,952	-	-	1,313,925	(3,568,027)	-	(3,568,027)
Animal control	473,913	48,285	-	-	(425,628)	-	(425,628)
Mosquito control	369,569	315,817	60,353	-	6,601	-	6,601
Parks	1,352,105	99,883	38,500	-	(1,213,722)	-	(1,213,722)
Recreation	2,891,468	1,348,936	37,661	-	(1,504,871)	-	(1,504,871)
Cemetery	346,837	36,950	-	-	(309,887)	-	(309,887)
Interest on long-term debt	480,832	-	-	-	(480,832)	-	(480,832)
Total governmental activities	<u>58,529,996</u>	<u>4,979,580</u>	<u>1,003,881</u>	<u>9,468,203</u>	<u>(43,078,332)</u>	<u>-</u>	<u>(43,078,332)</u>
Business-type activities:							
Water	5,936,468	8,695,816	-	2,135,949	-	4,895,297	4,895,297
Waste water	3,127,732	5,368,570	-	1,469,147	-	3,709,985	3,709,985
Solid waste	3,945,304	3,614,473	-	34,406	-	(296,425)	(296,425)
Total business-type activities	<u>13,009,504</u>	<u>17,678,859</u>	<u>-</u>	<u>3,639,502</u>	<u>-</u>	<u>8,308,857</u>	<u>8,308,857</u>
Total Primary Government	<u>\$ 71,539,500</u>	<u>\$ 22,658,439</u>	<u>\$ 1,003,881</u>	<u>\$ 13,107,705</u>	<u>\$ (43,078,332)</u>	<u>\$ 8,308,857</u>	<u>\$ (34,769,475)</u>

General revenues:

Taxes:			
Property taxes levied for general purposes	2,240,721	-	2,240,721
Franchise taxes	1,638,326	-	1,638,326
Shared Intergovernmental Revenue:			
Sales and use taxes - unrestricted	9,866,171	-	9,866,171
Gas and fuel taxes	1,050,767	-	1,050,767
Mineral and severance taxes	6,672,269	-	6,672,269
Other taxes	561,844	-	561,844
Investment earnings	320,176	90,741	410,917
Miscellaneous income	4,810,668	54,605	4,865,273
Transfers:			
Subsidy transfers	1,953,094	(1,953,094)	-
Capital asset transfers	(206,254)	206,254	-
Total general revenues, special items, and transfers	<u>28,907,782</u>	<u>(1,601,494)</u>	<u>27,306,288</u>
Change in Net Position	(14,170,550)	6,707,363	(7,463,187)
Net position - Beginning, as restated	86,285,619	120,475,979	206,761,598
Net position - Ending	<u>\$ 72,115,069</u>	<u>\$ 127,183,342</u>	<u>\$ 199,298,411</u>

See Accompanying Notes to the Basic Financial Statements.



BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2015

	General	Specific Purpose Tax	Capital Construction	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 13,605,794	\$ -	\$ 4,510,099	\$ 2,707,645	\$ 20,823,538
Investments	5,948,848	-	1,859,204	348,085	8,156,137
Prepaid items	32,401	-	-	1,088	33,489
Receivables:					
Accounts, customers	21,272	-	-	50,833	72,105
Notes	-	-	-	60,166	60,166
Accrued interest	7,404	-	-	1,149	8,553
Operating	2,849,633	295,752	-	6,176	3,151,561
Grants	169,468	-	127,066	216	296,750
Restricted assets					
Cash and cash equivalents	48,745	8,584,254	-	3,021,535	11,654,534
Investments	-	-	-	2,634,698	2,634,698
Total Assets	\$ 22,683,565	\$ 8,880,006	\$ 6,496,369	\$ 8,831,591	\$ 46,891,531
LIABILITIES					
Accounts payable	\$ 1,651,684	\$ 118,784	\$ 624,851	\$ 229,439	\$ 2,624,758
Unearned revenue	1,644,540	-	12,718	817,669	2,474,927
Total Liabilities	3,296,224	118,784	637,569	1,047,108	5,099,685
DEFERRED INFLOWS OF RESOURCES					
	88,535	-	88,610	-	177,145
FUND BALANCES					
Nonspendable	32,401	-	-	2,635,786	2,668,187
Restricted	1,403,969	8,761,222	1,690,819	3,013,449	14,869,459
Committed	988,921	-	4,079,371	8,215	5,076,507
Assigned	7,089,887	-	-	2,127,033	9,216,920
Unassigned	9,783,628	-	-	-	9,783,628
Total Fund Balances	19,298,806	8,761,222	5,770,190	7,784,483	41,614,701
Total Liabilities, Deferred Inflows of Resources, and Fund Balances					
	\$ 22,683,565	\$ 8,880,006	\$ 6,496,369	\$ 8,831,591	\$ 46,891,531

See Accompanying Notes to the Basic Financial Statements.

Basic Financial Statements

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**RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS**

June 30, 2015

Fund balances - total governmental funds		\$ 41,614,701
<p>Amounts reported for governmental activities in the Statement of Net Position are different for the following reasons:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds.</p>		
Governmental capital assets	135,783,190	
Accumulated depreciation	<u>(56,545,070)</u>	79,238,120
<p>Long-term receivables applicable to governmental activities are not fully due and collectible in the current period, and therefore, only the current portion is reported in the governmental funds.</p>		
		781,830
<p>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.</p>		
Grant receivables		135,551
Property tax receivables		41,594
<p>Unearned revenue related to the non-current portion of notes receivable must be eliminated so that only the current portion is reported in the governmental funds.</p>		
		(481,830)
<p>Long-term liabilities are not due and payable from current financial resources and, therefore, are not reported in the governmental funds.</p>		
Governmental notes payable	(15,893,375)	
Governmental leases payable	(1,067,491)	
Premium on notes payable	(202,579)	
Compensated absences	(1,161,954)	
Capital asset donations payable	(1,144,437)	
Accrued interest on long-term debt	<u>(44,998)</u>	(19,514,834)
<p>Liabilities and assets resulting from the recognition of the proportionate share of the net pension liability are not due and payable from current financial resources and, therefore, are not reported in the governmental funds. Associated deferred inflows and outflows of resources are also eliminated for this reason.</p>		
Net pension asset	144,597	
Aggregate net pension liability	(36,219,552)	
Aggregate deferred inflows of resources related to pensions	(31,778)	
Aggregate deferred outflows of resources related to pension	<u>2,531,063</u>	(33,575,670)
<p>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.</p>		
		<u>3,875,607</u>
Net position of governmental activities		<u>\$ 72,115,069</u>

See Accompanying Notes to the Basic Financial Statements.

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

For the Fiscal Year Ended June 30, 2015

	General	Specific Purpose Tax	Capital Construction	Non-Major Governmental Funds	Total Governmental Funds
REVENUES:					
Taxes and special assessments	\$ 3,894,159	\$ -	\$ -	\$ -	\$ 3,894,159
Licenses and permits	133,692	-	-	-	133,692
Intergovernmental	19,829,013	3,571,264	5,152,598	665,949	29,218,824
Charges for services	1,657,725	-	-	1,074,265	2,731,990
Fines and forfeitures	807,056	-	-	-	807,056
Investment income	61,936	2,026	5,151	123,994	193,107
Miscellaneous	92,710	-	922,964	223,693	1,239,367
Total Revenues	<u>26,476,291</u>	<u>3,573,290</u>	<u>6,080,713</u>	<u>2,087,901</u>	<u>38,218,195</u>
EXPENDITURES:					
Current operating:					
General government	6,729,255	-	-	245,399	6,974,654
Public safety	13,199,687	-	-	87,305	13,286,992
Health and welfare	777,098	-	-	-	777,098
Highways and streets	2,396,674	-	-	-	2,396,674
Culture and recreation	1,962,211	-	-	1,611,202	3,573,413
Capital outlay	875,221	2,106,730	8,662,928	92,001	11,736,880
Debt service:					
Principal retirement	10,138,291	1,950,000	-	17,794	12,106,085
Interest	27,297	428,375	-	11,203	466,875
Total Expenditures	<u>36,105,734</u>	<u>4,485,105</u>	<u>8,662,928</u>	<u>2,064,904</u>	<u>51,318,671</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,629,443)</u>	<u>(911,815)</u>	<u>(2,582,215)</u>	<u>22,997</u>	<u>(13,100,476)</u>
OTHER FINANCING SOURCES AND (USES):					
Issuance of debt	165,960	-	-	518,375	684,335
Transfers in	11,500,854	-	1,742,324	3,520,628	16,763,806
Transfers out	<u>(3,520,628)</u>	<u>(239,449)</u>	<u>-</u>	<u>(11,050,635)</u>	<u>(14,810,712)</u>
Total Other Financing Sources and (uses)	<u>8,146,186</u>	<u>(239,449)</u>	<u>1,742,324</u>	<u>(7,011,632)</u>	<u>2,637,429</u>
SPECIAL ITEM:					
Proceeds from sale of building	<u>2,573,817</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,573,817</u>
Net Change in Fund Balance	1,090,560	(1,151,264)	(839,891)	(6,988,635)	(7,889,230)
Fund Balances - Beginning, as Restated	<u>18,208,246</u>	<u>9,912,486</u>	<u>6,610,081</u>	<u>14,773,118</u>	<u>49,503,931</u>
Fund Balances - Ending	<u>\$ 19,298,806</u>	<u>\$ 8,761,222</u>	<u>\$ 5,770,190</u>	<u>\$ 7,784,483</u>	<u>\$ 41,614,701</u>

See Accompanying Notes to the Basic Financial Statements.

Basic Financial Statements

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**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, 2015

Net change in fund balances - total governmental funds \$ (7,889,230)

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	8,506,912	
Current year depreciation	<u>(4,626,991)</u>	3,879,921

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	(684,335)	
Long-term debt principal payments	12,106,085	
Premium amortization on long term debt	<u>40,516</u>	11,462,266

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	(13,971)	
Change in long-term compensated absences	<u>11,599</u>	(2,372)

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	(75,151)	
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See Accompanying Notes to the Basic Financial Statements.

**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, 2015
(Continued)

Revenue earned upon the transfer of infrastructure constructed by a third party into City ownership but not a current financial resource	594,636	
Property tax revenue earned but not a current financial resource and reported as a deferred inflow of resources in the governmental funds	(15,112)	
Grant revenue earned but not a current financial resource and reported as a deferred inflow of resources in the governmental funds	135,551	639,924
Assets constructed in a governmental fund for business-type activities must be transferred to an appropriate fund when capitalized. The construction costs are expenditures in the fund basis financial statements but are capitalized in the government-wide financial statements.		(206,254)
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.		(2,223,755)
Pension expense associated with the recognition of a proportionate share of the collective net pension liability or asset, as well as the amortization of related deferred inflows and outflows of resources, is not an expenditure from current financial resources.		(19,032,995)
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.		(778,055)
Change in net position of governmental activities		\$ (14,170,550)

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Business-Type Activities- Enterprise Funds				Governmental Activity- Internal Service Fund
	Water	Waste Water	Solid Waste	Total	
ASSETS					
Current Assets					
Cash	\$ 21,728,199	\$ 11,366,640	\$ 5,569,334	\$ 38,664,173	\$ 913,907
Investments	2,461,044	3,515,054	841,110	6,817,208	3,374,657
Prepaid expenses	2,347	239	413	2,999	-
Receivables:					
Accounts, customers	656,798	393,511	333,410	1,383,719	-
Accrued interest	1,401	3,422	2,741	7,564	5,711
Operating	10,698	14,925	-	25,623	222,832
Grants	907	675,638	154	676,699	-
Total current assets	<u>24,861,394</u>	<u>15,969,429</u>	<u>6,747,162</u>	<u>47,577,985</u>	<u>4,517,107</u>
Noncurrent Assets					
Restricted cash	68,586	-	-	68,586	-
Restricted investments	852,054	106,184	-	958,238	-
Capital assets					
Land	3,261,219	161,281	211,970	3,634,470	-
Water rights	87,685	-	-	87,685	-
Construction in progress	1,390,123	2,881,705	154	4,271,982	-
Buildings	13,749,802	19,159,398	3,580,838	36,490,038	-
Improvements	76,336,333	16,455,304	2,985,159	95,776,796	-
Infrastructure	-	3,368,789	-	3,368,789	-
Furniture and equipment	7,930,231	2,310,951	5,798,104	16,039,286	-
Accumulated depreciation	(41,242,301)	(15,949,316)	(3,655,548)	(60,847,165)	-
Total noncurrent assets	<u>62,433,732</u>	<u>28,494,296</u>	<u>8,920,677</u>	<u>99,848,705</u>	<u>-</u>
Total Assets	<u>87,295,126</u>	<u>44,463,725</u>	<u>15,667,839</u>	<u>147,426,690</u>	<u>4,517,107</u>
DEFERRED OUTFLOWS OF RESOURCES					
Amounts related to pensions	144,767	100,923	112,823	358,513	-
Total Assets and Deferred Outflows of Resources	<u>87,439,893</u>	<u>44,564,648</u>	<u>15,780,662</u>	<u>147,785,203</u>	<u>4,517,107</u>

(Continued)

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015
(Continued)

	Business-Type Activities- Enterprise Funds				Governmental Activity- Internal Service Fund
	Water	Waste Water	Solid Waste	Total	
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 458,619	\$ 1,237,613	\$ 115,227	\$ 1,811,459	\$ 127,654
Accrued interest payable	43,838	56,225	9,335	109,398	-
Compensated absences	18,175	10,981	12,870	42,026	-
Unearned income	-	-	1,469	1,469	-
Benefit claims incurred but not reported	-	-	-	-	513,846
Revenue bonds- current	547,000	-	-	547,000	-
Notes payable- current	<u>257,640</u>	<u>852,294</u>	<u>404,453</u>	<u>1,514,387</u>	<u>-</u>
Total current liabilities	<u>1,325,272</u>	<u>2,157,113</u>	<u>543,354</u>	<u>4,025,739</u>	<u>641,500</u>
Noncurrent Liabilities					
Compensated Absences	89,064	26,912	45,424	161,400	-
Revenue bonds payable	2,210,915	-	-	2,210,915	-
Notes payable	4,619,598	2,651,443	875,483	8,146,524	-
Landfill closure costs	-	-	3,553,071	3,553,071	-
Net pension liability	<u>954,256</u>	<u>662,163</u>	<u>736,893</u>	<u>2,353,312</u>	<u>-</u>
Total noncurrent liabilities	<u>7,873,833</u>	<u>3,340,518</u>	<u>5,210,871</u>	<u>16,425,222</u>	<u>-</u>
Total Liabilities	<u>9,199,105</u>	<u>5,497,631</u>	<u>5,754,225</u>	<u>20,450,961</u>	<u>641,500</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred gains on refunding debt	<u>150,900</u>	<u>-</u>	<u>-</u>	<u>150,900</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	53,727,039	24,884,375	7,640,741	86,252,155	-
Restricted for capital projects	518,141	4,819,484	170,855	5,508,480	-
Restricted for debt service	408,997	106,184	-	515,181	-
Unrestricted	<u>23,435,711</u>	<u>9,256,974</u>	<u>2,214,841</u>	<u>34,907,526</u>	<u>3,875,607</u>
Total Net Position	<u>\$ 78,089,888</u>	<u>\$ 39,067,017</u>	<u>\$ 10,026,437</u>	<u>\$127,183,342</u>	<u>\$ 3,875,607</u>

See Accompanying Notes to the Basic Financial Statements.

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

For the Fiscal Year Ended June 30, 2015

	Business-Type Activities- Enterprise Funds				Governmental Activity- Internal Service Fund
	Water	Waste Water	Solid Waste	Total	
OPERATING REVENUES:					
Charges for services	\$ 8,265,718	\$ 5,089,346	\$ 3,614,466	\$ 16,969,530	\$ 3,313,746
Other income	<u>84,177</u>	<u>1,233</u>	<u>170,563</u>	<u>255,973</u>	<u>-</u>
Total operating revenues	<u>8,349,895</u>	<u>5,090,579</u>	<u>3,785,029</u>	<u>17,225,503</u>	<u>3,313,746</u>
OPERATING EXPENSES					
Personal services	1,477,314	1,014,791	1,195,159	3,687,264	-
Contractual services	876,718	612,865	488,362	1,977,945	-
Materials and supplies	951,287	266,686	248,945	1,466,918	-
Landfill closure costs	-	-	912,734	912,734	-
Depreciation	2,518,357	1,141,267	1,077,346	4,736,970	-
Benefit payments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,178,354</u>
Total operating expenses	<u>5,823,676</u>	<u>3,035,609</u>	<u>3,922,546</u>	<u>12,781,831</u>	<u>4,178,354</u>
Operating income	<u>2,526,219</u>	<u>2,054,970</u>	<u>(137,517)</u>	<u>4,443,672</u>	<u>(864,608)</u>
NONOPERATING REVENUES (EXPENSES):					
Investment income	39,248	41,320	10,173	90,741	86,553
Plant investment fees	359,489	279,226	-	638,715	-
Interest expense	<u>(112,792)</u>	<u>(92,123)</u>	<u>(22,758)</u>	<u>(227,673)</u>	<u>-</u>
Total nonoperating revenue (expenses)	<u>285,945</u>	<u>228,423</u>	<u>(12,585)</u>	<u>501,783</u>	<u>86,553</u>
Income before transfers and capital contributions	<u>2,812,164</u>	<u>2,283,393</u>	<u>(150,102)</u>	<u>4,945,455</u>	<u>(778,055)</u>
TRANSFERS AND CONTRIBUTIONS					
Capital Contributions:					
Capital grants	2,135,949	1,338,393	34,406	3,508,748	-
Capital asset transfers	-	206,254	-	206,254	-
Transfers:					
Transfers in	83,780	-	-	83,780	-
Transfers (out)	<u>(421,232)</u>	<u>(1,348,728)</u>	<u>(266,914)</u>	<u>(2,036,874)</u>	<u>-</u>
	<u>1,798,497</u>	<u>195,919</u>	<u>(232,508)</u>	<u>1,761,908</u>	<u>-</u>
Change in net position	4,610,661	2,479,312	(382,610)	6,707,363	(778,055)
Net position at beginning of year, as restated	<u>73,479,227</u>	<u>36,587,705</u>	<u>10,409,047</u>	<u>120,475,979</u>	<u>4,653,662</u>
Net position at end of year	<u>\$ 78,089,888</u>	<u>\$ 39,067,017</u>	<u>\$ 10,026,437</u>	<u>\$ 127,183,342</u>	<u>\$ 3,875,607</u>

See Accompanying Notes to the Basic Financial Statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2015

	Business-Type Activities- Enterprise Funds				Governmental Activity- Internal Service Fund
	Water	Waste Water	Solid Waste	Total	
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:					
CASH FLOWS FROM OPERATIONS:					
Receipts from customers	\$ 8,270,213	\$ 5,118,776	\$ 3,693,996	\$ 17,082,985	\$ 3,128,550
Other operating cash receipts	82,396	1,233	169,632	253,261	-
Payments to suppliers	(2,771,003)	(762,045)	(883,883)	(4,416,931)	(3,993,217)
Payments to employees	(1,411,645)	(982,002)	(1,151,087)	(3,544,734)	-
Net cash from operating activities	<u>4,169,961</u>	<u>3,375,962</u>	<u>1,828,658</u>	<u>9,374,581</u>	<u>(864,667)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in	77,274	-	-	77,274	-
Transfers (out)	(421,232)	(1,348,728)	(266,914)	(2,036,874)	-
Net cash from noncapital financing activities	<u>(343,958)</u>	<u>(1,348,728)</u>	<u>(266,914)</u>	<u>(1,959,600)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(4,517,841)	(1,616,681)	(839,266)	(6,973,788)	-
Interest paid on long-term debt	(80,739)	(108,593)	(24,758)	(214,090)	-
Principal payments on long-term debt	(860,659)	(858,940)	(338,596)	(2,058,195)	-
Plant investment fees	359,489	279,226	-	638,715	-
Grant revenue	3,385,599	715,866	34,886	4,136,351	-
Proceeds from long-term debt	936,191	130,754	546,844	1,613,789	-
Net cash from capital and related financing activities	<u>(777,960)</u>	<u>(1,458,368)</u>	<u>(620,890)</u>	<u>(2,857,218)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchase of investments	(2,473,810)	(2,761,013)	(607,000)	(5,841,823)	(1,540,000)
Proceeds from sale of investments	290,000	1,655,000	607,000	2,552,000	540,000
Interest earned on investments	12,530	4,413	1,887	18,830	699
Net cash from investing activities	<u>(2,171,280)</u>	<u>(1,101,600)</u>	<u>1,887</u>	<u>(3,270,993)</u>	<u>(999,301)</u>

(Continued)

See Accompanying Notes to the Basic Financial Statement

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2015
(Continued)

	Business-Type Activities- Enterprise Funds				Governmental Activity- Internal Service Fund
	Water	Waste Water	Solid Waste	Total	
Net change in cash and cash equivalents	876,763	(532,734)	942,741	1,286,770	(1,863,968)
Cash, beginning	<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>
Cash, ending	<u>\$ 21,796,785</u>	<u>\$ 11,366,640</u>	<u>\$ 5,569,334</u>	<u>\$ 38,732,759</u>	<u>\$ 913,907</u>
RECONCILIATION OF OPERATING					
INCOME TO NET CASH FROM					
OPERATING ACTIVITIES:					
Income from operations	\$ 2,526,219	\$ 2,054,970	\$ (137,517)	\$ 4,443,672	\$ (864,608)
Adjustments to reconcile income from operations to net cash from operating activities					
Depreciation	2,518,357	1,141,267	1,077,346	4,736,970	-
(Increase) decrease in:					
Accounts receivable	2,955	29,430	79,580	111,965	(185,196)
Prepaid expenses	217	180	398	795	-
Increase (decrease) in:					
Accounts payable	(1,075,179)	916,033	(146,974)	(306,120)	50,398
Accounts payable (portion attributable to capital and related activities	131,964	(798,707)	-	(666,743)	-
Compensated absences payable	8,608	(6,337)	1,041	3,312	-
Unearned income	(241)	-	(981)	(1,222)	-
Landfill closure costs	-	-	912,734	912,734	-
Net pension liability	57,061	39,126	43,031	139,218	-
Benefit claims incurred but not reported payable	-	-	-	-	134,739
Net cash from operating activities	<u>\$ 4,169,961</u>	<u>\$ 3,375,962</u>	<u>\$ 1,828,658</u>	<u>\$ 9,374,581</u>	<u>\$ (864,667)</u>
NON-CASH CAPITAL AND RELATED					
FINANCING ACTIVITIES					
Net increase(decrease) in the value of investments reported at fair value that are not classified as cash equivalents	\$ 431	\$ (3,120)	\$ (4,885)	\$ (7,574)	\$ -
Capital assets transferred from Specific Purpose Tax Fund and Capital Construction Fund	\$ -	\$ 206,254	\$ -	\$ 206,254	\$ -

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2015

	<u>Cemetery Trust Fund</u>
ASSETS	
Cash	\$ 5,755
Interest receivable	895
Investments	<u>652,762</u>
Total Assets	<u>659,412</u>
NET POSITION	
Restricted for cemetery perpetual care	<u>659,412</u>
Total Net Position	<u>\$ 659,412</u>

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the Fiscal Year Ended June 30, 2015

	<u>Cemetery Trust Fund</u>
ADDITIONS:	
Revenue	
Cemetery lot sales	\$ 9,460
Investment income	<u>32,885</u>
Total Additions	<u>42,345</u>
DEDUCTIONS:	
Operating expensed	<u>8,155</u>
Total Deductions	<u>8,155</u>
Net increase (decrease)	34,190
Net position - Beginning of Year	<u>625,222</u>
Net position - End of Year	<u><u>\$ 659,412</u></u>

See Accompanying Notes to the Basic Financial Statements.

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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 information presented in the notes to the basic financial statements should be viewed as an integral part of these statements. The City prepares its financial statements in accordance 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. 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.

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. Governmental fund statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances. Proprietary funds are used to account for activities that receive significant support from user fees and charges. Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. 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. Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Within the governmental, proprietary, and fiduciary fund categories, there are various fund types that the City utilizes, as described below:

Governmental Fund Types of the City of Laramie

- The **General Fund** is the primary operating fund of the City and is used to account for all activities except those legally or administratively required to be accounted for in other funds.
- **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted for expenditures of certain purposes.
- **Capital Project Funds** are used to account for resources restricted for the acquisition or construction of specific capital projects or items.
- **Debt Service Funds** account 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 Fund Types of the City of Laramie

- **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 funds net position, financial position, and cash flows, which is similar to a private sector approach.
- **Internal Service Funds** are used to report activities that provides goods and services to other funds, departments, or agencies of the primary government on a cost reimbursement basis.

Fiduciary Fund Types of the City of Laramie

- A **Private Purpose Trust Fund** is used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

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.

Major Governmental Funds of the City of Laramie

- 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.
- The **Specific Purpose Tax Fund** is a capital project fund 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 substantially complete, and debt payments are being made for the 2010 financing. Projects funded by defeasance proceeds related to the 2001 tax are also ongoing.
- The **Capital Construction Fund** is a capital project fund used to account for the design and construction of various city projects funded by taxes, intergovernmental revenue, and other primarily non-exchange type transactions.

Major Proprietary Funds of the City of Laramie

- The **Water Fund** is an enterprise fund that accounts for revenue and expenses related to providing water services on a user charge basis to residents of the City and certain water districts and contractual users in the County.
- The **Wastewater Fund** is an enterprise fund that accounts for revenue and expenses related to providing sewer services on a user charge basis to residents of the City and certain water districts and contractual users in the County.
- The **Solid Waste Fund** accounts for revenue and expenses related to providing refuse collection, disposal services, recycling, and diversion on a user charge basis to residents of the City.

Non-major Funds of the City of Laramie

- The Emergency 911 Fund is a special revenue fund that accounts for revenues and expenditures related to the City of Laramie and Albany County Records and Communications Center.
- The Recreation Center Fund is a special revenue fund that accounts for revenues and expenditures related to the operation of the Laramie Community Recreation Center.
- The Economic Development Fund is a special revenue fund that accounts for activity related to economic development initiatives and programs.

- The Wyoming Territorial Prison Fund is a debt service fund that accounts for the accumulation of resources for, and the payment of, long-term debt, interest and related costs on the Wyoming Territorial Prison note.
- The Parks and Recreation Development Fund is a capital project fund that accounts for the costs of developing new parks and recreation facilities, adding improvements to existing parks, and acquiring land for new parks and recreation opportunities.
- The Governmental Activity Internal Service Fund accounts for financing of employee health insurance.

Fiduciary Funds of the City of Laramie

- The Cemetery Perpetual Care Fund, established for the benefit of cemetery users, is used to report cemetery lot sales and related expenses associated with cemetery lots and lot development.

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 the balance sheet. Operating statements present sources and uses of available spendable financial resources during a given period, and fund balance is used as a 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. 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 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.M. 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.

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.

A. 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

B. 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.

Net Pension Asset

The implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions* requires the recognition of a proportionate share of a net pension asset or liability for entities that participate in cost-sharing multiple employer pension plans. The net pension asset recorded for the City of Laramie represents its proportionate share of the excess of Wyoming Retirement System pension plan fiduciary net position over the total pension liability. Detailed note disclosures on pension plans can be found on pages 79-85.

Deferred Outflows of Resources

Deferred outflows of resources are reductions of net position or fund balance that relate to a future period. Various GASB statements define transactions that should be reported as deferred outflows of resources. For statements to which the economic resources measurement focus and accrual basis of accounting are applied, the City treats certain amounts related to pensions as deferred outflows of resources.

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

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 Collective Bargaining Agreement in effect.

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 current financial resources only if they are considered matured (due and payable), 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 revenues 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.

Long-term Debt

The accounting treatment of long-term debt depends on whether the financing is used to support governmental fund operations or proprietary fund operations and the measurement focus and basis of accounting used to prepare the financial statement. 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.

Net Pension Liability

The implementation of GASB No. 68, *Accounting and Financial Reporting for Pensions*, requires the recognition of a proportionate share of a net pension asset or liability for entities that participate in cost-sharing multiple employer pension plans. The net pension liability recorded for the City of Laramie represents its proportionate share of the excess of the Wyoming Retirement System total pension liability over the pension plan fiduciary net position. Detailed note disclosures on pension plans can be found on pages 79-85.

Deferred Inflows of Resources

Deferred inflows of resources are acquisitions of net position or fund balance that relate to a future period. Various GASB statements define 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 well as certain amounts related to pensions, 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.L.

Equity Classifications

A. 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.
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.

B. 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 City 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 fund balance, and later rescind the assignment, through any action less binding than a resolution. 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 – first committed, then assigned and unassigned. 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: net investment in capital assets; 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 2014, 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.

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 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 arena, 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 is substantially complete.

The specific purpose tax is reported on the government-wide Statement of Activities as program revenue from capital grants and contributions 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 2015, 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 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 \$309. 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 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 2015-2016, the City adopted a biennial budget resolution for the General Fund, Recreation Center Fund, Capital Construction Fund, Water Fund, Wastewater Fund, and Solid Waste Fund. An annual budget resolution was adopted for the Economic Development Fund, the E911 Fund, the Specific Purpose Tax Fund, the Parks and Recreation Development Fund, and the Wyoming Territorial Prison Debt Service 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 line item basis. Category level detail is published and distributed for the City Manager's recommended budget. Some funds are adopted in total in the final budget resolution while some are adopted by cost center within the fund. Revenues are budgeted by source. Expenditures are 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 adjustments.

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, unless the transfers are within the same division. All budget appropriations lapse following the close of the budget year to the extent that they are not expended or encumbered.

During fiscal year 2015, 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 judicial expenditures	\$ 8,100
Increase in other general government expenditures	53,556
Increase in police department expenditures	23,643
Increase in fire department expenditures	59,320
Increase in health and welfare expenditures	16,292
Increase in highways and streets expenditures	31,517
Increase in parks, recreation, and cemetery expenditures	<u>28,134</u>
Net difference between original and final amended budget	<u>\$ 220,562</u>
Specific Purpose Tax Fund	
Increase in capital outlay expenditures	<u>\$ 239,449</u>
Net difference between original and final amended budget	<u>\$ 239,449</u>
Capital Construction Fund	
Increase in capital outlay expenditures	<u>\$ 4,176,914</u>
Net difference between original and final amended budget	<u>\$ 4,176,914</u>
Economic Development Fund	
Increase in economic development expenditures	<u>\$ 177,500</u>
Net difference between original and final amended budget	<u>\$ 177,500</u>
Recreation Center Fund	
Increase in culture and recreation expenditures	<u>\$ 12,209</u>
Net difference between original and final amended budget	<u>\$ 12,209</u>
Parks and Recreation Development Fund	
Increase in capital outlay expenditures	<u>\$ 82,720</u>
Net difference between original and final amended budget	<u>\$ 82,720</u>

1.G. PENSION MEASUREMENT

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, the City has used the same basis as Wyoming Retirement System and has relied upon both the Wyoming Retirement System (WRS) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2014 and supplemental GASB 68 reports issued by Wyoming Retirement System. The City of Laramie applied detailed procedures to ensure that the information contained in the supplemental reports articulated with both the audited WRS CAFR and City financial records of retirement contributions. We believe that we have applied adequate procedures to ensure the reliability of the financial transactions recorded for pensions.

1.H. NEW ACCOUNTING STANDARDS

The Governmental Accounting Standards Board (GASB) issued two new statements that were effective for the reporting period. The City has implemented and fully complied with the requirements of these statements.

Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27*, represents a major shift in the accounting and financial reporting for pension plans administered through trust or equivalent arrangements that meet certain criteria. The implementation of this statement had a material impact on both the government-wide financial statements and enterprise fund financial statements. Statement No. 68 resulted from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Statement No. 69, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement 68* – provides additional clarification regarding the accounting treatment of pension transactions.

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. A review 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 excess of expenditures over appropriations in individual funds.

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 100% 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, 2015, the carrying amount of the City's demand deposits in financial institutions was \$71,397,547. 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, 2015, the carrying amount of the City's deposits with the Wyoming State Treasurer's Asset Reserve (Wyo-STAR) totaled \$5,623,719. 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 100%, which includes the Federal Deposit Insurance Corporation's insured amount. At June 30, 2015, the City's deposits were fully collateralized in compliance with state statute.

Investments

As of June 30, 2015, 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
CMO Series	\$ 444,327	\$ 506,186	19.07
Federal National Mortgage Association	3,192,659	3,212,452	4.39
Federal Home Loan Bank	2,554,334	2,550,733	2.86
Federal Farm Credit Bank	7,322,826	7,303,776	5.84
Government National Mortgage Association	3,498	3,986	9.96
Certificates of Deposit	<u>2,619,096</u>	<u>2,619,096</u>	0.84
Total	<u>\$ 16,136,740</u>	<u>\$ 16,196,229</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.

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 National Mortgage Association	\$ 3,212,452	\$ 3,212,452	\$ -	\$ -
Government National Mortgage Association	3,986	-	3,986	-
Federal Home Loan Bank	2,550,733	2,550,733	-	-
CMO Series	506,186	-	506,186	-
Federal Farm Credit Bank	7,303,776	7,303,776	-	-
Certificates of Deposit	2,619,096	-	-	2,619,096
State of Wyoming Investment Pool	5,623,719	-	-	5,623,719
Money Market - General Investments	10,696	-	-	10,696
Money Market - Debt Reserve	<u>110,294</u>	<u>-</u>	<u>-</u>	<u>110,294</u>
Total	<u>\$ 21,940,938</u>	<u>\$ 13,066,961</u>	<u>\$ 510,172</u>	<u>\$ 8,363,805</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, 2015, the City held securities from the following issuers in excess of 5% of the total portfolio:

Federal National Mortgage Association	\$ 3,212,452
Federal Home Loan Bank	2,550,733
Federal Farm Credit Bank	7,303,776
State of WY Investment Pool	5,623,719
Certifications of Deposit	<u>2,619,096</u>
 Total	 <u>\$ 21,309,776</u>

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 for a specific 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, 2015 are as follows:

Fund	Description	Amount
Governmental Funds:		
General fund	Drug asset forfeiture funds	\$ 17,846
	Customer receivables in suspense	30,899
Economic Development Fund	Contractually restricted for economic development projects	3,021,535
Specific Purpose Tax Fund	Bonded debt and unbonded project reserve	8,584,254
Recreation Center Fund	Recreation endowment and scholarship funds	<u>2,634,698</u>
	Restricted Assets - Governmental Funds	<u>14,289,232</u>
Fund	Description	Amount
Proprietary Funds:		
Water Fund	Waterline maintenance reserve	360,743
	Debt service reserve - 2008 & 2012 refunding bonds	327,789
	Debt service reserve - 2013 revenue bonds	56,800
	Debt service reserves - notes payable	<u>281,492</u>
	Restricted Assets - Proprietary Funds	<u>1,026,824</u>
	Total Restricted Assets	<u>\$ 15,316,056</u>

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. 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	Specific	Major Capital	Non-major	Internal
	Fund	Purpose Tax Fund	Construction Fund	Governmental Funds	Service Fund
Property taxes receivable	\$ 111,695	\$ -	\$ -	\$ -	\$ -
Franchise taxes receivable	208,978	-	-	-	-
Intergovernmental receivable	1,017,832	295,752	-	5,201	-
Customer receivables	22,553	-	-	50,833	-
Court fines receivable	1,505,480	-	-	-	-
Grant receivables	169,468	-	127,066	216	-
Miscellaneous receivables	5,442	-	-	975	222,832
Interest receivable	7,404	-	-	1,149	5,711
Allowance for doubtful accounts	<u>(1,075)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,047,777</u>	<u>\$ 295,752</u>	<u>\$ 127,066</u>	<u>\$ 58,374</u>	<u>\$ 228,543</u>

	Business-type Activities		
	Water	Waste Water	Solid Waste
	Fund	Fund	Fund
Customer receivables	\$ 781,650	\$ 393,511	\$ 333,410
Allowance for doubtful accounts	(124,852)	-	-
Miscellaneous receivables	10,698	14,925	-
Grant receivables	907	675,638	154
Interest receivable	<u>1,401</u>	<u>3,422</u>	<u>2,741</u>
	<u>\$ 669,804</u>	<u>\$ 1,087,496</u>	<u>\$ 336,305</u>

3.D. NOTES RECEIVABLE

Notes receivable for governmental activities are presented below.

Governmental Activities	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015
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 rail spur is 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.	240,000	-	(20,000)	220,000
Carol Nickell - Childcare Enhancement Program				
- Child care enhancement loan				
Five year term with zero percent interest.	-	3,607	-	3,607
HiViz Shooting Systems				
- Wyoming Business Council loan repayment				
Twenty year note receivable for principal and interest payments on Wyoming Business Council Business Committed Loan used to construct corporate headquarters.	-	518,389	-	518,389
Total Notes Receivable	<u>\$ 340,000</u>	<u>\$ 521,996</u>	<u>\$ (20,000)</u>	<u>\$ 841,996</u>

3.E. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 is detailed below:

	Balance at June 30, 2014	Additions	Disposals	Balance at June 30, 2015
Governmental activities:				
Non-depreciable assets				
Land	\$ 3,499,370	\$ 203,780	\$ -	\$ 3,703,150
Construction in progress	3,790,376	5,607,444	(903,681)	8,494,139
Depreciable assets				
Buildings	37,518,693	935,560	(2,531,208)	35,923,045
Improvements	5,927,214	78,356	(122,032)	5,883,538
Infrastructure	65,121,634	2,286,602	(150,000)	67,258,236
Furniture and equipment	<u>14,762,114</u>	<u>798,006</u>	<u>(1,039,039)</u>	<u>14,521,081</u>
Total at historical cost	130,619,401	9,909,748	(4,745,960)	135,783,189
Accumulated depreciation				
Buildings	(10,408,541)	(941,883)	349,371	(11,001,053)
Improvements	(2,193,899)	(283,280)	118,882	(2,358,297)
Infrastructure	(30,453,201)	(2,104,008)	41,250	(32,515,959)
Furniture and equipment	<u>(10,370,189)</u>	<u>(1,297,820)</u>	<u>998,248</u>	<u>(10,669,761)</u>
Total accumulated depreciation	<u>(53,425,830)</u>	<u>(4,626,991)</u>	<u>1,507,751</u>	<u>(56,545,070)</u>
Governmental activities capital assets, net	<u>\$ 77,193,571</u>	<u>\$ 5,282,757</u>	<u>\$ (3,238,209)</u>	<u>\$ 79,238,119</u>
	Balance at June 30, 2014	Additions	Disposals	Balance at June 30, 2015
Business-type activities:				
Non-depreciable assets				
Land	\$ 3,634,470	\$ -	\$ -	\$ 3,634,470
Water rights	87,685	-	-	87,685
Construction in progress	4,849,220	3,053,862	(3,631,100)	4,271,982
Depreciable assets				
Buildings	36,481,202	8,836	-	36,490,038
Improvements	88,821,571	6,955,225	-	95,776,796
Infrastructure	3,085,261	283,528	-	3,368,789
Furniture and equipment	<u>15,428,930</u>	<u>1,099,156</u>	<u>(488,800)</u>	<u>16,039,286</u>
Total at historical cost	152,388,339	11,400,607	(4,119,900)	159,669,046
Accumulated depreciation				
Buildings	(17,533,844)	(807,247)	-	(18,341,091)
Improvements	(29,715,895)	(2,549,183)	-	(32,265,078)
Infrastructure	(369,417)	(121,215)	-	(490,632)
Furniture and equipment	<u>(8,979,838)</u>	<u>(1,259,327)</u>	<u>488,801</u>	<u>(9,750,364)</u>
Total accumulated depreciation	<u>(56,598,994)</u>	<u>(4,736,972)</u>	<u>488,801</u>	<u>(60,847,165)</u>
Business-type activities capital assets, net	<u>\$ 95,789,345</u>	<u>\$ 6,663,635</u>	<u>\$ (3,631,099)</u>	<u>\$ 98,821,881</u>

Depreciation expense was charged to governmental activities as follows:

General government:	
Administrative services	\$ 90,628
Other general government	375,121
Public safety:	
Police	370,818
Fire	477,611
Engineering and code administration	10,389
Health and welfare:	
Animal control	20,862
Mosquito control	30,199
Culture and recreation:	
Parks	353,644
Recreation	499,148
Cemetery	34,606
Highways and streets	<u>2,363,965</u>
Total depreciation expense	<u>\$ 4,626,991</u>

3.F. INTANGIBLE ASSETS

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.

East Gateway Drainage Improvement Project

Mountain West Farm Bureau Insurance	\$ 10
Mountain West Farm Bureau Insurance	<u>10</u>
Project Total	<u>\$ 20</u>
Total Easements Purchased-Business Type Activities	<u>\$ 20</u>

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 deferred outflows of resources, except those related to pensions. Descriptions of these deferred outflows of resources are presented in detail on page 82. Deferred outflows related to pensions total \$2,531,063 for governmental activities and \$358,513 for business-type activities.

3.H. ACCOUNTS PAYABLE

Payables in both governmental and business-type activities are composed of payables to vendors and accrued salaries and benefits.

3.I. UNEARNED REVENUE

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when earned. Therefore, the government-wide statement of net position, as well as governmental and proprietary funds, defer revenue recognition in connection with resources that have been received as of year-end but have not yet been earned. Assets recognized in connection with a transaction before the earnings process is complete are offset by a corresponding liability.

Unearned revenue for governmental and business-type activities is presented below:

Governmental Activities

Unearned general contributions	\$ 1,800
Unearned police contributions	68,633
Unearned municipal court deposits	1,505,480
Unearned fire contributions	14,283
Unearned grant revenue	1,429
Developer bond deposits	52,915
Unearned revenue for economic development	418,993
Recaptured revenue for child care development	53,297
Unearned revenue related to notes receivable	518,389
Unearned Recreation Center revenue and gift certificates	218,479
Unearned recreation scholarships	12,097
Developer in-lieu fees for parks and trails	78,244
Other miscellaneous unearned revenue	<u>12,718</u>
Governmental activities total	<u>\$ 2,956,757</u>

Business-type Activities

Unearned grant revenue	<u>\$ 1,469</u>
Business-type activities total	<u>\$ 1,469</u>

Unearned revenue for governmental funds totals \$2,474,927, a difference of \$481,830 from governmental activities. See the reconciliation of the Balance Sheet to the Statement of Net Position for Governmental Funds for a description of this difference, which relates to the elimination of the non-current portion of notes receivable in the governmental funds.

3.J. 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 also have liabilities for compensated absences.

With the implementation of GASB Statement 68, both governmental and business-type activities recognized a proportionate share of the net pension liability related to participation in Wyoming Retirement System pension plans. More detail about this additional long-term liability is disclosed on pages 79-85.

The following is a summary of changes in long-term liabilities of the City at June 30, 2015:

Governmental Activities:	Long-term Liabilities at June 30, 2014 As Restated	Additions	Deletions	Long-term Liabilities at June 30, 2015	Due Within One Year
Loans Payable:					
WTP note payable	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -	\$ -
WBC Note Payable	-	518,375	-	518,375	28,608
Capital Leases:					
WAM energy lease	2,500	-	2,500	-	-
Energy improvements lease	900,057	-	59,071	840,986	61,579
WAM energy lease II	70,000	-	10,000	60,000	10,000
Street wheel loader	85,060	-	56,530	28,530	28,530
Street sweeper	-	165,960	27,985	137,975	54,657
General Obligation Bonds:					
SPT 2010 GO Bonds	17,325,000	-	1,950,000	15,375,000	2,000,000
Premium on 2010 GO Bond issue	243,094	-	40,515	202,579	-
Other Long-term Debt:					
Capital asset donations payable	1,144,437	-	-	1,144,437	1,144,437
Compensated absences	1,173,552	792,680	804,278	1,161,954	200,903
Aggregate net pension liability	15,819,029	20,400,523	-	36,219,552	-
	\$ 46,762,729	\$ 21,877,538	\$ 12,950,879	\$ 55,689,388	\$ 3,528,714
Business-Type Activities:	Long-term Liabilities at June 30, 2014 As Restated	Additions	Deletions	Long-term Liabilities at June 30, 2015	Due Within One Year
Revenue Bonds:					
Water refunding bonds 2008	\$ 1,525,000	\$ -	\$ 125,000	\$ 1,400,000	\$ 125,000
Water refunding bonds 2012	765,000	-	365,000	400,000	400,000
Water revenue bonds 2013	1,072,000	-	114,085	957,915	22,000
Loans Payable:					
WWDC Spur Well loan	455,414	-	57,660	397,754	59,966
WSLIB Water projects loan	924,929	-	93,840	831,089	95,373
WWDC Soldier Springs Well loan	298,208	-	44,959	253,249	46,757
WWDC Laramie Transmission	1,899,992	896,519	-	2,796,511	-
WSLIB S Laramie Sewer Line	-	130,754	-	130,754	-
WSLIB Grand Ave Waterline Project	516,989	39,672	-	556,661	24,689
WSLIB Main Lift Station Project	601,784	-	34,218	567,566	34,535
WSLIB Wastewater Treatment Facility loan	3,081,762	-	742,222	2,339,540	761,946
WSLIB Wastewater Treatment Facility loan	409,794	-	46,245	363,549	48,326
Capital Leases:					
Water dump truck	89,254	-	59,277	29,977	29,977
Wastewater dump truck	29,068	-	29,068	-	-
Solid waste wheel loader	107,998	-	53,578	54,420	54,420
Energy improvements lease	122,350	-	8,025	114,325	8,365
Solid waste collection truck	197,727	-	64,920	132,807	65,902
Solid waste scraper	534,695	-	85,685	449,010	86,914
Recycling program equipment	231,268	-	75,286	155,982	77,487
Solid waste collection truck	-	259,647	31,560	228,087	63,864
Landfill compactor	-	287,197	27,567	259,630	55,866
Other long-term liabilities:					
Landfill closure and post closure costs payable	2,640,336	912,735	-	3,553,071	-
Compensated absences	200,414	167,632	164,620	203,426	42,026
Aggregate net pension liability	1,989,109	364,203	-	2,353,312	-
	\$ 17,693,091	\$ 3,058,359	\$ 2,222,815	\$ 18,528,635	\$ 2,103,413

Governmental Activities – Long-term Debt

As of June 30, 2015, the governmental long-term debt of the financial reporting entity consisted of the following:

LOANS:

A note payable to the Wyoming Business Council, due in annual payments of \$28,608, including interest at 1.0% through June 2035, secured by a pledge of revenue from the rental of the building constructed with loan proceeds	\$ 518,375
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CAPITAL LEASES:

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	840,986
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Capital lease payable to WAM, due in quarterly installments of \$2,500 at zero interest through 2021, unsecured	60,000
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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	28,530
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Capital lease payable due in semi-annual installments of \$28,227, including interest at 1.44% through December 2017, collateralized by equipment with an original cost of \$232,960	137,975
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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>15,577,579</u>
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Total Governmental Activity Debt	<u>\$ 17,163,445</u>
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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 has constructed 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 was recognized for the pending land donation to which the City is obligated per the agreement. The City expects to transfer the land in fiscal year 2016.

Business-type Activities – Long Term Debt

As of June 30, 2015, 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.	\$ 1,400,000
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.	400,000
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.	957,915

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.	397,754
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.	831,089
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.	253,249
Note payable to the State of Wyoming, Wyoming Water Development Commission due in annual installments estimated at \$161,723 including interest at 4.0% secured by revenues generated by the Municipal Water System. Payments are estimated to begin in December 2016 through December 2045.	2,796,511
Note payable to the State of Wyoming, Office of State Lands and Investments, due in annual installments estimated at \$8,388 including interest at 2.50% to April 2029 secured by revenues generated by the Wastewater Treatment Facility. Payments are estimated to begin in June 2017 through June 2036	130,754
Note payable to the State of Wyoming, Office of State Lands and Investments, due in annual installments of \$35,708 including interest at 2.5% secured by revenues generated by the Municipal Water System.	556,661

(Continued)

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.	567,566
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.	2,339,540
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.	363,549
CAPITAL LEASES:	
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.	29,977
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.	54,420
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.	114,325
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.	132,807
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.	449,010
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.	155,982
Capital lease payable, due in semi-annual installments of \$33,644, including interest at 1.61% through November 2018, secured by equipment with an original cost of \$298,647.	228,087
Capital lease payable, due in semi-annual installments of \$30,187, including interest at 1.84% through November 2019, secured by equipment with an original cost of \$406,197	<u>259,630</u>
Total Business-Type Activity Debt	<u><u>\$ 12,418,826</u></u>

Annual Debt Service Requirements

The annual requirements to amortize all debt outstanding as of June 30, 2015, excluding obligations associated with capital assets donations payable, compensated absences, premium on debt issuance, and landfill closure and post-closure costs are as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Government-Wide</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 2,178,402	\$ 423,773	\$ 2,058,489	\$ 254,246	\$ 4,236,891	\$ 678,019
2017	2,153,303	380,946	1,664,248	335,631	3,817,551	716,577
2018	2,353,681	337,222	1,576,063	272,255	3,929,744	609,477
2019	2,453,892	280,882	761,916	247,734	3,215,808	528,616
2020	2,507,083	209,546	714,578	223,360	3,221,661	432,906
2021-2025	4,948,165	207,483	2,088,450	837,482	7,036,615	1,044,965
2026-2030	225,234	2,950	923,636	644,206	1,148,870	647,156
2031-2035	141,106	-	863,583	449,708	1,004,689	449,708
2036-2040	-	-	803,178	298,022	803,178	298,022
2041-2045	-	-	809,184	129,541	809,184	129,541
2046-2050	-	-	155,501	6,220	155,501	6,220
	<u>\$16,960,866</u>	<u>\$ 1,842,802</u>	<u>\$12,418,826</u>	<u>\$ 3,698,405</u>	<u>\$29,379,692</u>	<u>\$ 5,541,207</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 \$228,334,031. 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.K. 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 \$3,553,071 reported as landfill closure and postclosure care liability at June 30, 2015 represents the cumulative amount reported to date based on estimated usage of landfill stages one and two. The City will recognize the remaining estimated costs of closure and postclosure care of \$2,302,036 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.

3.L. 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. Deferred inflows of resources related to pensions are disclosed in the pension footnote on page 82 and total \$31,778 for governmental activities.

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 four-year life of the 2012 refunding bond issue.	\$ 28,500
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>122,400</u>
Total deferred inflows of resources – business type activities	<u>\$150,900</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 but 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.	\$ 46,941
Property taxes receivable as reported by the Albany County Treasurer, but not received within sixty (60) days of year end.	<u>41,594</u>
Total deferred inflows of resources – General Fund	<u>\$ 88,535</u>

Capital Construction Fund

Grants receivable for which a legal claim exists but were not received within sixty (60) days of year end.	<u>\$ 88,610</u>
Total deferred inflows of resources – Capital Construction Fund	<u>\$ 88,610</u>

Total deferred inflows of resources – governmental funds	<u>\$ 88,610</u>
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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.M. 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, 2015 were as follows:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
Governmental Funds:		
Major Funds:		
General Fund	\$ 11,500,854	\$ 3,520,628
Specific Purpose Tax Fund	-	239,449
Capital Construction Fund	1,742,324	-
Nonmajor Funds	<u>3,520,628</u>	<u>11,050,635</u>
 Total Governmental Funds	 <u>16,763,806</u>	 <u>14,810,712</u>
Proprietary Funds:		
Major Funds:		
Water Fund	83,780	421,232
Waste Water Fund	-	1,348,728
Solid Waste Fund	<u>-</u>	<u>266,914</u>
 Total Proprietary Funds	 <u>83,780</u>	 <u>2,036,874</u>
 Internal Service Funds	 <u>-</u>	 <u>-</u>
 Total Operating Transfers	 <u>\$ 16,847,586</u>	 <u>\$ 16,847,586</u>

The capital asset transfers for the year ended June 30, 2015 were as follows:

	<u>Capital Asset Transfers In</u>	<u>Capital Asset Transfers Out</u>
Governmental Funds:		
Major Funds:		
Specific Purpose Tax Fund	-	206,254
 Total Governmental Funds	 <u>-</u>	 <u>206,254</u>
Proprietary Funds:		
Major Funds:		
Water Fund	-	-
Waste Water Fund	206,254	-
Solid Waste Fund	<u>-</u>	<u>-</u>
 Total Proprietary Funds	 <u>206,254</u>	 <u>-</u>
 Total Capital Asset Transfers	 <u>\$ 206,254</u>	 <u>\$ 206,254</u>

Any interfund loan amounts are temporary in nature and are repaid by the respective funds on a current basis. As of June 30, 2015 there were no interfund loan balances.

3.N. FUND EQUITY

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2015 are as follows:

<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
<i>Nonspendable</i>		
General Fund	Prepaid Items and Inventory	\$ 32,401
Recreation Center Fund	Prepaid Items	1,088
	Recreation Endowment	<u>2,634,698</u>
Total Nonspendable Fund Balance		<u>\$ 2,668,187</u>
<i>Restricted</i>		
General Fund	Debt payments	\$ 162,518
	Grant matches	1,241,451
Economic Development Fund	Grant and loan programs	94,528
	Restricted proceeds from building sale	2,574,729
Recreation Center Fund	Debt payments	28,997
Specific Purpose Tax	Capital projects and debt service	8,761,222
Park & Recreation Mill Fund	Recreation capital projects	315,195
Capital Projects Fund	Grant matches	1,036,722
	Restricted project revenue	<u>654,097</u>
Total Restricted Fund Balance		<u>\$ 14,869,459</u>
<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
<i>Committed</i>		
General Fund	Encumbered contracts	\$ 988,921
Recreation Center Fund	Encumbered contracts	8,215
Capital Projects Fund	Encumbered contracts/grants	<u>4,079,371</u>
Total Committed Fund Balance		<u>\$ 5,076,507</u>
<i>Assigned</i>		
General Fund	Encumbered projects and contracts	\$ 1,313,848
	Fund full vacation/comp time liability	1,111,036
	Fund subsequent year budget	2,830,483
	Departmental amendment contingency	830,520
	Economic contingency	1,000,000
	Grant matches pledged - pending awards	4,000
Recreation Center Fund		724,792
Emergency E911 Fund		<u>1,402,241</u>
Total Assigned Fund Balance		<u>\$ 9,216,920</u>
<i>Unassigned</i>		
General Fund		<u>\$ 9,783,628</u>
Total Fund Balance		<u>\$ 41,614,701</u>

NOTE 4. OTHER NOTES**4.A. EMPLOYEE PENSION PLANS***1. Pension Plan Descriptions and Benefits***Public Employee's Pension Plan**

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. Participation is mandatory. Retirement benefits are administered in two tiers - the second tier applying to employees hired after September 1, 2012 - and are established by state statute. Any cost of living adjustments (COLA) provided to retirees must be granted by the state legislature, which will not approve such adjustments unless the plan is 100% funded after a potential COLA is awarded. Employees terminating participation in the plan prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through the date of termination, or, if they are vested, they may elect to remain in the Plan and be eligible for retirement benefits at age 50 (Tier 1 employees) or age 60 (Tier 2 employees). Vesting occurs after obtaining 48 months of service.

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 seven optional methods for receiving benefits. The benefit is calculated using a multiplier of 2.125 percent for the first 15 years of service and 2.25 percent for years of service above 15 and the highest 36 months of continuous acceptable salary. Early retirement is allowed provided the employee has completed four years of service and attained age 50, 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 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 seven optional methods for receiving benefits. The benefit is calculated using a multiplier of 2 percent for all years of service and the highest 60 months of continuous acceptable salary. 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 15.87%, of which 4.00% is paid by the employee and 11.87% is paid by the City. The City is only statutorily required to contribute 7.62%, and it elects to cover an additional 4.25% of the required contribution. Employer contributions to the pension plan for the fiscal year ended June 30, 2015 totaled \$987,217, and 100% of the statutorily required contributions were made.

Paid Fireman's Pension Funds

All full-time fire and emergency service 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. Participation is mandatory. 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.

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 provides for a 3% cost of living adjustment per year. The fund also provides death and disability benefits, which are set by state statute. Participants may withdraw from the plan at any time and receive refunds of participant contributions without interest.

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. Vesting occurs after 48 months of service. The current benefit formula entitles plan participants to 2.8% of the highest average salary (36 highest continuous months of acceptable salary) for each year of service up to 25 years. The benefit is capped at 70% of the highest average salary. Participants may withdraw from the plan at any time and receive refunds of participant contributions without interest.

Contribution Rates

Plan B statutorily requires 21.245% of the covered employees' salary to be contributed to the Plan, of which 8.02% 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. Employer contributions to the pension plan for the fiscal year ended June 30, 2015 totaled \$457,701, and 100% of the statutorily required contributions were made.

State of Wyoming Law Enforcement Pension Fund

The City of Laramie contributes to the State of Wyoming Law Enforcement 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 48 months 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 the average salary during their highest paid five year period multiplied by the number of years of service (up to a maximum of 75% of the highest average salary). The Fund also provides death and disability benefits to participating employees. Benefit provisions and all other requirements are established by state statute. Any cost of living adjustments (COLA) provided to retirees must be granted by the state legislature, which will not approve such adjustments unless the plan is 100% funded after a potential COLA is awarded. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest.

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. Employer contributions to the pension plan for the fiscal year ended June 30, 2015 totaled \$463,627, and 100% of the statutorily required contributions were made.

2. *Pension Liabilities, Pension Expenses, and Deferred Outflows and Inflows of Resources Related to Pension*

Net Pension Asset and Liabilities

As of June 30, 2015, the net pension liability recorded for the City of Laramie represents its proportionate share of the excess of the total pension liability over the pension plan fiduciary net position for the Wyoming Retirement System plans of which the City is a participant. The net pension asset recorded for the City of Laramie represents its proportionate share of the excess of the pension plan fiduciary net position over the total pension liability for the Wyoming Retirement System plans of which the City is a participant. The City reported a net pension asset and liabilities as follows for the fiscal years ended June 30, 2015 and June 30, 2014:

	<u>Proportionate Share of Net Pension Liability as of June 30, 2015</u>	<u>Proportionate Share of Net Pension Liability as of June 30, 2014</u>
Public Employee Pension	\$ 8,179,593	\$ 6,913,705
Fire Pension A	29,685,136	10,422,679
Law Enforcement Pension	708,135	471,753
Aggregate Net Pension Liability	<u>\$ 38,572,864</u>	<u>\$ 17,808,137</u>

	<u>Proportionate Share of Net Pension Asset as of June 30, 2015</u>	<u>Proportionate Share of Net Pension Asset as of June 30, 2014</u>
Fire Pension B	\$ 144,597	\$ 144,597
Net Pension Asset	<u>\$ 144,597</u>	<u>\$ 144,597</u>

Of the City’s proportionate share of the net pension liability, \$2,353,312 is attributable to business-type activities (\$954,256 for the Water Fund, \$662,163 for the Wastewater Fund, and \$736,893 for the Solid Waste Fund) through employee participation in the Public Employee Pension Plan. The remainder of the proportionate share of the net pension liability and asset is attributable to governmental activities.

The measurement date of the Wyoming Retirement System pension plan fiduciary net position was December 31, 2014 and the actuarial determination of the total pension liability was January 1, 2015. The City’s proportionate share of the net pension liability and asset was determined per plan by calculating the percentage of the City’s total contributions (employer and employee) to the total contributions received by Wyoming Retirement System during the plan measurement period (January 1, 2014 to December 31, 2014). The City’s proportionate share of the net pension liability or asset for each plan as of December 31, 2014 and December 31, 2013 is as follows:

	<u>Proportionate Share as of December 31, 2014</u>	<u>Proportionate Share as of December 31, 2013</u>
Public Employee Pension	0.463514%	0.455772%
Fire Pension A	18.036065%	17.786539%
Fire Pension B	12.857454%	13.627211%
Law Enforcement Pension	2.403419%	2.621706%

Pension Expense

The measurement of pension expense fundamentally changed with the implementation of GASB Statement 68. Pension expense is calculated for the pension plan measurement period and includes changes in the net pension liability and the amortization of specific deferred inflows and outflows of resources. For the fiscal year ended June 30, 2015, the City recognized a total pension expense of \$21,080,759 as detailed below:

Public Employee Pension	\$	1,463,704
Fire Pension A		18,713,683
Fire Pension B		455,453
Law Enforcement Pension		447,919
Total Pension Expense	\$	<u>21,080,759</u>

Pension expense attributable to business-type activities totals \$421,601 (\$171,185 for the Water Fund, \$117,851 for the Wastewater Fund, and \$132,565 for the Solid Waste Fund). The remainder of pension expense is attributable to governmental activities, with \$18,713,683 related to Fire Pension A activity.

Deferred Inflows and Outflows of Resources Related to Pensions

At June 30, 2015, the City reported the following deferred outflows and inflows of resources related to pensions:

	Public Employee Pension	Fire Pension A	Fire Pension B	Law Enforcement Pension	Total
<i>Deferred Outflows of Resources</i>					
Proportionate share of unamortized differences between the projected and actual earnings on pension plan investments	\$ 670,656	\$ 548,773	\$ 327,704	\$ 279,666	\$ 1,826,799
Contributions subsequent to the measurement date	494,683	-	229,876	225,082	949,641
Unamortized amounts related to the change in the City's proportionate share of the net pension liability or asset	<u>88,177</u>	<u>-</u>	<u>24,959</u>	<u>-</u>	<u>113,136</u>
Total Deferred Outflows Related to Pensions	\$ 1,253,516	\$ 548,773	\$ 582,539	\$ 504,748	\$ 2,889,576
<i>Deferred Inflows of Resources</i>					
Unamortized amounts related to the change in the City's proportionate share of the net pension liability or asset	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,778</u>	<u>\$ 31,778</u>
Total Deferred Inflows Related to Pensions	\$ -	\$ -	\$ -	\$ 31,778	\$ 31,778

All deferred inflows of resources related to pensions are attributable to governmental activities. Deferred outflows of resources related to business-type activities total \$358,513 (\$144,767 for the Water Fund, \$100,923 for the Wastewater Fund, and \$112,823 for the Solid Waste Fund).

The \$949,641 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2016	\$ 481,688
2017	481,689
2018	481,689
2019	452,837
2020	1,463
Thereafter	<u>8,791</u>
	<u>\$ 1,908,157</u>

Actuarial Assumptions

Actuarial valuations are performed annually with the most recent valuation date of January 1, 2015. Actuarial methods and assumptions are disclosed below for the Wyoming Retirement System pension plans in which the City participates. Significant assumptions are based on an experience study that covered a five-year period ending December 31, 2011. More detail about the actuarial methods and assumptions or the experience study can be found on the Wyoming Retirement System website.

	<u>Public Employee Pension</u>	<u>Fire Pension A</u>	<u>Fire Pension B</u>	<u>Law Enforcement Pension</u>
Valuation Date	1/1/2014	1/1/2014	1/1/2014	1/1/2014
Actuarial Cost Method	Individual Entry Age Normal	Individual Entry Age Normal	Individual Entry Age Normal	Individual Entry Age Normal
Amortization Method	Level Percent Open	Level Dollar Open	Level Percent Open	Level Percent Open
Remaining Amortization Period	30	10	30	30
Asset Valuation Method	5-year	5-year	5-year	5-year
Actual Assumptions:				
Investment Rate of Return	7.75%	7.75%	7.75%	7.75%
Projected Salary Increases Includes Inflation	4.25% to 6.00%	4.25%	4.25% to 7.00%	4.25% to 8.00%
Assumed Inflation Rate	3.25%	3.25%	3.25%	3.25%
Mortality	*	*	*	*
*Mortality Assumptions:	Pre-Retirement Mortality RP-2000 Combined Mortality table, fully generational, projected with Scale BB Males: Set back 5 years with multiplier of 104% Females: Set back 4 years with a multiplier of 90% Healthy Post-Retirement Mortality RP-2000 Combined Mortality table, fully generational, projected with Scale BB Males: Set back 1 year with multiplier of 104% Females: Set back 0 years with a multiplier of 90% Disabled Mortality RP-2000 Combined Mortality table, fully generational, projected with Scale BB Males: Set forward 5 years with multiplier of 120% Females: Set forward 5 years with multiplier of 120%			

Wyoming Retirement System assumes a 7.75% long term investment rate of return for its pension plans. The long term rate of return is determined through a 4.5% net real rate of return and an inflation rate of 3.25%. For the fiscal year ended December 31, 2014, WRS pension plans saw an annual money-weighted real rate of return, net of expenses, of 4.7% compared to the 4.5% expected rate of return.

The assumed asset allocation of the WRS pension plan portfolio, the long term expected rate of return for each asset class, and the expected rate of return is presented arithmetic and geometric below.

Asset Class	Sub-Asset Class	Target Allocation	30-Year Arithmetic Expected Real Return	Contribution to Total Fund Arithmetic Real Return	30-Year Geometric Expected Real Return	Contribution to Total Fund Geometric Real Return
Cash		2.50%	0.50%	0.01%	0.50%	0.01%
Fixed Income		15.00%	0.98%	0.15%	0.80%	0.12%
Equity		55.00%	6.66%	3.66%	5.26%	2.89%
	US Large Cap	25.00%	5.88%	1.47%	4.50%	1.13%
	Non-US (unhedged)	24.00%	6.86%	1.65%	5.00%	1.20%
	Emerging Markets	6.00%	9.14%	0.55%	6.25%	0.38%
Marketable Alternatives		15.50%	4.19%	0.65%	3.79%	0.59%
Private Markets		12.00%	7.13%	0.86%	5.76%	0.69%
	Private Equity	4.00%	9.60%	0.38%	6.50%	0.26%
	Private Debt	3.00%	6.61%	0.20%	5.00%	0.15%
	Private Real Assets	2.00%	6.83%	0.14%	4.50%	0.09%
	Real Estate (core)	3.00%	4.57%	0.14%	3.25%	0.10%
Total Plan (Real Return)		100.00%		5.33%		4.54%
Inflation Assumption				3.25%		3.25%
Total Plan (Nominal Return)				8.58%		7.79%

Discount Rate

The discount rate used to measure the total pension liability for all plans was 7.75%. The projection of cash flows used to determine the discount rate assumed contributions from participating employers will be made based on the actuarially determined rates based on the Board’s funding policy, which establishes the contractually required rates under Wyoming state statutes. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Plan	Single Discount Rate	Long-Term Expected Rate of Return	Long-Term Municipal Bond Rate	Last year ending December 31 in the 2014 to 2113 projection period for which projected benefit payments are fully funded
Public Employee Pension	7.75%	7.75%	3.65%	2113
Fire Pension A	4.47%	7.75%	3.65%	2026
Fire Pension B	7.75%	7.75%	3.65%	2113
Law Enforcement Pension	7.75%	7.75%	3.65%	2113

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.75%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.75%) or 1-percentage point higher (8.75%) than the current rate.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate			
Pension Plan	1.0% Decrease 6.75%	Current Discount Rate 7.75%	1.0% Increase 8.75%
Public Employee Pension	\$12,782,226	\$8,179,593	\$4,314,446
Fire Pension A	37,956,009	29,685,136	23,059,448
Fire Pension B	1,911,707	(144,597)	(422,376)
Law Enforcement Pension	2,472,586	708,135	(747,951)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued Wyoming Retirement System Comprehensive Annual Financial Report.

3. *Payables to the Pension Plans*

The City reported payables to Wyoming Retirement System at June 30, 2015 totaling \$231,854 and comprised of \$113,521 for the Public Employee Pension, \$53,784 for the Law Enforcement Pension, and \$64,549 for the Fire B Pension. The payables are short-term in nature and relate to the statutorily required contributions for June 2015 employee payroll.

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, 2011 to June 30, 2015:

Liability balance, June 30, 2011	\$ 369,658
Claims and changes in estimates	2,766,419
Claims payments	<u>(2,748,452)</u>
Liability balance, June 30, 2012	387,625
Claims and changes in estimates	3,141,298
Claims payments	<u>(3,083,403)</u>
Liability balance, June 30, 2013	445,520
Claims and changes in estimates	2,703,163
Claims payments	<u>(2,769,578)</u>
Liability balance, June 30, 2014	379,105
Claims and changes in estimates	4,313,097
Claims payments	<u>(4,178,356)</u>
Liability balance, June 30, 2015	<u>\$ 513,846</u>
Assets available to pay claims at June 30, 2015	<u>\$ 4,517,107</u>

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 December 15, 2015, the date the financial statements were available to be issued.

4.D ACCOUNTING CHANGES

Prior Period Adjustments – Governmental Funds

Prior to the fiscal year ended June 30, 2015, the City of Laramie reported a compensated absence liability in the governmental funds equal to 60 days of vacation and comp time used after fiscal year end. However, use of leave time involves no additional use of current financial resources unless employees actually receive a payout for unused leave. These payouts occur when employees separate from service. The prior recording of the compensated absence liability was incorrect. Governmental funds should only report a liability for compensated absences to the extent that there are pending payouts of unused leave owed to employees separated from active service as of the end of the reporting period. A prior period adjustment was recorded to adjust beginning fund balance.

General Fund

Fund Balance at 6/30/14	\$17,887,200
Adjustment to Compensated Absence Liability	<u>321,046</u>
Adjusted Net Position at 6/30/14	\$18,208,246

Recreation Center Fund

Fund Balance at 6/30/14	\$3,208,642
Adjustment to Compensated Absence Liability	<u>5,920</u>
Adjusted Net Position at 6/30/14	\$3,214,562

Prior Period Adjustments – Governmental Activities

The implementation of GASB Statement 68 required two prior period adjustments in governmental activities. One adjustment established the beginning balance of the proportionate share of the net pension liability, and the other adjustment recorded a beginning balance for deferred outflows of resources arising from contributions made subsequent to the measurement date of the beginning net pension liability.

Governmental Activities – Net Position at 6/30/14	\$100,828,293
Adjustment to Establish BB Net Pension Liability	(15,319,932)
Adjustment to Establish BB Deferred Outflows of Resources Related to Pensions	<u>777,258</u>
Adjusted Net Position at 6/30/14	\$ 86,285,619

Prior Period Adjustments – Business-type Activities

The implementation of GASB Statement 68 required two prior period adjustments in business-type activities. One adjustment established the beginning balance of the proportionate share of the net pension liability, and the other adjustment recorded a beginning balance for deferred outflows of resources arising from contributions made subsequent to the measurement date of the beginning net pension liability.

Business-Type Activities – Net Position at 6/30/14	\$122,331,559
Adjustment to Establish BB Net Pension Liability	(1,989,108)
Adjustment to Establish BB Deferred Outflows of Resources Related to Pensions	<u>133,528</u>
Adjusted Net Position at 6/30/14	\$120,475,979

Prior Period Adjustments – Proprietary Funds

The implementation of GASB Statement 68 required two prior period adjustments in proprietary funds. One adjustment established the beginning balance of the proportionate share of the net pension liability, and the other adjustment recorded a beginning balance for deferred outflows of resources arising from contributions made subsequent to the measurement date of the beginning net pension liability.

Water Enterprise Fund

Water Fund – Net Position at 6/30/14	\$ 74,231,655
Adjustment to Establish BB Net Pension Liability	(806,573)
Adjustment to Establish BB Deferred Outflows of Resources Related to Pensions	<u>54,145</u>
Adjusted Net Position at 6/30/14	\$ 73,479,227

Wastewater Enterprise Fund

Wastewater Fund – Net Position at 6/30/14	\$ 37,109,819
Adjustment to Establish BB Net Pension Liability	(559,686)
Adjustment to Establish BB Deferred Outflows of Resources Related to Pensions	<u>37,572</u>
Adjusted Net Position at 6/30/14	\$ 36,587,705

Solid Waste Enterprise Fund

Solid Waste Fund – Net Position at 6/30/14	\$ 10,990,085
Adjustment to Establish BB Net Pension Liability	(622,850)
Adjustment to Establish BB Deferred Outflows of Resources Related to Pensions	<u>41,812</u>
Adjusted Net Position at 6/30/14	\$ 10,409,047

4.E COMMITMENTS AND CONTINGENCIES*Contingencies*

As of June 30, 2015, there are two contingent claims that are pending or threatened against the City. Neither of these events require disclosure or recognition, given that losses are not reasonably possible at this time.

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	\$ 887,400	\$ -	\$ 887,400
Parks and recreation	226,305	17,500	243,805
Mosquito control	-	110,797	110,797
Police	-	5,664	5,664
Fire	36,500	4,000	40,500
Planning	-	35,942	35,942
General Government	198,950	360,353	559,303
Engineering	-	423,357	423,357
Capital Construction Fund	3,363,437	-	3,363,437
Specific Purpose Tax Fund	3,129,775	-	3,129,775
Non Major Funds	<u>-</u>	<u>323,410</u>	<u>323,410</u>
 Total Governmental Fund Commitments	 <u>7,842,367</u>	 <u>1,281,023</u>	 <u>9,123,390</u>
 Proprietary Funds:			
Water Fund	8,896,078	-	8,896,078
Waste Water Fund	8,110,661	-	8,110,661
Solid Waste Fund	<u>170,855</u>	<u>-</u>	<u>170,855</u>
 Total Proprietary Fund Commitments	 <u>17,177,594</u>	 <u>-</u>	 <u>17,177,594</u>
 Total Commitments	 <u>\$ 25,019,961</u>	 <u>\$ 1,281,023</u>	 <u>\$ 26,300,984</u>



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

**INDEX TO ILLUSTRATIVE
REQUIRED SUPPLEMENTARY INFORMATION**

A. REQUIRED SUPPLEMENTARY INFORMATION FOR PENSIONS

Schedule of the Proportionate Share of the Net Pension Liability

Public Employee Pension Plan

Fire A Pension Plan

Fire B Pension Plan

Law Enforcement Pension Plan

Schedule of Contributions

Public Employee Pension Plan

Fire B Pension Plan

Law Enforcement Pension Plan

B. BUDGETARY INFORMATION

Budgetary Comparison Statement - General Fund

Notes to Required Supplementary Information – Budgetary Comparisons

SCHEDULE OF THE CITY'S SHARE OF THE NET PENSION LIABILITY

Public Employee Pension Plan
Last 10 Fiscal Years*
(in thousands)

	2015
City's proportion of the net pension liability (asset)	0.464%
City's proportionate share of the net pension liability (asset)	<u>\$ 8,180</u>
City's covered-employee payroll	<u>\$ 8,210</u>
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	99.631%
Plan fiduciary net position as a percentage of the total pension liability	79.084%

*The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the City's fiscal year. Only one year of information is currently available.

SCHEDULE OF THE CITY'S SHARE OF THE NET PENSION LIABILITY**Fire A Pension Plan
Last 10 Fiscal Years*
(in thousands)**

	<u>2015</u>
City's proportion of the net pension liability (asset)	18.036%
City's proportionate share of the net pension liability (asset)	<u>\$ 29,685</u>
City's covered-employee payroll	<u>\$ -</u>
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A
Plan fiduciary net position as a percentage of the total pension liability	45.953%

*The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the City's fiscal year. Only one year of information is currently available.

SCHEDULE OF THE CITY'S SHARE OF THE NET PENSION LIABILITY

**Fire B Pension Plan
Last 10 Fiscal Years*
(in thousands)**

	<u>2015</u>
City's proportion of the net pension liability (asset)	12.857%
City's proportionate share of the net pension liability (asset)	<u>\$ (145)</u>
City's covered-employee payroll	<u>\$ 3,430</u>
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-4.216%
Plan fiduciary net position as a percentage of the total pension liability	100.978%

*The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the City's fiscal year. Only one year of information is currently available.

SCHEDULE OF THE CITY'S SHARE OF THE NET PENSION LIABILITY**Law Enforcement Pension Plan
Last 10 Fiscal Years*
(in thousands)**

	<u>2015</u>
City's proportion of the net pension liability (asset)	2.403%
City's proportionate share of the net pension liability (asset)	<u>\$ 708</u>
City's covered-employee payroll	<u>\$ 3,720</u>
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	19.036%
Plan fiduciary net position as a percentage of the total pension liability	94.762%

*The amounts presented for each fiscal year correspond with the Wyoming Retirement System measurement period, not the City's fiscal year. Only one year of information is currently available.

SCHEDULE OF CONTRIBUTIONS

**Public Employee Pension Plan
Last 10 Fiscal Years*
(in thousands)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 648	\$ 727	\$ 768	\$ 854	\$ 881	\$ 1,024	\$ 1,066	\$ 1,090	\$ 1,167	\$ 1,322
Contributions in relation to the contractually required contribution	<u>(648)</u>	<u>(727)</u>	<u>(768)</u>	<u>(854)</u>	<u>(881)</u>	<u>(1,024)</u>	<u>(1,066)</u>	<u>(1,090)</u>	<u>(1,167)</u>	<u>(1,322)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>					
City's covered-employee payroll	\$ 5,763	\$ 5,975	\$ 6,951	\$ 7,420	\$ 7,830	\$ 7,495	\$ 7,552	\$ 7,716	\$ 8,028	\$ 8,330
Contributions as a percentage of covered-employee payroll	11.25%	12.17%	11.05%	11.51%	11.25%	13.66%	14.12%	14.12%	14.54%	15.87%

*The amounts presented are for the City's fiscal year, not the Wyoming Retirement System measurement period, and include both the employee and employer's contributions.

SCHEDULE OF CONTRIBUTIONS**Fire B Pension Plan
Last 10 Fiscal Years*
(in thousands)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 371	\$ 422	\$ 451	\$ 587	\$ 622	\$ 643	\$ 690	\$ 703	\$ 710	\$ 735
Contributions in relation to the contractually required contribution	<u>(371)</u>	<u>(422)</u>	<u>(451)</u>	<u>(587)</u>	<u>(622)</u>	<u>(643)</u>	<u>(690)</u>	<u>(703)</u>	<u>(710)</u>	<u>(735)</u>
Contribution deficiency (excess)	<u>\$ -</u>									
City's covered-employee payroll	\$ 2,061	\$ 2,216	\$ 2,452	\$ 2,717	\$ 3,005	\$ 3,136	\$ 3,317	\$ 3,428	\$ 3,434	\$ 3,461
Contributions as a percentage of covered-employee payroll	17.99%	19.06%	18.41%	21.63%	20.69%	20.50%	20.80%	20.50%	20.69%	21.25%

*The amounts presented are for the City's fiscal year, not the Wyoming Retirement System measurement period, and include both the employee and employer's contributions.

SCHEDULE OF CONTRIBUTIONS**Law Enforcement Pension Plan
Last 10 Fiscal Years*
(in thousands)**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 505	\$ 555	\$ 579	\$ 592	\$ 613	\$ 572	\$ 603	\$ 627	\$ 629	\$ 646
Contributions in relation to the contractually required contribution	<u>(505)</u>	<u>(555)</u>	<u>(579)</u>	<u>(592)</u>	<u>(613)</u>	<u>(572)</u>	<u>(603)</u>	<u>(627)</u>	<u>(629)</u>	<u>(646)</u>
Contribution deficiency (excess)	<u>\$ -</u>									
City's covered-employee payroll	\$ 2,981	\$ 3,156	\$ 3,431	\$ 3,346	\$ 3,555	\$ 3,325	\$ 3,504	\$ 3,648	\$ 3,656	\$ 3,754
Contributions as a percentage of covered-employee payroll	16.93%	17.60%	16.87%	17.68%	17.23%	17.20%	17.20%	17.20%	17.20%	17.20%

*The amounts presented are for the City's fiscal year, not the Wyoming Retirement System measurement period, and include both the employee and employer's contributions.

BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
Taxes and special assessments	\$ 3,636,000	\$ 3,636,000	3,894,159	\$ 258,159
Licenses and permits	124,000	124,000	133,692	9,692
Intergovernmental	20,046,576	20,046,576	19,801,897	(244,679)
Charges for services	1,556,700	1,556,700	1,684,841	128,141
Fines and forfeitures	885,000	885,000	807,056	(77,944)
Investment income	47,000	47,000	55,556	8,556
Miscellaneous	627,461	627,461	90,090	(537,371)
Total Revenues	<u>26,922,737</u>	<u>26,922,737</u>	<u>26,467,291</u>	<u>(455,446)</u>
EXPENDITURES:				
General government				
Executive- City Manager	655,215	655,215	640,831	14,384
Administrative services (Finance, Utility Billing, Human Resources)	2,214,565	2,214,565	2,076,305	138,260
Judicial	362,093	370,193	320,277	49,916
Legal	516,631	516,631	515,328	1,303
Other general government	4,238,622	4,280,880	13,187,302	(8,906,422)
Public safety				
Police	7,541,433	7,565,076	6,839,955	725,121
Fire	6,568,236	6,627,556	5,538,752	1,088,804
Engineering and code administration	1,807,750	1,807,750	1,156,173	651,577
Health and welfare				
Animal control	505,619	505,619	440,613	65,006
Mosquito control	359,777	376,069	357,291	18,778
Highways and streets	5,048,613	5,080,130	2,885,942	2,194,188
Culture and recreation				
Parks	1,399,750	1,412,355	989,269	423,086
Recreation	893,418	908,732	779,639	129,093
Cemetery	561,934	562,149	390,870	171,279
Total Expenditures	<u>32,673,656</u>	<u>32,882,920</u>	<u>36,118,547</u>	<u>(3,235,627)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,750,919)</u>	<u>(5,960,183)</u>	<u>(9,651,256)</u>	<u>(3,691,073)</u>
OTHER FINANCING SOURCES (USES):				
Issuance of debt - capital leases	-	-	165,960	165,960
Operating transfers (out)	(727,820)	(739,118)	(3,520,628)	(2,781,510)
Operating transfers in	1,046,194	1,046,094	11,500,854	10,454,760
Total Other Financing Sources (Uses)	<u>318,374</u>	<u>306,976</u>	<u>8,146,186</u>	<u>7,839,210</u>
SPECIAL ITEM:				
Proceeds from sale of building	-	-	2,573,817	2,573,817
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(5,432,545)</u>	<u>(5,653,207)</u>	<u>1,068,747</u>	<u>6,721,954</u>
Fund balance - Beginning, as Restated	<u>18,208,246</u>	<u>18,208,246</u>	<u>18,208,246</u>	<u>-</u>
Fund balance - Ending	<u>\$ 12,775,701</u>	<u>\$ 12,555,039</u>	<u>\$ 19,276,993</u>	<u>\$ 6,721,954</u>

BUDGETARY COMPARISON STATEMENT
GENERAL FUND
For the Fiscal Year Ended June 30, 2015

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

Revenue:

Actual total revenue budgetary basis	\$ 26,467,291
Differences - Budget to GAAP	
Change in accrued interest receivable	5,944
Unrealized gains and losses on investments	436
Gain/loss on disposal	<u>2,620</u>

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 26,476,291</u>
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Expenditures:

Actual total expenditures budgetary basis	\$ 36,118,547
Differences - Budget to GAAP	
Vacation accruals	<u>(12,813)</u>

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$ 36,105,734</u>
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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISONS
June 30, 2015

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 FY 2015-2016 for the General Fund, Recreation Center Special Revenue Fund, Major Capital Construction Fund, Parks and Recreation Development Fund, Water Fund, Wastewater Fund, and Solid Waste 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 99. 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.

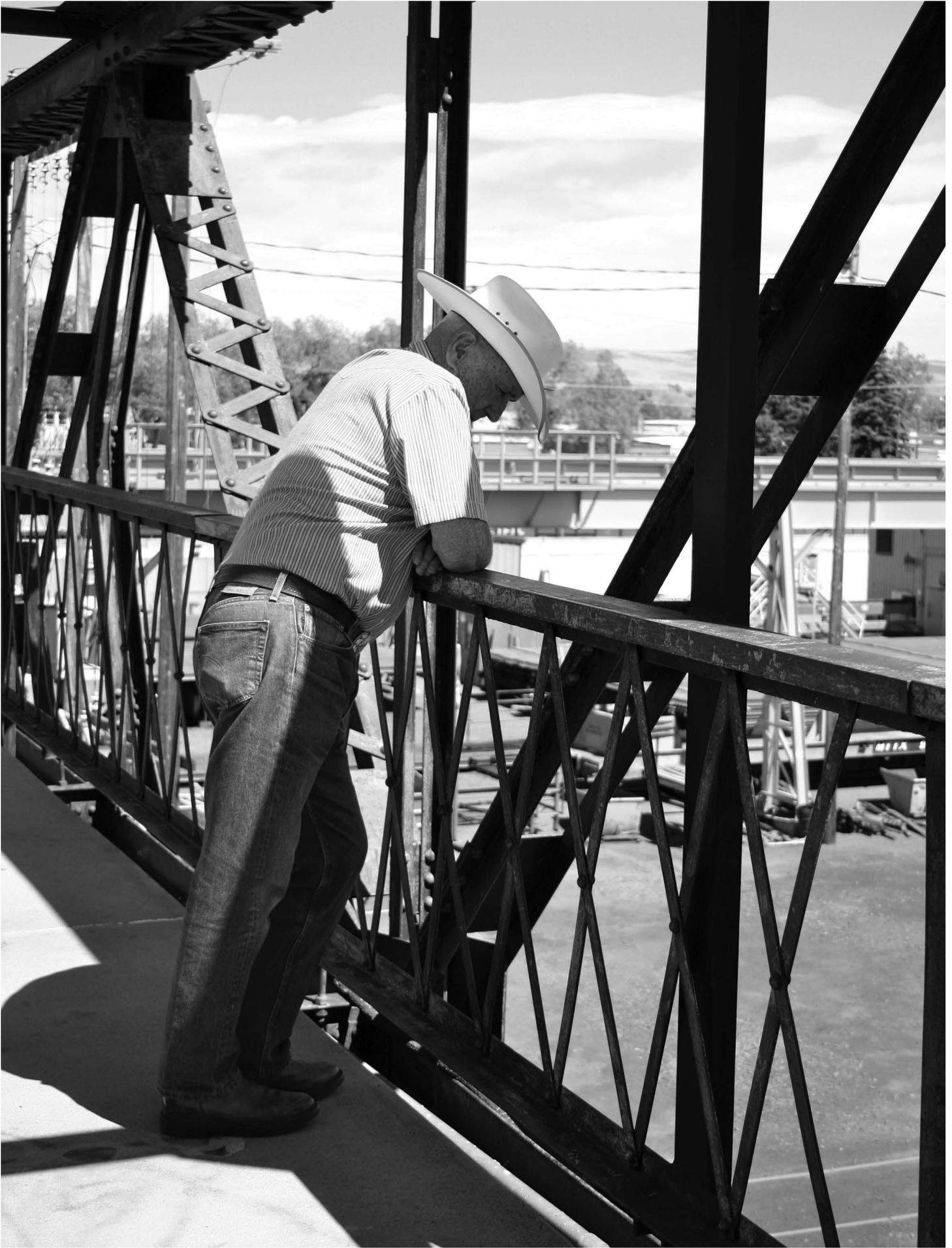
C. Excess of Expenditures over Appropriations

For the year ended June 30, 2015, there were no instances of excess of expenditures over appropriations.



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**COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS**

June 30, 2015

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Debt Service</u>	<u>Total</u>
	<u>Economic</u>	<u>Recreation</u>	<u>Emergency</u>	<u>Project Fund</u>	<u>Fund</u>	
	<u>Development</u>	<u>Center</u>	<u>911 fund</u>	<u>Parks and</u>	<u>Wyoming</u>	<u>Non-Major</u>
				<u>Recreation</u>	<u>Territorial</u>	<u>Governmental</u>
				<u>Development</u>	<u>Prison</u>	<u>Funds</u>
ASSETS						
Cash	\$ 96,181	\$ 1,064,457	\$ 1,107,806	\$ 439,201	\$ -	\$ 2,707,645
Investments	25,124	-	322,961	-	-	348,085
Prepaid Items	-	1,088	-	-	-	1,088
Receivables:						
Accounts, customer	17,455	33,378	-	-	-	50,833
Notes	60,166	-	-	-	-	60,166
Accrued interest	-	646	503	-	-	1,149
Operating	-	-	5,201	975	-	6,176
Grants	-	216	-	-	-	216
Restricted assets:						
Cash	3,021,535	-	-	-	-	3,021,535
Investments	-	2,634,698	-	-	-	2,634,698
Total Assets	<u>3,220,461</u>	<u>3,734,483</u>	<u>1,436,471</u>	<u>440,176</u>	<u>-</u>	<u>8,831,591</u>
Total Assets	<u>\$ 3,220,461</u>	<u>\$ 3,734,483</u>	<u>\$ 1,436,471</u>	<u>\$ 440,176</u>	<u>\$ -</u>	<u>\$ 8,831,591</u>
LIABILITIES						
Accounts payable	\$ 42,355	\$ 106,117	\$ 34,230	\$ 46,737	\$ -	\$ 229,439
Unearned revenue	508,849	230,576	-	78,244	-	817,669
Accrued vacation and compensatory time	-	-	-	-	-	-
Total Liabilities	<u>551,204</u>	<u>336,693</u>	<u>34,230</u>	<u>124,981</u>	<u>-</u>	<u>1,047,108</u>
FUND BALANCES						
Nonspendable	-	2,635,786	-	-	-	2,635,786
Restricted	2,669,257	28,997	-	315,195	-	3,013,449
Committed	-	8,215	-	-	-	8,215
Assigned	-	724,792	1,402,241	-	-	2,127,033
Total Fund Balances	<u>2,669,257</u>	<u>3,397,790</u>	<u>1,402,241</u>	<u>315,195</u>	<u>-</u>	<u>7,784,483</u>
Total Liabilities and Fund Balances	<u>\$ 3,220,461</u>	<u>\$ 3,734,483</u>	<u>\$ 1,436,471</u>	<u>\$ 440,176</u>	<u>\$ -</u>	<u>\$ 8,831,591</u>

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

For the Fiscal Year Ended June 30, 2015

	<u>Special Revenue Funds</u>			<u>Capital</u>	<u>Debt Service</u>	<u>Total</u>
	<u>Economic</u>	<u>Recreation</u>	<u>Emergency</u>	<u>Project Fund</u>	<u>Fund</u>	
	<u>Development</u>	<u>Center</u>	<u>911 Fund</u>	<u>Parks and</u>	<u>Wyoming</u>	<u>Non-Major</u>
				<u>Recreation</u>	<u>Territorial</u>	<u>Governmental</u>
				<u>Development</u>	<u>Prison</u>	<u>Funds</u>
REVENUES:						
Intergovernmental	\$ -	\$ 229,286	\$ 269,445	\$ 167,218	\$ -	\$ 665,949
Charges for services	-	1,074,265	-	-	-	1,074,265
Investment income	5,712	12,978	6,203	134	98,967	123,994
Miscellaneous	<u>174,718</u>	<u>-</u>	<u>-</u>	<u>48,975</u>	<u>-</u>	<u>223,693</u>
Total Revenues	<u>180,430</u>	<u>1,316,529</u>	<u>275,648</u>	<u>216,327</u>	<u>98,967</u>	<u>2,087,901</u>
EXPENDITURES:						
Current operating:						
General government	245,399	-	-	-	-	245,399
Public safety	-	-	87,305	-	-	87,305
Culture and recreation	-	1,611,202	-	-	-	1,611,202
Capital outlay	-	14,422	-	77,579	-	92,001
Debt service:						
Principal retirement	-	17,794	-	-	-	17,794
Interest	<u>-</u>	<u>11,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,203</u>
Total Expenditures	<u>245,399</u>	<u>1,654,621</u>	<u>87,305</u>	<u>77,579</u>	<u>-</u>	<u>2,064,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(64,969)</u>	<u>(338,092)</u>	<u>188,343</u>	<u>138,748</u>	<u>98,967</u>	<u>22,997</u>
OTHER FINANCING SOURCES AND (USES):						
Issuance of debt	518,375	-	-	-	-	518,375
Transfers in	2,992,808	521,320	-	6,500	-	3,520,628
Transfers (out)	<u>(954,868)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10,095,767)</u>	<u>(11,050,635)</u>
Total Other Financing Sources and (Uses)	<u>2,556,315</u>	<u>521,320</u>	<u>-</u>	<u>6,500</u>	<u>(10,095,767)</u>	<u>(7,011,632)</u>
Net Change in Fund Balance	2,491,346	183,228	188,343	145,248	(9,996,800)	(6,988,635)
Fund Balances - Beginning, as Restated	<u>177,911</u>	<u>3,214,562</u>	<u>1,213,898</u>	<u>169,947</u>	<u>9,996,800</u>	<u>14,773,118</u>
Fund Balances - Ending	<u>\$ 2,669,257</u>	<u>\$ 3,397,790</u>	<u>\$ 1,402,241</u>	<u>\$ 315,195</u>	<u>\$ -</u>	<u>\$ 7,784,483</u>



BUDGETARY COMPARISON STATEMENT
SPECIFIC PURPOSE TAX FUND
For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 3,010,000	\$ 3,010,000	\$ 3,571,264	\$ 561,264
Investment income	500	500	2,026	1,526
Total Revenues	<u>3,010,500</u>	<u>3,010,500</u>	<u>3,573,290</u>	<u>562,790</u>
EXPENDITURES:				
Capital outlay	6,719,613	6,719,613	2,106,730	4,612,883
Debt service				
Principal	1,950,000	1,950,000	1,950,000	-
Interest	<u>428,375</u>	<u>428,375</u>	<u>428,375</u>	<u>-</u>
Total Expenditures	<u>9,097,988</u>	<u>9,097,988</u>	<u>4,485,105</u>	<u>4,612,883</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,087,488)</u>	<u>(6,087,488)</u>	<u>(911,815)</u>	<u>5,175,673</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	200,000	200,000	-	(200,000)
Transfers out	-	<u>(239,449)</u>	<u>(239,449)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>200,000</u>	<u>(39,449)</u>	<u>(239,449)</u>	<u>(200,000)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(5,887,488)</u>	<u>(6,126,937)</u>	<u>(1,151,264)</u>	<u>4,975,673</u>
Fund balance - Beginning	<u>9,912,486</u>	<u>9,912,486</u>	<u>9,912,486</u>	<u>-</u>
Fund balance - Ending	<u>\$ 4,024,998</u>	<u>\$ 3,785,549</u>	<u>\$ 8,761,222</u>	<u>\$ 4,975,673</u>

BUDGETARY COMPARISON STATEMENT
WYOMING TERRITORIAL PRISON DEBT SERVICE FUND
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Investment income	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>	<u>\$ 98,967</u>	<u>\$ (9,901,033)</u>
Total Revenues	<u>10,000,000</u>	<u>10,000,000</u>	<u>98,967</u>	<u>(9,901,033)</u>
EXPENDITURES:				
General government	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>(10,000,000)</u>
Total Expenditures	<u>10,000,000</u>	<u>10,000,000</u>	<u>-</u>	<u>(10,000,000)</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>98,967</u>	<u>98,967</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>-</u>	<u>-</u>	<u>(10,095,767)</u>	<u>(10,095,767)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(10,095,767)</u>	<u>(10,095,767)</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(9,996,800)</u>	<u>(9,996,800)</u>
Fund balance - Beginning	<u>9,996,800</u>	<u>9,996,800</u>	<u>9,996,800</u>	<u>-</u>
Fund balance - Ending	<u>\$ 9,996,800</u>	<u>\$ 9,996,800</u>	<u>\$ -</u>	<u>\$ (9,996,800)</u>

BUDGETARY COMPARISON STATEMENT
CAPITAL CONSTRUCTION FUND
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 17,723,191	\$ 17,723,191	\$ 5,152,598	\$ (12,570,593)
Investment income	-	-	5,151	5,151
Miscellaneous	<u>1,588,712</u>	<u>1,588,712</u>	<u>922,964</u>	<u>(665,748)</u>
Total Revenues	<u>19,311,903</u>	<u>19,311,903</u>	<u>6,080,713</u>	<u>(13,231,190)</u>
EXPENDITURES:				
Capital outlay	<u>24,567,469</u>	<u>28,744,383</u>	<u>8,662,928</u>	<u>20,081,455</u>
Total Expenditures	<u>24,567,469</u>	<u>28,744,383</u>	<u>8,662,928</u>	<u>20,081,455</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,255,566)</u>	<u>(9,432,480)</u>	<u>(2,582,215)</u>	<u>6,850,265</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>1,223,949</u>	<u>1,223,949</u>	<u>1,742,324</u>	<u>518,375</u>
Total Other Financing Sources (Uses)	<u>1,223,949</u>	<u>1,223,949</u>	<u>1,742,324</u>	<u>518,375</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(4,031,617)</u>	<u>(8,208,531)</u>	<u>(839,891)</u>	<u>7,368,640</u>
Fund balance - Beginning	<u>6,610,081</u>	<u>6,610,081</u>	<u>6,610,081</u>	<u>-</u>
Fund balance - Ending	<u>\$ 2,578,464</u>	<u>\$ (1,598,450)</u>	<u>\$ 5,770,190</u>	<u>\$ 7,368,640</u>

BUDGETARY COMPARISON STATEMENT
ECONOMIC DEVELOPMENT FUND
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	(Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
Investment income	\$ 50	\$ 50	\$ 5,712	\$ 5,662
Miscellaneous income	<u>55,500</u>	<u>55,500</u>	<u>174,718</u>	<u>119,218</u>
Total Revenues	<u>55,550</u>	<u>55,550</u>	<u>180,430</u>	<u>124,880</u>
EXPENDITURES:				
General government	<u>78,029</u>	<u>255,529</u>	<u>245,399</u>	<u>10,130</u>
Total Expenditures	<u>78,029</u>	<u>255,529</u>	<u>245,399</u>	<u>10,130</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,479)</u>	<u>(199,979)</u>	<u>(64,969)</u>	<u>135,010</u>
OTHER FINANCING SOURCES (USES):				
Issuance of debt	518,375	518,375	518,375	-
Transfers in	-	-	2,992,808	2,992,808
Transfers out	<u>(17,500)</u>	<u>(17,500)</u>	<u>(954,868)</u>	<u>(937,368)</u>
Total other financing sources (uses)	<u>500,875</u>	<u>500,875</u>	<u>2,556,315</u>	<u>2,055,440</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>478,396</u>	<u>300,896</u>	<u>2,491,346</u>	<u>2,190,450</u>
Fund balance - Beginning	<u>177,911</u>	<u>177,911</u>	<u>177,911</u>	<u>-</u>
Fund balance - Ending	<u>\$ 656,307</u>	<u>\$ 478,807</u>	<u>\$ 2,669,257</u>	<u>\$ 2,190,450</u>

BUDGETARY COMPARISON STATEMENT
RECREATION CENTER FUND
For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 229,875	\$ 229,875	\$ 229,286	\$ (589)
Investment income	5,000	5,000	12,978	7,978
Charges for services	1,053,500	1,053,500	1,074,265	20,765
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total Revenues	<u>1,289,375</u>	<u>1,289,375</u>	<u>1,316,529</u>	<u>27,154</u>
EXPENDITURES:				
Culture and recreation	1,722,252	1,734,461	1,611,279	123,182
Capital outlay	52,850	52,850	14,422	38,428
Debt service				-
Principal	17,069	17,069	17,794	(725)
Interest	<u>11,928</u>	<u>11,928</u>	<u>11,203</u>	<u>725</u>
Total Expenditures	<u>1,804,099</u>	<u>1,816,308</u>	<u>1,654,698</u>	<u>161,610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(514,724)</u>	<u>(526,933)</u>	<u>(338,169)</u>	<u>188,764</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>521,320</u>	<u>521,320</u>	<u>521,320</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>521,320</u>	<u>521,320</u>	<u>521,320</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>6,596</u>	<u>(5,613)</u>	<u>183,151</u>	<u>188,764</u>
Fund balance - Beginning, as Restated	<u>3,214,562</u>	<u>3,214,562</u>	<u>3,214,562</u>	<u>-</u>
Fund balance - Ending	<u>\$ 3,221,158</u>	<u>\$ 3,208,949</u>	<u>\$ 3,397,713</u>	<u>\$ 188,764</u>

BUDGETARY COMPARISON STATEMENT
EMERGENCY 911 FUND
 For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES:				
Intergovernmental	\$ 285,000	\$ 285,000	\$ 269,445	\$ (15,555)
Investment income	<u>1,500</u>	<u>1,500</u>	<u>6,203</u>	<u>4,703</u>
Total Revenues	<u>286,500</u>	<u>286,500</u>	<u>275,648</u>	<u>(10,852)</u>
EXPENDITURES:				
Public safety	<u>127,150</u>	<u>127,150</u>	<u>87,305</u>	<u>39,845</u>
Total Expenditures	<u>127,150</u>	<u>127,150</u>	<u>87,305</u>	<u>39,845</u>
Excess (deficiency) of revenues over (under) expenditures	<u>159,350</u>	<u>159,350</u>	<u>188,343</u>	<u>28,993</u>
Fund balance - Beginning	<u>1,213,898</u>	<u>1,213,898</u>	<u>1,213,898</u>	<u>-</u>
Fund balance - Ending	<u>\$ 1,373,248</u>	<u>\$ 1,373,248</u>	<u>\$ 1,402,241</u>	<u>\$ 28,993</u>

**BUDGETARY COMPARISON STATEMENT
PARKS AND RECREATION DEVELOPMENT FUND**

For the Fiscal Year Ended June 30, 2015

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Intergovernmental	\$ 157,470	\$ 157,470	\$ 167,218	\$ 9,748
Investment income	-	-	134	134
Miscellaneous	<u>1,200</u>	<u>1,200</u>	<u>48,975</u>	<u>47,775</u>
Total Revenues	<u>158,670</u>	<u>158,670</u>	<u>216,327</u>	<u>57,657</u>
EXPENDITURES:				
Culture and recreation	27,500	27,500	33,331	(5,831)
Capital outlay	<u>286,157</u>	<u>368,877</u>	<u>44,248</u>	<u>324,629</u>
Total Expenditures	<u>313,657</u>	<u>396,377</u>	<u>77,579</u>	<u>318,798</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(154,987)</u>	<u>(237,707)</u>	<u>138,748</u>	<u>376,455</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	-
Total Other Financing Sources (Uses)	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	<u>(148,487)</u>	<u>(231,207)</u>	<u>145,248</u>	<u>376,455</u>
Fund balance - Beginning	<u>169,947</u>	<u>169,947</u>	<u>169,947</u>	-
Fund balance - Ending	<u>\$ 21,460</u>	<u>\$ (61,260)</u>	<u>\$ 315,195</u>	<u>\$ 376,455</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.

SECTION 1: FINANCIAL TRENDS INFORMATION**NET ASSETS/NET POSITION BY COMPONENT**

Last Ten Fiscal Years (1)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Governmental activities					
Net investment in capital assets	\$ 38,884,805	\$ 41,790,914	\$ 33,151,731	\$ 43,391,849	\$ 50,125,029
Restricted	16,393,849	12,123,210	26,639,695	27,050,432	26,075,342
Unrestricted	<u>12,941,985</u>	<u>17,141,553</u>	<u>21,297,756</u>	<u>20,516,509</u>	<u>21,727,591</u>
Total governmental activities					
Net assets/net position	<u>\$ 68,220,639</u>	<u>\$ 71,055,677</u>	<u>\$ 81,089,182</u>	<u>\$ 90,958,790</u>	<u>\$ 97,927,962</u>
Business-type activities					
Net investment in capital assets	\$ 33,540,229	\$ 44,717,590	\$ 48,455,389	\$ 52,083,366	\$ 57,522,786
Restricted	-	-	-	317,287	779,744
Unrestricted	<u>10,319,534</u>	<u>13,636,224</u>	<u>17,791,445</u>	<u>15,792,004</u>	<u>17,585,909</u>
Total business-type activities	<u>\$ 43,859,763</u>	<u>\$ 58,353,814</u>	<u>\$ 66,246,834</u>	<u>\$ 68,192,657</u>	<u>\$ 75,888,439</u>
Primary Government					
Net investment in capital assets	\$ 72,425,034	\$ 86,508,504	\$ 81,607,120	\$ 95,475,215	\$107,647,815
Restricted	16,393,849	12,123,210	26,639,695	27,367,719	26,855,086
Unrestricted	<u>23,261,519</u>	<u>30,777,777</u>	<u>39,089,201</u>	<u>36,308,513</u>	<u>39,313,500</u>
Total primary government	<u>\$112,080,402</u>	<u>\$129,409,491</u>	<u>\$147,336,016</u>	<u>\$159,151,447</u>	<u>\$173,816,401</u>

Notes:

- (1) Fiscal years 2013 and after are presented in accordance with GASB 63.
(2) Fiscal years 2015 and after are presented in accordance with GASB 68.

<u>2011</u>	<u>2012</u>	<u>2013 (1)</u>	<u>2014</u>	<u>2015 (2)</u>
\$ 32,997,484	\$ 43,607,791	\$ 46,011,879	\$ 48,567,860	\$ 62,074,674
47,871,169	40,142,898	34,668,849	30,011,751	12,878,076
<u>21,377,399</u>	<u>20,414,863</u>	<u>21,810,134</u>	<u>22,248,682</u>	<u>(2,837,681)</u>
<u>\$102,246,052</u>	<u>\$104,165,552</u>	<u>\$102,490,862</u>	<u>\$100,828,293</u>	<u>\$ 72,115,069</u>
\$ 60,172,117	\$ 63,574,084	\$ 68,567,110	\$ 82,733,113	\$ 86,252,155
779,744	3,738,630	3,966,985	3,433,271	6,023,661
<u>22,379,158</u>	<u>24,504,199</u>	<u>30,579,641</u>	<u>36,165,175</u>	<u>34,907,526</u>
<u>\$ 83,331,019</u>	<u>\$ 91,816,913</u>	<u>\$103,113,736</u>	<u>\$122,331,559</u>	<u>\$127,183,342</u>
\$ 93,169,601	\$107,181,875	\$114,578,989	\$131,300,973	\$148,326,829
48,650,913	43,881,528	38,635,834	33,445,022	18,901,737
<u>43,756,557</u>	<u>44,919,062</u>	<u>52,389,775</u>	<u>58,413,857</u>	<u>32,069,845</u>
<u>\$185,577,071</u>	<u>\$195,982,465</u>	<u>\$205,604,598</u>	<u>\$223,159,852</u>	<u>\$199,298,411</u>

CHANGES IN NET ASSETS/NET POSITION

Last Ten Fiscal Years (1)

	2006	2007	2008	2009	2010
Expenses					
Governmental activities					
Executive-City Manager	\$ 423,091	\$ 449,172	\$ 349,741	\$ 451,267	\$ 443,020
Administrative services	1,267,246	1,602,031	1,614,403	1,706,795	1,683,960
Judicial	252,871	406,871	305,086	318,626	302,052
Legal	208,313	235,608	247,994	284,098	285,520
General government	4,921,879	5,063,200	5,638,682	1,393,602	6,801,990
Police	6,011,027	6,248,176	6,686,404	7,165,048	6,885,221
Fire	4,044,488	4,231,843	4,477,800	4,901,561	5,005,985
Engineering	739,230	891,698	1,125,564	1,020,006	1,042,825
Highways and streets	3,224,586	3,360,767	4,758,799	5,561,309	3,878,835
Animal control	293,262	340,783	369,047	377,798	378,571
Mosquito control	236,620	256,408	267,558	284,303	287,767
Parks	826,351	926,471	1,565,351	1,362,942	1,003,754
Recreation	2,355,457	2,363,886	2,475,019	2,737,026	2,627,080
Cemetery	142,233	187,409	231,371	272,797	278,295
Interest on long-term debt	559,368	482,963	532,592	388,593	330,786
Total general governmental activities expenses	<u>25,506,022</u>	<u>27,047,286</u>	<u>30,645,411</u>	<u>28,225,771</u>	<u>31,235,661</u>
Business-type activities					
Water	4,650,288	4,267,022	5,133,752	5,392,790	5,135,172
Waste water	2,485,331	2,417,312	2,419,977	3,349,373	2,733,250
Solid waste	1,513,198	2,159,998	1,802,237	2,307,135	1,835,066
Total business-type activities expenses	<u>8,648,817</u>	<u>8,844,332</u>	<u>9,355,966</u>	<u>11,049,298</u>	<u>9,703,488</u>
Total primary government expenses	<u>\$ 34,154,839</u>	<u>\$ 35,891,618</u>	<u>\$ 40,001,377</u>	<u>\$ 39,275,069</u>	<u>\$ 40,939,149</u>
Program revenues					
Governmental activities					
Charges for services					
Police	\$ 1,167,176	\$ 1,245,216	\$ 973,372	\$ 1,211,293	\$ 1,244,280
Fire	899,055	987,114	987,756	1,288,042	1,046,826
Engineering	760,946	793,637	1,270,589	937,365	690,400
Recreation	1,321,170	1,018,092	1,257,093	1,332,157	1,345,059
Other activities	524,960	683,902	477,259	575,108	526,555
Operating grants and contributions	1,798,893	1,120,026	1,247,624	1,234,991	1,278,612
Capital grants and contributions	390,477	2,428,705	2,199,234	2,590,527	3,803,835
Total governmental activities program revenues	<u>6,862,677</u>	<u>8,276,692</u>	<u>8,412,927</u>	<u>9,169,483</u>	<u>9,935,567</u>
Business-type activities					
Charges for services					
Water	5,290,909	5,866,751	6,428,443	5,985,899	6,166,621
Waste water	4,044,857	4,284,394	4,183,500	3,797,171	4,001,808
Solid waste	1,904,587	1,924,591	2,075,699	2,213,056	2,218,972
Capital grants and contributions	112,848	679,048	3,874,851	1,562,303	5,466,197
Total business-type activities program revenues	<u>11,353,201</u>	<u>12,754,784</u>	<u>16,562,493</u>	<u>13,558,429</u>	<u>17,853,598</u>
Total primary government program revenues	<u>\$ 18,215,878</u>	<u>\$ 21,031,476</u>	<u>\$ 24,975,420</u>	<u>\$ 22,727,912</u>	<u>\$ 27,789,165</u>

<u>2011</u>	<u>2012</u>	<u>2013 (1)</u>	<u>2014</u>	<u>2015 (2)</u>
\$ 474,161	\$ 540,309	\$ 513,424	\$ 546,395	\$ 660,797
1,656,587	1,658,157	1,686,014	1,905,150	2,191,086
297,656	295,681	312,825	318,549	330,162
292,007	295,158	351,036	446,873	527,215
5,462,306	10,636,199	7,501,315	6,696,931	11,006,009
6,438,464	6,873,667	7,077,980	6,962,074	7,177,679
4,969,733	5,408,803	6,154,233	5,900,156	24,638,951
1,013,440	1,092,003	934,729	1,027,794	1,201,421
3,988,560	4,541,738	4,550,807	4,235,937	4,881,952
382,283	394,505	407,794	420,204	473,913
254,118	371,254	274,249	399,663	369,569
1,138,147	1,253,047	1,180,285	1,266,286	1,352,105
2,539,949	2,690,250	2,731,009	2,890,082	2,891,468
314,339	283,812	271,391	305,779	346,837
<u>561,621</u>	<u>543,731</u>	<u>573,487</u>	<u>467,829</u>	<u>480,832</u>
<u>29,783,371</u>	<u>36,878,314</u>	<u>34,520,578</u>	<u>33,789,702</u>	<u>58,529,996</u>
5,489,684	5,593,830	6,422,539	5,466,871	5,936,468
2,586,630	3,093,020	2,634,834	2,908,994	3,127,732
<u>2,405,080</u>	<u>2,085,724</u>	<u>2,292,220</u>	<u>2,731,142</u>	<u>3,945,304</u>
<u>10,481,394</u>	<u>10,772,574</u>	<u>11,349,593</u>	<u>11,107,007</u>	<u>13,009,504</u>
<u>\$ 40,264,765</u>	<u>\$ 47,650,888</u>	<u>\$ 45,870,171</u>	<u>\$ 44,896,709</u>	<u>\$ 71,539,500</u>
\$ 1,157,125	\$ 1,195,029	\$ 1,122,939	\$ 1,120,313	\$ 1,078,683
1,071,644	1,061,075	1,131,251	1,137,745	1,025,796
748,689	732,249	708,478	1,067,949	761,035
1,432,498	1,470,399	1,580,949	1,470,709	1,348,936
565,138	731,272	740,919	740,850	765,130
1,220,772	1,332,452	1,461,981	1,314,117	1,003,881
<u>3,139,098</u>	<u>2,635,063</u>	<u>2,772,014</u>	<u>3,375,302</u>	<u>9,468,203</u>
<u>9,334,964</u>	<u>9,157,539</u>	<u>9,518,531</u>	<u>10,226,985</u>	<u>15,451,664</u>
7,558,798	9,238,455	9,361,012	8,683,198	8,695,816
4,769,968	5,246,558	5,272,104	5,268,205	5,368,570
2,213,178	2,698,185	3,016,692	3,622,031	3,614,473
<u>4,149,406</u>	<u>381,921</u>	<u>682,328</u>	<u>4,446,294</u>	<u>3,639,502</u>
<u>18,691,350</u>	<u>17,565,119</u>	<u>18,332,136</u>	<u>22,019,728</u>	<u>21,318,361</u>
<u>\$ 28,026,314</u>	<u>\$ 26,722,658</u>	<u>\$ 27,850,667</u>	<u>\$ 32,246,713</u>	<u>\$ 36,770,025</u>

(Continued)

CHANGES IN NET ASSETS/NET POSITION

Last Ten Fiscal Years (1)

(Continued)

	2006	2007	2008	2009	2010
Net (Expenses)/Revenue					
Governmental activities	\$ (18,643,345)	\$ (18,770,594)	\$ (22,232,484)	\$ (19,056,288)	\$ (21,300,094)
Business-type activities	<u>2,704,384</u>	<u>3,910,452</u>	<u>7,206,527</u>	<u>2,509,131</u>	<u>8,150,110</u>
Total primary government net expense	<u>\$ (15,938,961)</u>	<u>\$ (14,860,142)</u>	<u>\$ (15,025,957)</u>	<u>\$ (16,547,157)</u>	<u>\$ (13,149,984)</u>
General revenues and other changes in net assets/net position					
Governmental activities:					
Taxes					
Property taxes	\$ 1,677,224	\$ 1,648,015	\$ 2,036,893	\$ 2,091,672	\$ 2,124,989
Franchise taxes	1,316,267	1,291,776	1,311,916	1,395,604	1,437,991
Shared Intergovernmental Revenue					
Sales and use taxes	13,345,828	14,927,076	14,016,540	13,273,325	12,516,164
Gas and fuel taxes	531,782	632,511	613,859	523,083	553,360
Mineral and severance taxes	4,812,439	5,870,731	7,952,882	7,514,647	7,267,137
Other taxes	-	-	-	-	-
Investment earnings	918,449	2,074,789	2,184,370	1,335,830	1,173,415
Miscellaneous income	6,132,521	3,675,489	2,768,552	2,503,302	2,622,494
Special items	-	-	-	-	-
Transfers	<u>365,640</u>	<u>(9,966,996)</u>	<u>(82,566)</u>	<u>351,625</u>	<u>573,716</u>
Total governmental activities	<u>29,100,150</u>	<u>20,153,391</u>	<u>30,802,446</u>	<u>28,989,088</u>	<u>28,269,266</u>
Business-type activities					
Investment earnings	322,796	769,147	603,926	(211,682)	119,385
Transfers	<u>(365,640)</u>	<u>9,966,996</u>	<u>82,566</u>	<u>(351,625)</u>	<u>(573,716)</u>
Total business-type activities	<u>(42,844)</u>	<u>10,736,143</u>	<u>686,492</u>	<u>(563,307)</u>	<u>(454,331)</u>
Total primary government	<u>\$ 29,057,306</u>	<u>\$ 30,889,534</u>	<u>\$ 31,488,938</u>	<u>\$ 28,425,781</u>	<u>\$ 27,814,935</u>
Change in net assets/net position					
Governmental activities	\$ 10,456,805	\$ 1,382,797	\$ 8,569,962	\$ 9,932,800	\$ 6,969,172
Business-type activities	<u>2,661,540</u>	<u>14,646,595</u>	<u>7,893,019</u>	<u>1,945,824</u>	<u>7,695,779</u>
Total primary government	<u>\$ 13,118,345</u>	<u>\$ 16,029,392</u>	<u>\$ 16,462,981</u>	<u>\$ 11,878,624</u>	<u>\$ 14,664,951</u>

Notes:

- (1) Fiscal years 2013 and after are presented in accordance with GASB 63.
(2) (2) FY 2015 and after are presented in accordance with GASB 68.

<u>2011</u>	<u>2012</u>	<u>2013 (1)</u>	<u>2014</u>	<u>2015 (2)</u>
<u>\$(20,448,407)</u>	<u>\$(27,720,775)</u>	<u>\$(25,002,047)</u>	<u>\$(23,562,717)</u>	<u>\$(43,078,332)</u>
<u>8,209,956</u>	<u>6,792,545</u>	<u>6,982,543</u>	<u>10,912,721</u>	<u>8,308,857</u>
<u>\$(12,238,451)</u>	<u>\$(20,928,230)</u>	<u>\$(18,019,504)</u>	<u>\$(12,649,996)</u>	<u>\$(34,769,475)</u>
\$ 2,220,558	\$ 2,301,308	\$ 2,379,684	\$ 2,204,237	\$ 2,240,721
1,462,641	1,528,697	1,592,726	1,622,207	1,638,326
10,498,815	17,406,537	12,135,400	12,620,398	9,866,171
568,385	581,749	627,299	984,278	1,050,767
5,641,783	6,442,759	5,621,660	7,409,857	6,672,269
-	-	-	458,293	561,844
604,881	657,893	94,560	261,496	320,176
2,878,225	3,476,093	4,866,078	3,826,291	4,810,668
-	-	-	497,290	-
<u>889,073</u>	<u>(2,754,761)</u>	<u>(3,990,050)</u>	<u>(7,984,199)</u>	<u>1,746,840</u>
<u>24,764,361</u>	<u>29,640,275</u>	<u>23,327,357</u>	<u>21,900,148</u>	<u>28,907,782</u>
121,694	356,237	324,230	320,903	145,346
<u>(889,073)</u>	<u>2,754,761</u>	<u>3,990,050</u>	<u>7,984,199</u>	<u>(1,746,840)</u>
<u>(767,379)</u>	<u>3,110,998</u>	<u>4,314,280</u>	<u>8,305,102</u>	<u>(1,601,494)</u>
<u>\$ 23,996,982</u>	<u>\$ 32,751,273</u>	<u>\$ 27,641,637</u>	<u>\$ 30,205,250</u>	<u>\$ 27,306,288</u>
\$ 4,315,954	\$ 1,919,500	\$ (1,674,690)	\$ (1,662,569)	\$(14,170,550)
<u>7,442,577</u>	<u>9,903,543</u>	<u>11,296,823</u>	<u>19,217,823</u>	<u>6,707,363</u>
<u>\$ 11,758,531</u>	<u>\$ 11,823,043</u>	<u>\$ 9,622,133</u>	<u>\$ 17,555,254</u>	<u>\$ (7,463,187)</u>

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years (1)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General fund					
Reserved	\$ -	\$ -	\$ -	\$ 273,344	\$ 216,861
Unreserved	<u>11,107,879</u>	<u>15,374,284</u>	<u>17,320,437</u>	<u>16,722,338</u>	<u>17,532,149</u>
General fund					
Nonspendable					
Restricted					
Committed					
Assigned					
Unassigned					
Total general fund	<u>\$ 11,107,879</u>	<u>\$ 15,374,284</u>	<u>\$ 17,320,437</u>	<u>\$ 16,995,682</u>	<u>\$ 17,749,010</u>
All other governmental funds					
Unreserved	\$ 1,439,905	\$ 1,671,269	\$ 2,144,434	\$ 1,354,294	\$ 1,598,859
Reserved					
Special revenue funds	2,002,100	2,002,100	2,217,003	11,985,111	2,285,941
Capital project funds	7,888,749	12,115,364	16,506,692	6,237,277	8,104,774
Debt service funds	<u>6,503,000</u>	<u>6,934,400</u>	<u>7,916,000</u>	<u>8,554,700</u>	<u>15,467,766</u>
All other governmental funds					
Nonspendable					
Restricted					
Committed					
Assigned					
Unassigned					
Total other governmental funds	<u>\$ 17,833,754</u>	<u>\$ 22,723,133</u>	<u>\$ 28,784,129</u>	<u>\$ 28,131,382</u>	<u>\$ 27,457,340</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>2011 (2)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ -	\$ 23,685	\$ 39,262	\$ 35,756	\$ 32,401
1,566,366	259,023	486,013	596,340	1,403,969
762,344	1,739,932	1,731,412	360,439	988,921
8,738,752	7,271,857	6,111,900	8,810,522	7,089,887
<u>7,081,964</u>	<u>8,634,701</u>	<u>9,051,507</u>	<u>8,405,189</u>	<u>9,783,628</u>
<u>\$ 18,149,426</u>	<u>\$ 17,929,198</u>	<u>\$ 17,420,094</u>	<u>\$ 18,208,246</u>	<u>\$ 19,298,806</u>

\$ 2,351,692	\$ 2,786,643	\$ 2,902,843	\$ 2,608,306	\$ 2,635,786
41,675,338	34,569,455	28,138,050	24,715,327	13,465,490
2,624,604	1,439,343	2,136,230	2,187,485	4,087,586
1,564,489	1,041,687	1,656,457	1,784,567	2,127,033
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 48,216,123</u>	<u>\$ 39,837,128</u>	<u>\$ 34,833,580</u>	<u>\$ 31,295,685</u>	<u>\$ 22,315,895</u>

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues					
Taxes and special assessments	\$ 9,853,869	\$ 8,024,372	\$ 7,055,700	\$ 7,141,166	\$ 6,583,085
Licenses and permits	102,389	104,249	126,360	112,886	113,372
Intergovernmental	17,885,383	21,808,588	23,284,671	22,895,468	23,506,467
Charges for services	1,541,310	1,653,256	1,986,657	2,903,739	2,600,337
Fines and forfeitures	769,563	850,506	621,184	839,015	909,716
Investment income	1,031,573	2,109,599	2,120,216	1,192,450	1,058,041
Miscellaneous	<u>1,220,635</u>	<u>1,029,642</u>	<u>1,434,977</u>	<u>197,070</u>	<u>282,435</u>
Total revenues	<u>32,404,722</u>	<u>35,580,212</u>	<u>36,629,765</u>	<u>35,281,794</u>	<u>35,053,453</u>
Expenditures					
General government	14,683,043	8,863,131	8,184,686	10,487,975	5,763,060
Public safety	10,184,880	12,077,557	11,914,975	13,624,951	12,619,988
Health and welfare	523,565	1,153,186	611,290	675,244	672,768
Highways and streets	1,741,642	3,563,194	3,445,097	5,388,971	3,048,415
Culture and recreation	3,011,694	2,017,109	3,194,597	4,198,920	3,357,077
Capital outlay	-	-	-	-	7,063,523
Debt service funds					
Interest	1,973,994	2,295,794	2,350,784	2,750,447	2,714,668
Principal	<u>599,651</u>	<u>557,395</u>	<u>550,194</u>	<u>438,169</u>	<u>365,572</u>
Total expenditures	<u>32,718,469</u>	<u>30,527,366</u>	<u>30,251,623</u>	<u>37,564,677</u>	<u>35,605,071</u>
Excess of revenues over (under) expenditures	<u>(313,747)</u>	<u>5,052,846</u>	<u>6,378,142</u>	<u>(2,282,883)</u>	<u>(551,618)</u>
Other financing sources (uses)					
Proceeds from borrowing	-	1,881,764	268,861	1,000,777	74,753
Transfers to component unit					
Transfers in	1,590,939	3,180,792	2,958,986	4,861,623	2,001,478
Transfers (out)	<u>(1,242,849)</u>	<u>(2,832,702)</u>	<u>(2,964,722)</u>	<u>(4,509,702)</u>	<u>(1,457,762)</u>
Total other financing sources (uses)	<u>348,090</u>	<u>2,229,854</u>	<u>263,125</u>	<u>1,352,698</u>	<u>618,469</u>
Special Item					
Proceeds from sale of land	-	-	-	-	-
Proceeds from sale of building	-	-	-	-	-
Net change in fund balance	<u>\$ 34,343</u>	<u>\$ 7,282,700</u>	<u>\$ 6,641,267</u>	<u>\$ (930,185)</u>	<u>\$ 66,851</u>
Debt service as a percentage of noncapital expenditures					
	11.69%	11.53%	10.39%	8.49%	10.79%
Non capital expenditures					
Debt expenditures	32,718,469	30,527,366	30,251,623	37,564,677	28,541,548
	2,573,645	2,853,189	2,900,978	3,188,616	3,080,240
	7.87%	9.35%	9.59%	8.49%	10.79%

*For years after 2005, the capital outlay is included in the respective department.

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 5,454,187	\$ 12,108,311	\$ 7,101,975	\$ 3,842,082	\$ 3,894,159
123,415	125,519	136,292	135,615	133,692
20,359,491	21,201,903	19,201,915	28,611,796	29,218,824
2,740,288	2,901,790	2,921,939	3,315,168	2,731,990
809,983	926,727	885,460	905,192	807,056
523,217	476,838	86,518	145,638	193,107
<u>753,825</u>	<u>592,631</u>	<u>1,926,688</u>	<u>180,358</u>	<u>1,239,367</u>
<u>30,764,406</u>	<u>38,333,719</u>	<u>32,260,787</u>	<u>37,135,849</u>	<u>38,218,195</u>
5,633,974	5,964,545	6,097,958	6,352,685	6,974,654
11,951,238	13,064,758	12,977,059	12,650,478	13,286,992
654,926	727,893	651,610	755,058	777,098
2,107,127	3,030,649	2,467,858	1,905,234	2,396,674
2,999,408	3,704,838	3,418,113	3,455,693	3,573,413
6,629,482	16,304,840	10,317,484	14,525,425	11,736,880
3,054,295	5,533,013	2,040,353	2,008,552	12,106,085
<u>741,862</u>	<u>632,415</u>	<u>573,414</u>	<u>506,999</u>	<u>466,875</u>
<u>33,772,312</u>	<u>48,962,951</u>	<u>38,543,849</u>	<u>42,160,124</u>	<u>51,318,671</u>
<u>(3,007,906)</u>	<u>(10,629,232)</u>	<u>(6,283,062)</u>	<u>(5,024,275)</u>	<u>(13,100,476)</u>
23,316,032	1,178,936	-	113,569	684,335
1,809,073	1,856,745	3,845,096	6,046,086	16,763,806
<u>(958,000)</u>	<u>(1,005,672)</u>	<u>(3,074,686)</u>	<u>(4,702,413)</u>	<u>(14,810,712)</u>
<u>24,167,105</u>	<u>2,030,009</u>	<u>770,410</u>	<u>1,457,242</u>	<u>2,637,429</u>
-	-	-	817,291	-
-	-	-	-	2,573,817
<u>\$ 21,159,199</u>	<u>\$ (8,599,223)</u>	<u>\$ (5,512,652)</u>	<u>\$ (2,749,742)</u>	<u>\$ (7,889,230)</u>
13.99%	17.71%	9.39%	8.96%	29.37%
27,142,830	34,808,073	27,832,572	28,078,401	42,811,759
3,796,157	6,165,428	2,613,767	2,515,551	12,572,960
13.99%	17.71%	9.39%	8.96%	29.37%

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>	<u>Culture and Recreation (5)</u>	<u>Public Safety (3)</u>
2006	\$ 423,091	\$ 208,313	\$ 586,829	\$ 385,659	\$ 1,741,642	\$ 2,986,261	\$ 10,184,880
2007	449,172	241,512	684,987	460,403	2,286,273	3,239,643	12,077,557
2008	349,602	244,835	745,443	667,827	3,445,097	3,137,561	11,914,975
2009	449,821	284,103	801,595	574,918	3,212,981	3,884,382	13,624,951
2010	445,618	284,654	809,833	680,869	3,053,782	3,046,918	12,929,936
2011	468,929	285,933	722,096	522,674	2,971,960	3,242,320	11,666,301
2012	541,873	295,316	754,614	611,138	2,916,994	3,498,833	12,488,730
2013	512,268	349,605	747,621	448,776	2,473,537	3,176,101	12,375,523
2014	536,036	441,745	840,715	495,600	3,502,335	3,368,287	12,619,018
2015	640,831	515,328	905,918	609,770	2,800,312	3,378,437	12,457,052

<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>	<u>Debt Service</u>	<u>Total</u>
2006	\$ 252,871	\$ 2,398,642	\$ 142,233	\$ 523,565	\$ 351,939	\$ 178,877	\$ 20,364,802
2007	406,871	2,316,489	175,313	1,153,186	266,485	459,468	24,217,359
2008	297,660	2,323,968	219,708	611,290	420,144	508,156	24,886,266
2009	319,526	2,748,833	525,083	675,244	312,719	812,821	28,226,977
2010	301,450	3,327,477	310,159	780,132	259,539	671,004	26,901,371
2011	295,856	3,317,634	344,381	767,516	234,961	712,301	25,552,862
2012	295,063	3,628,139	307,653	839,443	277,816	664,278	27,119,890
2013	316,696	3,975,547	251,654	648,345	351,078	464,392	26,091,143
2014	315,555	4,497,436	278,800	823,611	298,244	225,176	28,242,558
2015	320,277	4,804,447	389,350	797,904	291,738	10,194,585	38,105,949

- 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.

SECTION 2: REVENUE CAPACITY INFORMATION**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>	<u>Fines and Forfeits</u>	<u>Interest and Miscellaneous</u>	<u>Total</u>
2006	\$ 2,972,126	\$ 2,674	\$ 102,389	\$ 17,656,794	\$ 1,541,310	\$ 769,563	\$ 2,172,789	\$25,217,645
2007	2,927,794	2,383	104,249	19,432,485	1,653,256	850,506	2,011,510	26,982,183
2008	3,220,809	3,673	126,360	21,427,709	1,986,657	621,184	2,942,664	30,329,056
2009	3,368,276	-	112,886	20,729,105	2,903,739	839,015	1,169,031	29,122,052
2010	3,502,980	-	113,372	20,049,209	2,600,337	909,716	1,164,342	28,339,956
2011	3,560,439	-	123,415	17,781,925	2,740,288	809,983	986,683	26,002,733
2012	3,639,286	-	125,519	18,611,133	2,901,790	926,727	878,067	27,082,522
2013	3,761,050	-	136,292	17,946,508	2,921,939	885,460	1,667,174	27,318,423
2014	3,842,082	-	135,615	22,871,833	3,315,168	905,192	316,023	31,385,913
2015	3,894,159	-	133,692	20,327,744	2,731,990	807,056	453,224	28,347,865

TAX REVENUE BY SOURCE

Last Ten Fiscal Years

Fiscal Year	Total Taxes	General Property Taxes	Automobile Taxes	Franchise Taxes	Sales Tax (1)	Use Tax (1)	Cigarette Tax	Gasoline Tax
2006	\$12,892,829	\$ 1,309,218	\$ 346,641	\$ 1,316,268	\$ 8,362,138	\$ 889,635	\$ 137,136	\$ 531,793
2007	14,271,824	1,244,938	393,463	1,291,776	8,553,231	2,043,588	112,317	632,511
2008	14,198,145	1,480,345	432,209	1,311,916	9,341,454	900,205	118,157	613,859
2009	13,510,787	1,563,275	409,388	1,395,605	8,717,960	782,078	119,397	523,084
2010	13,552,399	1,625,138	439,851	1,437,991	8,579,965	806,287	109,807	553,360
2011	12,789,620	1,671,868	425,930	1,462,641	7,688,215	863,901	108,680	568,385
2012	13,329,267	1,682,619	427,970	1,528,697	8,267,575	735,389	105,268	581,749
2013	13,321,843	1,728,380	439,944	1,592,726	8,233,882	596,472	103,140	627,299
2014	14,193,346	1,780,800	439,074	1,622,207	8,656,487	608,808	101,692	984,278
2015	14,897,183	1,769,538	471,183	1,638,326	9,108,316	757,855	101,198	1,050,767

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

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>
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%
2015	2.00%	4.00%

Note: For fiscal years 2006 through 2015, 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

PRINCIPAL SALES TAX REMITTERS

Current Year and Nine Years Ago (1)

Fiscal Year 2015

<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	Safeway Stores 46 Inc	Retail
9	Hilton Garden Inn & Conference Center	Hospitality
10	Laramie GM Auto Center Inc.	Vehicle Sales

Fiscal Year 2006

<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

ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (1) (2)
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property		Total		Ratio of Total Assessed Value to Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2006	\$150,260,250	\$ 1,581,686,842	\$ 7,968,708	\$ 83,881,137	\$ 158,228,958	\$ 1,665,567,979	9.50
2007	162,723,707	1,712,881,126	8,208,466	86,404,905	170,932,173	1,799,286,031	9.50
2008	187,545,559	1,974,163,779	8,908,353	93,772,137	196,453,912	2,067,935,916	9.50
2009	196,444,119	2,035,617,794	7,256,055	75,787,278	203,700,174	2,111,405,072	9.64
2010	198,021,160	2,049,176,466	7,690,632	80,933,394	205,711,792	2,130,109,860	9.66
2011	203,440,680	2,102,123,168	6,672,549	69,909,531	210,113,229	2,172,032,699	9.67
2012	206,503,793	2,130,701,310	7,934,214	83,123,725	214,438,007	2,213,825,035	9.69
2013	211,350,257	2,187,540,434	8,695,234	91,193,787	220,045,491	2,287,734,211	9.62
2014	215,874,682	2,234,536,593	8,359,893	87,970,074	224,234,575	2,322,506,667	9.65
2015	220,813,196	2,287,368,683	7,520,835	78,893,935	228,334,031	2,366,262,618	9.65

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

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

TAX RATES (IN MILS) (2)

Fiscal Year	General Fund	Debt Service Fund	Total	School District	County	State	Hospital District	Downtown Development District (3)	Total
2006	8.00	-	8.00	34.00	14.00	12.00	3.00	-	71.00
2007	8.00	-	8.00	33.00	14.00	12.00	3.00	-	70.00
2008	8.00	-	8.00	32.00	14.00	12.00	3.00	-	69.00
2009	8.00	-	8.00	32.00	14.00	12.00	3.00	-	69.00
2010	8.00	-	8.00	32.00	14.00	12.00	3.00	-	69.00
2011	8.00	-	8.00	32.00	14.00	12.00	3.00	-	69.00
2012	8.00	-	8.00	32.00	14.00	12.00	3.00	-	69.00
2013	8.00	-	8.00	36.00	14.00	12.00	3.00	-	73.00
2014	8.00	-	8.00	36.00	14.00	12.00	3.00	-	73.00
2015	8.00	-	8.00	36.00	14.00	12.00	3.00	-	73.00

TAX LEVIES

2006	\$ 1,367,457	\$ -	\$ 1,367,457	\$ 5,811,694	\$ 2,393,050	\$ 2,051,186	\$ 512,797	\$ -	\$ 12,136,184
2007	1,500,364	-	1,500,364	6,189,003	2,625,638	2,250,547	562,637	-	13,128,189
2008	1,626,656	-	1,626,656	6,506,624	2,846,648	2,439,984	609,996	-	14,029,908
2009	1,629,601	-	1,629,601	6,518,406	2,851,802	2,444,402	611,101	-	14,055,312
2010	1,645,741	-	1,645,741	6,582,963	2,880,046	2,468,611	617,153	-	14,194,514
2011	1,680,906	-	1,680,906	6,723,623	2,941,585	2,521,359	630,340	-	14,497,813
2012	1,715,504	-	1,715,504	6,862,016	3,002,132	2,573,256	643,314	-	14,796,222
2013	1,760,364	-	1,760,364	7,921,638	3,080,637	2,640,546	660,136	-	16,063,321
2014	1,793,877	-	1,793,877	8,072,445	3,139,284	2,690,815	672,704	-	16,369,125
2015	1,826,672	-	1,826,672	8,220,025	3,196,676	2,740,008	685,023	-	16,668,404

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

PRINCIPAL TAXPAYERS CURRENT YEAR AND NINE YEARS AGO (1)

June 30, 2015

Taxpayer	Type of Business	2015 Assessed Value	Percentage of Total Assessed Valuation
1 COCO	Commercial	\$ 2,087,706	0.91%
2 Campus Crest	Commercial	2,146,085	0.94%
3 Hilton Garden	Commercial	1,776,378	0.78%
4 Walmart	Commercial	1,120,992	0.49%
5 Campus Habitat	Commercial	897,553	0.39%
6 Gladstone	Commercial	1,316,604	0.58%
7 Timberline Hospitalities	Commercial	844,839	0.37%
8 CHF WYO	Commercial	824,825	0.36%
9 Mountain West Farm	Commercial	816,057	0.36%
10 Bed Company of Wyo	Commercial	670,935	0.29%
		<u>\$ 12,501,974</u>	5.47%

Taxpayer	Type of Business	2006 Assessed Value	Percentage of Total Assessed Valuation
1 Wal-Mart Stores, Inc.	Retail	\$ 1,328,072	0.84%
2 Binford Street Associates, LLC	Apartment Buildings	1,025,009	0.65%
3 MJB Acquisition Corp., a Wyoming Company	Technical School	957,642	0.61%
4 Mountain West Farm Bureau Mutual Insurance Co.	Commercial	782,810	0.49%
5 RMFP Corporation	Manufacturing	564,035	0.36%
6 B Hive, Inc.	Real Estate Rental	469,519	0.30%
7 Laramie Plains Properties	Real Estate Rental	429,780	0.27%
8 WY Plaza, LC	Commercial Rental	392,743	0.25%
9 Gem City Properties	Commercial Rental	357,722	0.23%
10 Foster's Inc.	Retail	328,880	0.21%
		<u>\$ 6,636,212</u>	4.21%

(1) Source - Albany County Assessor

PROPERTY TAX LEVIES AND COLLECTIONS (1)

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2006	\$ 1,265,832	\$ 1,210,503	95.6	98,715	\$ 1,309,218	103.4	\$ 30,187	2.4
2007	1,367,457	1,314,926	96.2	45,109	1,360,035	99.5	52,531	3.8
2008	1,500,364	1,445,066	96.3	39,245	1,484,311	98.9	68,584	4.6
2009	1,626,656	1,547,648	95.1	61,179	1,608,827	98.9	84,550	5.2
2010	1,629,601	1,553,918	95.4	72,320	1,626,238	99.8	92,876	5.7
2011	1,655,372	1,602,642	96.8	68,636	1,671,278	101.0	73,714	4.5
2012	1,675,064	1,615,489	96.4	89,411	1,704,900	101.8	94,261	5.6
2013	1,715,504	1,665,291	97.1	56,332	1,721,623	100.4	72,343	4.2
2014	1,760,605	1,734,912	98.5	45,888	1,780,800	101.1	87,078	4.9
2015	1,793,877	1,719,614	95.9	50,228	1,769,842	98.7	76,735	4.3

Delinquent Tax Collections

Levy Year	2011 Collections	2012 Collections	2013 Collections	2014 Collections	2015 Collections
1999 & Prior	\$ -	\$ -	\$ -	\$ -	\$ -
2000	-	-	-	-	-
2001	1	-	-	-	-
2002	1	-	697	-	-
2003	(20)	-	333	-	-
2004	9	-	1	-	-
2005	128	1,107	65	-	51
2006	138	275	55	-	45
2007	476	380	188	5	17
2008	2,741	484	221	74	170
2009	65,162	6,128	975	345	227
2010	-	46,351	3,343	760	504
2011	-	<u>34,686</u>	50,454	3,679	1,433
2012	-	-	-	41,025	3,686
2013	-	-	-	-	<u>44,095</u>
Total	<u>\$ 68,636</u>	<u>\$ 89,411</u>	<u>\$ 56,332</u>	<u>\$ 45,888</u>	<u>\$ 50,228</u>

Notes: (1) Source - Albany County Treasurer

SECTION 3: DEBT CAPACITY INFORMATION

COMPUTATION OF LEGAL DEBT MARGIN – GENERAL OBLIGATION

End of Fiscal Year 2015

Assessed value	<u>\$ 228,334,031</u>
Debt limit 4% of assessed value	9,133,361
Total amount of debt applicable to debt limit	<u>5,590,909</u>
Legal debt margin	<u>\$ 3,542,452</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		
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%	
2015	9,133,361	5,590,909	3,542,452	61.21%	

COMPUTATION OF LEGAL DEBT MARGIN – SEWER
End of Fiscal Year 2015

Assessed value	<u>\$ 228,334,031</u>
Debt limit - Double 4% of assessed value	18,266,722
Total amount of debt applicable to debt limit	<u>4,090,909</u>
Legal debt margin	<u>\$ 14,175,813</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
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%
2015	18,266,722	4,090,909	-	14,175,813	22.40%

COMPUTATION OF DIRECT AND OVERLAPPING DEBT (1)

End of Fiscal Year

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Overlapping Net Debt Outstanding					
Albany County School District One	\$ 1,910,000	\$ 965,000	\$ -	\$ -	\$ -
Percentage applicable to City	59.44%	59.44%	59.44%	59.44%	59.44%
City's Estimated Share of Overlapping Debt	<u>1,135,304</u>	<u>573,596</u>	<u>-</u>	<u>-</u>	<u>-</u>
City Direct Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Direct and Overlapping Debt	<u>\$ 1,135,304</u>	<u>\$ 573,596</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Overlapping Net Debt Outstanding					
Albany County School District One	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage applicable to City	59.44%	59.44%	59.44%	59.44%	59.44%
City's Estimated Share of Overlapping Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
City Direct Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Direct and Overlapping Debt	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: (1) Source - Albany County Treasurer

RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities			
	General Obligation Bonds	Notes Payable	Capital Leases	Total Governmental Activities	Revenue Bonds	Notes Payable	Capital Leases	Total Business-Type Activities
2006	-	\$ 10,197,698	\$ 13,758,675	\$ 23,956,373	\$ 3,360,000	\$ 13,974,888	\$ 2,016,008	\$ 19,350,896
2007	-	10,169,810	13,379,589	23,549,399	3,110,000	13,222,972	1,536,844	17,869,816
2008	-	10,140,074	11,327,402	21,467,476	2,850,000	12,868,715	1,038,598	16,757,313
2009	-	10,108,367	9,609,312	19,717,679	4,625,000	10,499,848	818,682	15,943,530
2010	-	10,074,558	6,939,673	17,014,231	4,235,000	11,017,669	217,355	15,470,024
2011	22,300,000	10,038,509	4,476,666	36,815,175	3,850,000	10,492,314	133,082	14,475,396
2012	20,800,000	10,000,000	1,660,196	32,460,196	3,450,000	9,588,526	421,904	13,460,430
2013	19,150,000	10,000,000	1,127,602	30,277,602	2,765,000	8,642,114	1,568,930	12,976,044
2014	17,568,094	10,000,000	1,057,617	28,625,711	3,362,000	8,188,872	1,312,360	12,863,232
2015	15,577,579	518,375	1,067,491	17,163,445	2,757,915	8,236,673	1,424,238	12,418,826

<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
\$ 43,307,269	4.51%	1,637.88
41,419,215	4.18%	1,566.48
38,224,789	3.62%	1,405.12
35,661,209	3.16%	1,310.88
32,484,255	2.73%	1,194.10
51,290,571	4.04%	1,885.41
45,920,626	3.61%	1,490.16
43,253,646	3.40%	1,365.29
41,488,943	3.05%	1,309.58
29,582,271	2.18%	922.11

RATIO OF GENERAL BONDED DEBT OUTSTANDING
 Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>	<u>Per Capita</u>
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
2015	9,681,818	301.79

- 1) Includes General and Debt Service Funds (GO debt includes Street, Solid Waste and Sewer principal only).
- 2) Population of City of Laramie 2015 - 32,081

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>
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%
2015	1,227,938	269,753	1,497,691	38,105,949	3.93%

- 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.

SECTION 4: DEMOGRAPHIC AND ECONOMIC INFORMATION

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 (8)</u>	<u>Median Age (3)</u>	<u>Unemployment Rate % (5)</u>	<u>Enrollment (4)</u>	<u>Education Centers (4)</u>	<u>Number of Teachers (4)</u>	<u>Area (10)</u>
2006	26,441(6)	32,497	961,022,000	30.3	2.9 (5)	3,485	18	331	17.7 Sq. Miles
2007	26,441(6)	33,703	991,318,000	26.8	3.0 (5)	3,491	18	316	17.7 Sq. Miles
2008	27,204(6)	36,940	1,055,684,000	26.7	2.4 (5)	3,507	19	317	17.7 Sq. Miles
2009	27,204(6)	34,279	1,129,523,000	25.3	2.5 (9)	3,544	19	322	17.7 Sq. Miles
2010	28,138(3)	35,271	1,191,322,000	25.3	4.1 (9)	3,579	19	318	17.7 Sq. Miles
2011	30,816(3)	38,406	1,270,947,000	25.4	5.1 (9)	3,587	19	323	17.7 Sq. Miles(3)
2012	31,312(3)	38,601	1,270,490,000	25.7	5.3 (9)	3,673	19	324 (11)	17.7 Sq. Miles(3)
2013	31,681(3)	38,601	1,359,879,000	25.4	4.4 (9)	3,657	19	326 (11)	17.7 Sq. Miles(3)
2014	31,814(3)	38,601	1,438,900,000	25.1	4.6(9)	3,762	19	340(4)	17.7 Sq. Miles(3)
2015	32,081 (3)	41,611	1,557,179,000	25.4	3.6(9)	3,834	19	346(4)	17.7 Sq. Miles(3)

- 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 2013.
 (3) U.S. Bureau of Census. Population of Laramie includes University of Wyoming
 (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
 (7) 2003 Census.
 (8) U.S. Commerce Department - Bureau of Economic Analysis, Albany County figures.
 (9) Bureau of Labor Statistics, Albany County figures.
 (10) Wikipedia.
 (11) Albany County School District #1.

MAJOR EMPLOYERS IN ALBANY COUNTY

Current and Nine Years Ago

Fiscal Year 2015 (1) (2)

Rank	Employer	Type of Business	Employees	Percentage of Total City Employment
1	University of Wyoming	Educational	6,728	17.70%
2	Albany County School District	Educational	780	2.06%
3	Iverson Memorial Hospital	Health Care	475	1.25%
4	City of Laramie	City Government	436	1.10%
5	Wal-Mart Supercenter	Retail	320	0.90%
6	ARK Regional Services	Non-Profit	250	0.70%
7	Cathedral Home for Children	Non-Profit	185	0.40%
8	County of Albany	County Government	148	0.40%
9	Trihydro Corporation	Environmental Consulting	147	0.40%
10	Mountain Cement	Industrial/Construction	118	0.30%
	Total		<u>9,587</u>	23.23%

Fiscal Year 2006 (1)

Rank	Employer	Type of Business	Employees	Percentage of Total City Employment
1	University of Wyoming	University	5,225	24.35%
2	Albany County School District #1	Education	986	4.60%
3	Iverson Memorial Hospital	Healthcare	473	2.20%
4	County of Albany	County Government	380	1.77%
5	Wyoming Technical Institute	Education	380	1.77%
6	City of Laramie	Municipal Government	360	1.68%
7	Wal-Mart Stores, Inc.	Retail	295	1.37%
8	ARK Regional Services	Individual/Family Services	200	0.93%
9	Rocky Mountain Forest Products	Manufacturing	200	0.93%
10	Foster's, Inc.	Hotel	180	0.84%
	Total		<u>8,679</u>	40.45%

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.

SECTION 5: OPERATING INFORMATION

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	Code & Engineering	Highways & Streets	Parks & Recreation
2006	249.50	5.00	12.50	3.00	-	64.10	42.00	78.50	11.00	10.90	22.50
2007	264.50	5.00	13.50	4.00	3.00	67.50	42.00	81.00	12.00	12.00	24.50
2008	267.25	4.70	14.00	4.00	3.50	69.80	43.00	79.75	12.00	12.00	24.50
2009	274.25	4.70	15.00	4.00	3.50	69.30	46.00	79.75	12.50	13.00	26.50
2010	279.25	4.70	15.00	4.00	3.50	72.30	48.00	78.75	12.50	13.00	27.50
2011	272.75	5.70	15.00	3.50	3.00	68.30	51.00	77.75	10.00	13.00	25.50
2012	275.75	5.70	15.00	3.50	3.00	70.30	50.00	79.75	10.00	13.00	25.50
2013	279.25	5.50	15.00	3.50	3.00	72.00	50.00	80.75	10.00	13.00	26.50
2014	282.75	5.50	15.50	3.50	4.00	72.00	50.00	81.75	10.00	13.00	27.50
2015	284.50	5.50	15.50	3.50	4.00	72.00	50.00	82.75	10.75	13.00	27.50

<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>
143	1,013	1,790	2	1
150	1,035	1,556	2	1
166	1,040	1,787	2	2
166	1,040	2,064	2	1
170	1,110	1,740	3	1
172	1,115	1,652	3	1
173	1,135	1,310	3	1
174	1,223	1,278	3	1
174	1,327	978	3	1
174	1,330	977	3	1

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
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
2015	9,448	4,860,000	1,316,346	668,192	3.8	16	1

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Commercial Construction (1)</u>		<u>Residential Construction (1)</u>		<u>Bank Deposits (2)</u>		<u>Property Value (3)</u>
	<u>Number of Units</u>	<u>Value</u>	<u>Number of Units</u>	<u>Value</u>	<u>(Thousands)</u>		
2006	17	\$ 14,225,563	63	\$ 10,125,421	\$ 351,488	\$1,665,567,979	
2007	18	47,176,236	89	13,304,588	377,405	1,799,286,031	
2008	19	45,718,713	122	12,391,155	385,112	2,067,935,916	
2009	16	45,985,059	105	13,450,080	451,665	2,111,405,072	
2010	16	18,852,715	82	12,837,650	476,280	2,049,176,466	
2011	6	26,601,606	122	16,167,744	491,633	2,102,123,168	
2012	4	8,016,858	52	9,174,482	490,563	2,130,701,310	
2013	5	23,207,622	42	10,569,685	528,786	2,287,734,211	
2014	2	13,722,605	65	24,319,128	551,180	2,722,506,667	
2015	4	5,147,959	43	20,328,630	557,000	2,287,368,683	

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

INSURANCE IN FORCE
End of Fiscal Year 2015

<u>Type of Coverage and Name of Company</u>	<u>Policy Number</u>	<u>From</u>	<u>To</u>
Casualty Insurance:			
Wyoming Association for Risk Management - an intergovernmental Risk Sharing Pool	None	7/1/2014	6/30/2015
Property: Driver Alliant Insurance Services			
All risk of direct physical loss or damage		7/1/2014	6/30/2015
Earthquake		7/1/2014	6/30/2015
Flood		7/1/2014	6/30/2015
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	\$ 232,220
Per occurrence and annual aggregate	\$ 500,000,000	
Per occurrence and annual aggregate	\$ 25,000,000	
Per occurrence and annual aggregate	\$ 25,000,000	
		\$ 193,581
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

SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS

For Fiscal Year Ended June 30, 2015

<u>Name and Title of Official</u>	<u>Annual Salary</u>	<u>Amount of Surety Bond</u>
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
Jason Loos City Attorney	\$108,000	\$10,000
Joshua Merseal Municipal Judge	\$53,000	\$10,000
All other employees	N/A	\$10,000 blanket coverage



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