

CITY OF CHEYENNE, WYOMING

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

**For the fiscal year ended
June 30, 2009**

Prepared By:

City Treasurer's Office

About the cover and section tabs...

Cheyenne was founded in 1867 and was commonly known as the "Magic City on the Plains." It was given this nickname because Cheyenne sprang up like magic, according to newspaper editors visiting from the East. Cheyenne was the site chosen as the point at which the Union Pacific Railroad crossed Crow Creek. It was named after the Native American Cheyenne nation. Cheyenne is the capital of Wyoming and has grown into a prosperous community of almost 60,000.

The cover photos show the progress of the City's largest public works project in history. The new Norris Viaduct opened to the public on October 7, 2009 after only 14 months of construction at a cost of about \$28 million. The Norris Viaduct provides a vital link between the neighborhoods south of the Union Pacific railyard to the neighborhoods and major commercial centers located north of the railyard. The viaduct was named after W.A. "Pat" Norris in September, 1955. Norris was raised in North Platte, NE, and graduated from the University of Nebraska. After college, Norris moved to Cheyenne where he was employed with the then Wyoming Highway Department as an engineer. He then became a local contractor and later owned Wortham Machinery Company. He served two terms in the Wyoming Legislature. Norris served in the House from 1933-1935 and in the Senate from 1937-1947. He died in 1948.

The "Introductory Section" tab photos show the reconstruction of Deming Drive and Walterscheid Boulevard. This \$3.9 million project included the reconstruction, new water lines, ADA sidewalks, street lighting, new storm water drains, retaining wall, guard rail and a detention pond. The money for this project came from the 1999-2002 Fifth-Penny Optional Sales and Use Tax, the 2003-2006 Fifth-Penny Optional Sales and Use Tax, along with monies from the State Loan and Investment Board.

The "Financial Section" tab photos show the construction of two important flood control projects in the eastern part of Cheyenne: Dry Creek/Sheridan Reach Flood Control Improvement Project and the Henderson Basin Flood Control Project. The August 1985 flood claimed 11 lives along the stretch of Dry Creek known as the Sheridan Reach. The City received a grant from the Federal Emergency Management Agency for the design and construction of flood control improvements to the area of Dry Creek between the existing Carey Reservoir and Ridge Road. The Henderson project consists of a large detention pond on the northeast corner of Pershing Boulevard and Converse Avenue. This project reduces flooding in the Eastridge Subdivision.

The "Statistical Section" tab photos show the new Carey Avenue extension. Once home to the Cheyenne Gunslingers, the Carey Avenue extension included replacing outdated water and sewer lines and providing vehicle access to an important part of downtown Cheyenne. The new street includes streetscape that provides wider sidewalks for pedestrian safety, allows sidewalk cafes, and shows the potential of the downtown area.

The "Single Audit" tab photos show the new Paul Smith Children's Village at the Cheyenne Botanic Gardens. The Village was named after the late Paul Smith who was a long-time Cheyenne resident, business owner, and philanthropist. The Children's Village demonstrates sustainable living technologies from the past, to the present. The Village was designed by world-class designer Herb Schaal and earned two national awards before the gates were opened to the public. The three-quarter acre site is filled with numerous specialty interactive landscapes including a natural wetlands, gravity powered water works, farmers windmill, solar pumps, sculptures and world vegetable garden, prairie plantings, a "Secret Garden", art/crafts plazas, historic sheep wagon, tipi village, picnic orchard, puppet theater and more. Admission to the Village is free.

Photos by Nathan Beauheim, engineering services director and Scott Smith, public information officer.

City of Cheyenne
Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2009

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December 10, 2009

Honorable Mayor and Members of the City Council and Citizens of Cheyenne

We are pleased to present the City's Comprehensive Annual Financial Report for the year ended June 30, 2009. In reviewing the past year, several significant themes stand out. The robust economy driven by the mineral industry which the State of Wyoming had enjoyed in the past began a slow decline during the year. While not directly affected by the mineral industry decline, the City of Cheyenne receives a large share of general fund revenues indirectly from the mineral revenues collected by the State. The State of Wyoming shared surplus mineral revenue during the 2008 legislative session that continued to provide funding for operations and large capital projects during the year ended June 30, 2009. However, the future prospect for this continued source of revenue is currently in question. The City also saw the start of a decline in sales and use tax revenue due to the strains on the economy. Sales tax collections did not meet expectations during the fiscal year. The City was able to maintain its financial position with over \$30 million in unrestricted net assets overall. However, the unreserved and undesignated fund balance in the General Fund reduced from \$4.8 million in fiscal year 2008 to \$4.0 million in fiscal year 2009. In this context, we transmit the Comprehensive Annual Financial Report.

Legal Requirements. State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. To meet the requirements and provide a clear summary of the City's financial activities, we present this comprehensive annual financial report of the City of Cheyenne, Wyoming (City) for the fiscal year ended June 30, 2009.

Responsibility and Internal Control. This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Independent Audit. The City's financial statements have been audited by McGee, Hearne & Paiz, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2009 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2009 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Cheyenne was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial

statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of the City's comprehensive annual financial report.

Management's Discussion and Analysis. GAAP require that management provide 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 MD&A and should be read in conjunction with. The City's MD&A begins on page 13, immediately following the report of the independent auditors.

PROFILE OF THE CITY OF CHEYENNE

The City of Cheyenne is an active economic, cultural and political center for the northern plains and is the capital of the State of Wyoming. It is located at the intersection of Interstates 25 and 80 in southeast Wyoming. Cheyenne is approximately 100 miles north of Denver, Colorado at an elevation of 6,062 feet. It has an area of 19.7 square miles and an estimated 2009 population of 56,296, making it the largest city in the State of Wyoming.

The City of Cheyenne had its beginning in 1867, when the Union Pacific Railroad came through on its way to the west coast. Settlement came so fast that the nickname "Magic City of the Plains" was adopted. The City operates under the Mayor-Council form of government. The Mayor is elected at large and on a non-partisan basis for a four year term. The City is divided into three wards and three councilpersons are elected from each ward.

The City of Cheyenne provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; recreational activities and cultural events; sanitation services; and health and welfare programs. Water and sewer services are provided through a separate Board of Public Utilities, which functions, in essence, as a fund of the City of Cheyenne and therefore has been included as an integral part of the City's financial statements. The City also includes the financial information for the Downtown Development Authority. Additional information on these separate entities can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City of Cheyenne are required to submit requests for appropriation to the City Treasurer on or before May 1 of each year. The Treasurer must prepare a tentative budget for each fund and file it with the governing body no later than May 15 of each year. A public hearing for the City's budget is scheduled not prior to the second Tuesday nor later than the third Tuesday in June and is held at a time of day chosen by the governing body. Within 24 hours of the public hearing, the governing body must, by ordinance, make the necessary appropriations and adopt the budget which, subject to future amendment, is in effect for the next fiscal year. Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated annual budget has been adopted. For the General Fund, the One Percent Sales Tax Fund and the State Grants Fund, this comparison is presented on pages 83-85 as part of the required supplementary information. For nonmajor governmental funds with appropriated annual budgets, this comparison is presented in the Combining and Other Individual Fund and Other Supplementary Information section of this report, which starts on page 90.

FACTORS AFFECTING ECONOMIC AND FINANCIAL CONDITION

For additional context to readers of the Comprehensive Annual Financial Report, management provides the following comments about the economy and financial status.

Local Economy: The City of Cheyenne economy began a slow decline during the fiscal year. Subsequent to June 30, 2009, the local indicators point to a continued slow down. However, due to the region having a varied employment base and industry base, the local economy, although slowing, is not showing the stress that the national economy has recently shown. Major industries located within the government's boundaries include retail and wholesale trade, utilities, accommodation and food services. Government also plays a major role for the City of Cheyenne as it houses state, county and federal government agencies as well.

Perhaps the most significant economic announcement in FY2009 came from the University of Wyoming and General Electric concerning their partnership in locating a coal gasification resource center in Cheyenne. A coal gasification resource center has the potential to open up new markets, provide a cleaner burning process, and make Wyoming coal viable for decades.

In March of this fiscal year, the National Center for Atmospheric Research (NCAR) and its managing organization, the University Corporation for Atmospheric Research (UCAR), announced the selection of an architectural design team for the Cheyenne supercomputing center dedicated to advancing scientists' understanding of climate, weather and other Earth and atmospheric processes.

Long-term Financial Planning: The City Council has established a general guideline through resolution for budgeting and planning purposes to keep \$6,000,000 in general fund reserves. As of June 30, 2009, the City maintained over \$8 million in general fund reserves. However, the uncertainty of future one-time funding from the State of Wyoming as previously mentioned could affect the ability of the City to meet this guideline.

In November 2006, the citizens of Laramie County once again approved the optional one percent sales tax. We estimate that the City will receive \$45,000,000 over a four year period (calendar years 2007 through 2010). This revenue is being used for street renovation and reconstruction, drainage, traffic safety, park beautification, police and fire equipment and facilities, subsidies to human service agencies, and economic development. In May of 2008, a Special Purpose Option Tax ballot was presented to the voters. The tax was passed for the Greenway in the amount of \$2.8 million and for the Botanic Gardens in the amount of \$750,000. The tax is expected to be received within forty eight months.

The City has also continued construction on the Norris Viaduct. The bridge was opened to the public in October of 2009. Final construction, including the demolition of the old bridge, is expected to be completed by the summer of 2010. In addition, the City has several other large projects that are funded by Homeland Security grant funds, namely the Henderson Basin project and the Dry Creek project, and that are funded by the State Loan and Investment Board, namely the Deming/Walterscheid project. These projects were substantially completed during the fiscal year.

Relevant Financial Policies: The City has generally used "one-time" revenues from the State of Wyoming to balance the general fund operating budget. The legislature of the State of Wyoming will be meeting in January of 2010 to determine if this source of funding will continue and to what extent.

Major Initiatives: The City is currently determining the future operation of the landfill. During this past year, the City began the process of hauling solid waste to Ault, Colorado as a means to lessen the impact on the City's landfill. Also, in 2009 the City began a curbside recycling program which is also an attempt to lengthen the life of the landfill.

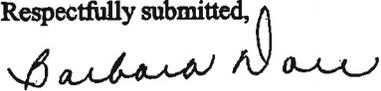
Due to the decline in the revenue stream to fund capital construction projects, the City is currently concentrating efforts on completing all major construction projects that have been currently funded and are in process. As additional sources of revenue are located to fund large capital projects, the City will prioritize projects at that time.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cheyenne, Wyoming for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2008. This was the twenty-fourth year that the City had received this prestigious award. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR will meet the Certificate of Achievements Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the budget and finance division. I would like to express my appreciation to all members of the departments who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Barbara Dorr". The signature is written in black ink and is positioned below the typed name.

Barbara Dorr, CPA
City Treasurer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cheyenne
Wyoming

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

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CITY OF CHEYENNE

CITY OFFICIALS

June 30, 2009

Elected Officials

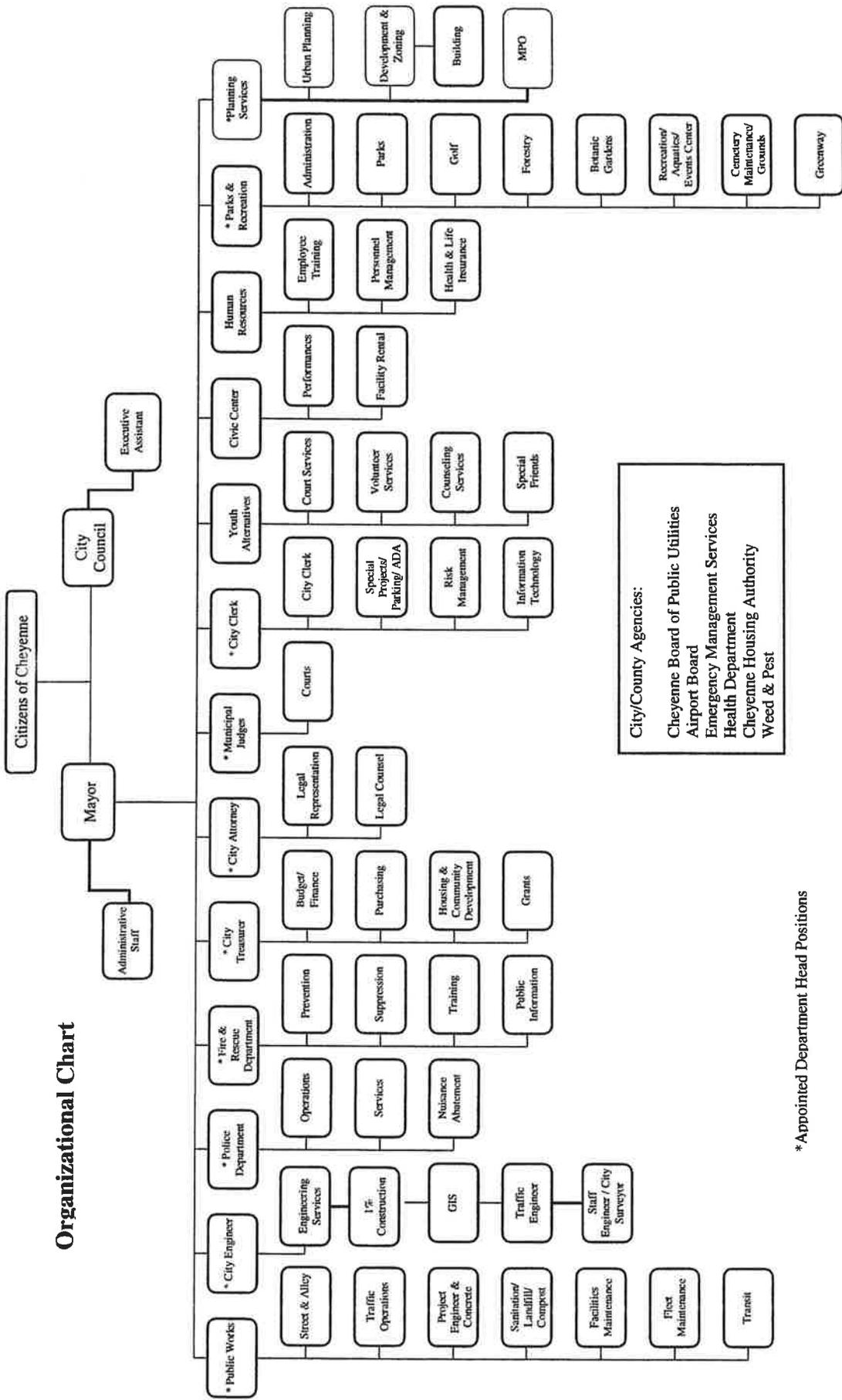
Mayor	Richard L. Kaysen
City Council:	
Ward I	Amber Ash
	Jimmy Valdez
	Judy Case
Ward II	Patrick Collins
	Jack Spiker
	Mark Rinne
Ward III	Don Pierson
	Georgia Adams Broyles
	Jim Brown

Appointed Officials

City Attorney	Daniel White
Municipal Court Judges	Paul S. Galeotos
	Mark Moran
City Clerk	Carol I. Martin
City Engineer	Douglas Vetter
Director of Public Works	James Elias
Police Chief	vacant
Fire Chief	Guy Cameron
City Treasurer	Barbara Dorr
Director of Parks and Recreation	Rick Parish
Director of Planning Services	Matt Ashby

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Organizational Chart



City/County Agencies:
 Cheyenne Board of Public Utilities
 Airport Board
 Emergency Management Services
 Health Department
 Cheyenne Housing Authority
 Weed & Pest

*Appointed Department Head Positions

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Cheyenne
Cheyenne, Wyoming

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cheyenne, Wyoming (the "City") as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Cheyenne, Wyoming as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2009 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's discussion and analysis on pages 13 through 20 and budgetary comparison information on pages 83 through 86, are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual statements of nonmajor funds and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. In addition, the accompanying schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Mc Gee, Hearne & Paiz, LLP

Cheyenne, Wyoming
December 10, 2009

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

The City of Cheyenne (the City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2009. In addition to this overview and analysis based on currently known facts, decisions and conditions, the City would encourage readers to consider the information presented in the City's letter of transmittal and the City's financial statements, which begin on pages 1 and 22 of this report, respectively.

Financial Highlights

- ❖ The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$410.4 million (net assets). Of the net asset balance, \$30.8 million (governmental and business-type combined) is considered unrestricted and is available to meet the government's obligations in accordance with the City's fund designations and fiscal policies.
- ❖ The City's total net assets increased by \$18 million (4.6%). The governmental net assets increased by \$14.8 million (8.8%) and the business-type assets increased by \$3.2 million (1.5%).
- ❖ The General Fund, the City's primary operating fund, reported an decrease of \$1.8 million on a current financial resource basis. As of June 30, 2009, unreserved fund balance for the General Fund was \$7.2 million or 14.3% of total General Fund expenditures of \$50.2 million.
- ❖ The City's total long-term liabilities increased by \$128,882 (less than 1.0%) during the current fiscal year. Within that activity, the City's governmental long-term liabilities increased by \$1,174,037 and business-type long-term liabilities decreased by \$1,045,155.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Other supplementary information is also included at the end of the report.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

The statement of net assets presents information on all of the City's assets and liabilities. The difference between assets and liabilities is reported as net assets. Over time, increases or decreases in net assets may provide an indication of whether the City's financial position is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety – police and fire, public works, health and welfare and recreation. The business-type activities of the City include the Board of Public Utilities (water and sewer departments), the Civic Center and the Ice and Events Center.

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

Fund financial statements. Traditional users of the City's financial statements will find the fund financial statement presentation more familiar. The focus is now 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 activities or objectives. A major fund should generally meet both of the following criteria: 1) total assets, liabilities, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets, liabilities, etc.) for that fund type (i.e., governmental or enterprise funds) and 2) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains 23 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the One Percent Sales Tax Fund and the State Grants Fund, all of which are considered to be major funds. Data from the other 20 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided for the general, one percent sales tax and state grants funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 26-33 of this report.

Proprietary funds. The City maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Board of Public Utilities, Civic Center and Ice and Events Center.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewer funds as they are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 34-43 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 44 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-80 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 90-117 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City's net assets, 85 percent reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table reflects the condensed Statement of Net Assets.

Statement of Net Assets						
(amounts expressed in thousands, totals may not add due to rounding)						
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 62,573	\$ 64,493	\$ 31,762	\$ 33,531	\$ 94,335	\$ 98,024
Capital assets	158,402	137,303	289,184	285,415	447,585	422,718
Total assets	<u>220,974</u>	<u>201,796</u>	<u>320,946</u>	<u>318,946</u>	<u>541,920</u>	<u>520,742</u>
Long-term liabilities	23,949	22,775	81,874	82,919	105,823	105,694
Other liabilities	14,607	11,425	10,997	11,229	25,604	22,654
Total liabilities	<u>38,556</u>	<u>34,200</u>	<u>92,871</u>	<u>94,148</u>	<u>131,427</u>	<u>128,348</u>
Net assets:						
Invested in capital assets, net of related debt	145,940	125,406	201,582	197,243	347,522	322,649
Restricted	30,893	33,509	1,290	3,250	32,183	36,759
Unrestricted	5,585	8,682	25,203	24,304	30,788	32,986
Total net assets	<u>\$ 182,418</u>	<u>\$ 167,597</u>	<u>\$ 228,075</u>	<u>\$ 224,797</u>	<u>\$ 410,493</u>	<u>\$ 392,394</u>

A portion of the City's net assets (7.8 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$30,787,911) may be used to meet the government's ongoing obligations to citizens and creditors subject to the City's fund designations and fiscal policies.

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

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

Net assets in the City's governmental type activities increased by \$14.8 million during fiscal year 2009, this was up from a prior year increase of almost \$9 million. The increase is due to an increase in capital grant revenues received from the State of Wyoming. Net assets in the City's business type activities increased by \$3.2 million during fiscal year 2009, compared to a prior year increase of \$6.8 million. This was attributed to increased expenses without a corresponding increase in revenues.

The following table reflects a condensed summary of activities and changes in net assets.

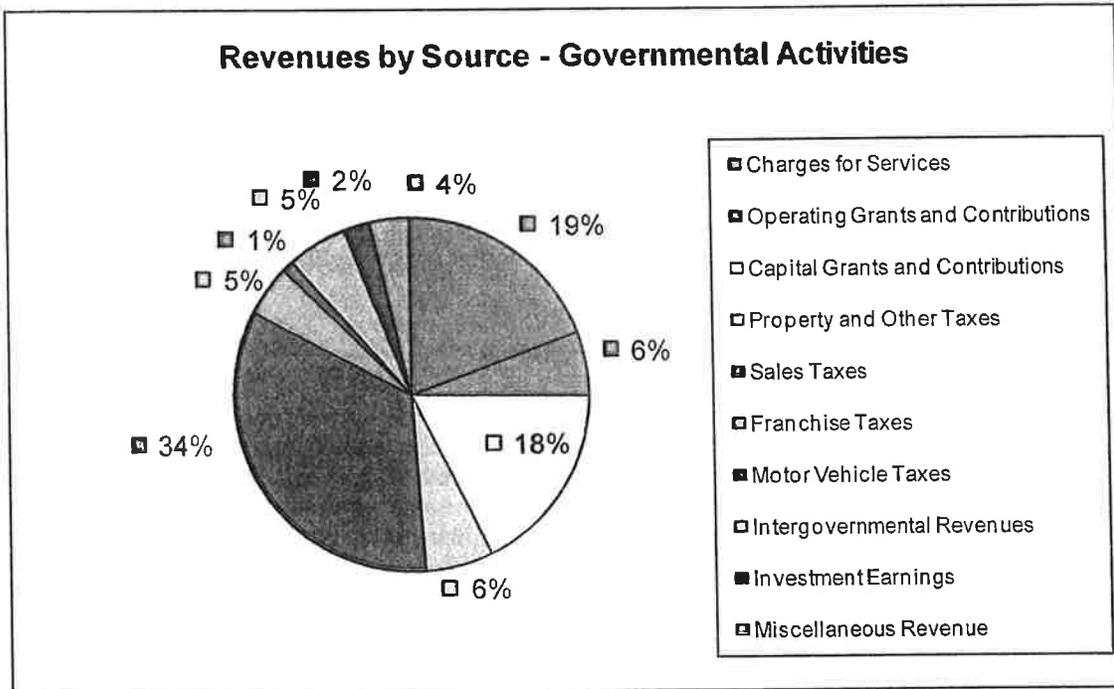
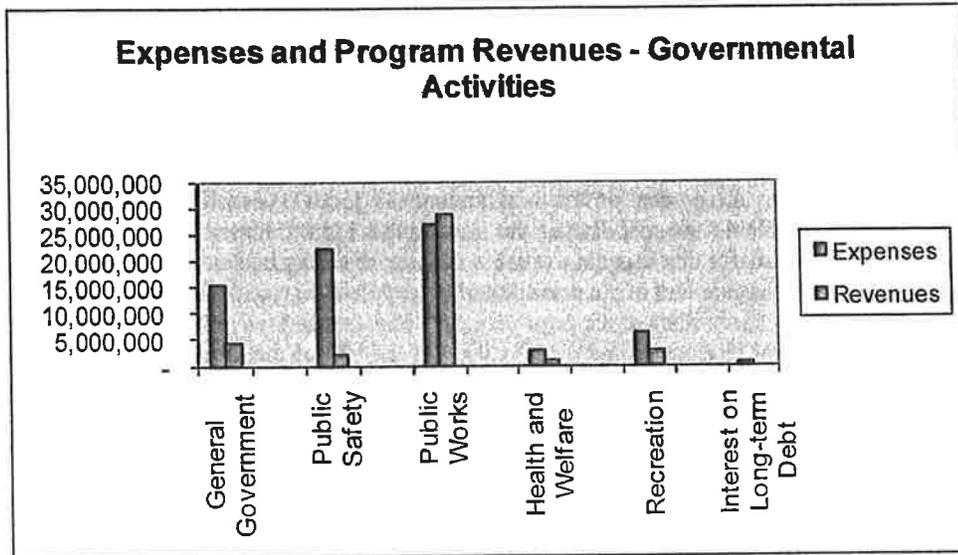
Changes in Net Assets						
(amounts expressed in thousands, totals may not add due to rounding)						
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 17,567	\$ 17,478	\$ 24,767	\$ 23,605	\$ 42,334	\$ 41,083
Operating grants and contributions	5,284	4,359	1,267	1,269	6,551	5,628
Capital grants and contributions	16,049	3,370	3,279	2,160	19,329	5,530
General revenues:						
Property and other taxes	10,723	10,517	-	-	10,723	10,517
Sales taxes	30,839	33,329	260	879	31,099	34,208
Intergovernmental	4,921	4,974	-	-	4,921	4,974
Other	5,052	6,873	696	1,307	5,748	8,180
Total revenues	90,436	80,900	30,269	29,220	120,705	110,120
Expenses:						
General government	15,593	15,099	-	-	15,593	15,099
Public safety	22,295	20,120	-	-	22,295	20,120
Public works	26,656	22,273	-	-	26,656	22,273
Health and welfare	2,677	2,595	-	-	2,677	2,595
Recreation	6,441	7,171	-	-	6,441	7,171
Interest on long-term debt	538	530	-	-	538	530
Water	-	-	17,090	16,432	17,090	16,432
Sewer	-	-	9,719	9,214	9,719	9,214
Other	-	-	1,596	1,122	1,596	1,122
Total expenses	74,200	67,788	28,406	26,768	102,606	94,556
Increase in net assets before transfers	16,236	13,112	1,863	2,452	18,100	15,564
Transfers	(1,415)	(4,325)	1,415	4,325	-	-
Increase in net assets	14,821	8,787	3,278	6,777	18,100	15,564
Net assets - beg. of year (restated)	167,597	158,810	224,796	218,019	392,393	376,829
Net assets - end of year	\$ 182,418	\$ 167,597	\$ 228,074	\$ 224,796	\$ 410,493	\$ 392,393

The above condensed summary of the City's governmental and business type activities for the period ended June 30, 2009 reflects net assets increasing by over \$18 million. The prior period is also included for comparative purposes. In addition, revenue and expense graphs have been presented to enhance the reader's understanding of the current year activities.

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009



Financial Analysis of the City's Funds

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

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$50,646,407. Approximately 6.6 percent of this total amount (\$3,350,073) constitutes unreserved and undesignated fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period, to pay debt service or has been committed to other uses.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, undesignated fund balance of the general fund was \$4,039,117, while total fund balance reached \$8,620,677. As a measure of the general fund's liquidity, it may be useful to compare both undesignated fund balance and total fund balance to total fund expenditures. Undesignated fund balance represents 8 percent of total general fund expenditures, while total fund balance represents 17 percent of that same amount.

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

Unrestricted net assets of the Waterworks and Sewer funds at the end of the year amounted to \$25,660,121 and those for the Civic Center and Ice and Events Center amounted to \$(456,788). Other factors concerning the finances of these four funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the original and the final amended budgeted expenditures and transfers were \$3,916,966. The major expenditure increases follow:

- ❖ \$ 1,463,466 in carryover projects in general government activities
- ❖ \$ 1,306,012 for various agency account projects

Of this increase, \$771,376 was funded from unanticipated revenue with the remaining \$3,145,590 budgeted from available fund balance. During the year, intergovernmental revenues were below budgetary estimates due to a decrease in sales and use tax revenues. Expenditures were less than budgetary estimates for all functions except for the police department, thus eliminating the need to further draw upon existing fund balance for operations. However, a large portion of this variance was due to capital projects that had been budgeted in their entirety but were still in process at June 30, 2009.

Capital Asset and Debt Administration

Capital assets. The City of Cheyenne's investment in capital assets for its governmental and business-type activities as of June 30, 2009, amounted to \$447,585,398 (net of accumulated depreciation). This investment in capital assets included land, buildings, utility plant, improvements, machinery and equipment, park facilities and roads. The total increase in the City's investment in capital assets for the current fiscal year was 5.9 percent.

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

- ❖ Acquisition of equipment for the sanitation department
- ❖ A variety of street construction projects.
- ❖ Vehicles for the police and fire departments.
- ❖ Various building and system additions and improvements for the Board of Public Utilities.

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2009

Capital Assets Net of Depreciation

	(amounts expressed in thousands, totals may not add due to rounding)					
	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	\$ 13,178	\$ 11,529	\$ 5,231	\$ 5,206	\$ 18,409	\$ 16,735
Construction in progress	31,313	21,805	5,486	5,338	36,799	27,143
Buildings and improvements	50,232	38,628	8,472	8,358	58,705	46,986
Utility plant in service	-	-	422,858	409,930	422,858	409,930
Machinery and equipment	35,668	33,205	5,451	5,136	41,119	38,341
Infrastructure	113,383	108,851	-	-	113,383	108,851
Less accumulated depreciation	(85,371)	(76,714)	(158,315)	(148,553)	(243,686)	(225,267)
Total	\$ 158,402	\$ 137,304	\$ 289,184	\$ 285,415	\$ 447,585	\$ 422,719

Additional information on the City's capital assets can be found in Note 4 on pages 58-60 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$8,170,000, backed by the full faith and credit of the government. The remainder of the City's debt represents bonds and loans secured solely by specified revenue sources (i.e., revenue bonds).

Outstanding Debt - General Obligation Bonds, Revenue Bonds and Loans

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
General obligation bonds	\$ -	\$ -	\$ 8,170,000	\$ 10,745,000	\$ 8,170,000	\$ 10,745,000
Loans and capital leases	3,311,674	2,672,242	67,425,078	65,070,151	70,736,752	67,742,393
Revenue bonds	9,150,000	9,225,000	11,905,000	12,330,000	21,055,000	21,555,000
Total	\$ 12,461,674	\$ 11,897,242	\$ 87,500,078	\$ 88,145,151	\$ 99,961,752	\$ 100,042,393

The City of Cheyenne's total debt decreased by \$80,641 (less than one percent) during the current fiscal year

The Board of Public Utilities maintains a AA rating from Standard & Poor's for general obligation debt. The City of Cheyenne maintains an A- rating from Standard & Poor's on the revenue bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 4 percent of its total assessed valuation. The current debt limitation for the City of Cheyenne is \$19,646,709; however, the Board of Public Utilities' general obligation debt is not subject to that limitation.

CITY OF CHEYENNE, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2009

Additional information on the City of Cheyenne's long-term debt can be found in Note 7 on pages 63-71 of this report.

Economic Factors and Next Year's Budgets and Rates

These factors were considered in preparing the City's budget for the 2010 fiscal year (July 1, 2009 to June 30, 2010).

The unemployment rate for Cheyenne was 4.9 percent as of May 31, 2009, compared to the rate of 3.6 percent a year ago. This compares to the state's average unemployment rate of 5.0 percent and the national average rate of 9.4 percent.

During the course of calendar year 2008, 139 housing permits were issued with a total added valuation to the City of \$23,947,298. During the calendar year 2008, 142 commercial permits were issued on new and remodeling construction with a total added valuation to the City of \$50,245,678. During the preparation of the 2010 budget, this trend was not expected to continue as the current economy has slowed the growth of construction projects in the City.

The City's original approved budget for the general fund for the upcoming fiscal year 2010 totaled \$51,359,247. This represented a 2.1% increase over the original budget for fiscal year 2009. The 2010 budget reflects the effects of the additional 3% raise to employees as of January 1, 2009.

The most significant risk to the City is the uncertainty of the economy in Wyoming due to the mineral industry. As the City receives a significant portion of mineral-derived revenues, the effect of a downturn in this economic area has proven to be a challenge for future budgets of the City. The Wyoming State legislature is in the process of developing a local government financing model to be used in determining the sharing of state revenues. The final determination of this model could have a significant impact on the City's budget.

Requests for Information

The financial report is designed to provide a general overview of the City of Cheyenne's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Treasurer, City of Cheyenne, 2101 O'Neil, Room 108, Cheyenne, WY 82001.

**BASIC
FINANCIAL
STATEMENTS**

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET ASSETS
June 30, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
ASSETS				
Current assets				
Cash and cash equivalents	\$ 12,485,835	\$ 17,312,361	\$ 29,798,196	\$ 985,149
Investments, at fair value	22,795,277	9,534,921	32,330,198	-
Restricted assets				
Cash and cash equivalents	3,170,633	411,155	3,581,788	-
Investments	6,734,407	989,594	7,724,001	-
Due from other governments	-	587,004	587,004	-
Receivables				
Accrued interest	231,849	36,017	267,866	-
Accounts- customers	1,928,926	1,676,683	3,605,609	-
Estimated unbilled usage	-	1,826,775	1,826,775	-
Sanitation receivable and unbilled usage	-	1,170,554	1,170,554	-
Property tax receivable	4,193,605	-	4,193,605	-
Internal balances	2,181,755	(2,181,755)	-	-
Intergovernmental receivable	7,874,241	-	7,874,241	-
Prepaid expenses	490,018	-	490,018	-
Notes receivable	-	-	-	5,378
Inventories	235,477	268,119	503,596	-
Total current assets	62,322,023	31,631,428	93,953,451	990,527
Capital assets				
Land	13,177,583	5,231,081	18,408,664	-
Utility plant in service	-	422,858,283	422,858,283	-
Machinery and equipment	12,774,521	1,231,137	14,005,658	-
Transportation equipment	21,434,256	2,242,843	23,677,099	-
Buildings and improvements	50,232,359	8,472,312	58,704,671	-
Office furniture and equipment	1,459,032	1,977,082	3,436,114	19,435
Infrastructure	113,382,580	-	113,382,580	-
Construction in progress	31,312,683	5,485,883	36,798,566	-
	243,773,014	447,498,621	691,271,635	19,435
Less accumulated depreciation	(85,371,377)	(158,314,860)	(243,686,237)	(12,324)
Total capital assets (net of accumulated depreciation)	158,401,637	289,183,761	447,585,398	7,111
Other assets				
Notes receivable	-	-	-	17,267
Deferred charges	250,521	130,943	381,464	-
Total other assets	250,521	130,943	381,464	17,267
Total noncurrent assets	158,652,158	289,314,704	447,966,862	24,378
Total assets	\$ 220,974,181	\$ 320,946,132	\$ 541,920,313	\$ 1,014,905

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET ASSETS (CONTINUED)
June 30, 2009

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
LIABILITIES				
Current liabilities				
Accounts payable	\$ 7,376,591	\$ 1,641,836	\$ 9,018,427	\$ 128,511
Accrued interest	-	840,693	840,693	-
Accrued salaries including compensated absences and early retirement, current portion	2,450,917	477,029	2,927,946	-
Unearned fees and deposits	-	1,238,562	1,238,562	-
Intergovernmental payable	300	-	300	-
Unearned revenue	4,096,095	311,136	4,407,231	-
Long-term debt and capital leases current portion	683,493	6,487,246	7,170,739	-
Total current liabilities	<u>14,607,396</u>	<u>10,996,502</u>	<u>25,603,898</u>	<u>128,511</u>
Noncurrent liabilities				
Accrued landfill closure and post-closure costs	10,354,751	-	10,354,751	-
Accrued compensated absences	1,815,985	760,188	2,576,173	-
Long-term portion of capital leases	2,703,181	-	2,703,181	-
Long-term portion of debt	9,075,000	81,114,123	90,189,123	-
Total noncurrent liabilities	<u>23,948,917</u>	<u>81,874,311</u>	<u>105,823,228</u>	<u>-</u>
Total liabilities	<u>38,556,313</u>	<u>92,870,813</u>	<u>131,427,126</u>	<u>128,511</u>
NET ASSETS				
Invested in capital assets, net of related debt	145,939,963	201,582,392	347,522,355	7,111
Restricted for				
Debt service and capital improvements	-	1,289,594	1,289,594	-
Legal restrictions - nonexpendable	1,521,605	-	1,521,605	-
Tax voter approved specific projects	29,371,722	-	29,371,722	-
Unrestricted	5,584,578	25,203,333	30,787,911	879,283
Total net assets	<u>\$ 182,417,868</u>	<u>\$ 228,075,319</u>	<u>\$ 410,493,187</u>	<u>\$ 886,394</u>

CITY OF CHEYENNE, WYOMING

STATEMENT OF ACTIVITIES
Year Ended June 30, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	\$ 15,592,916	\$ 3,088,687	\$ 1,323,496	\$ 59,138
Public safety	22,294,739	1,513,860	704,129	-
Public works	26,656,451	11,279,354	2,364,893	14,962,026
Health and welfare	2,677,021	-	866,334	-
Recreation	6,441,071	1,685,378	24,835	1,028,318
Interest on long-term debt	537,724	-	-	-
Total governmental activities	<u>74,199,922</u>	<u>17,567,279</u>	<u>5,283,687</u>	<u>16,049,482</u>
Business-type activities				
Water	17,090,429	15,704,771	1,011,625	2,655,640
Sewer	9,719,210	8,151,283	255,733	623,672
Civic Center	835,547	442,277	-	-
Ice and Events Center	760,792	468,621	-	-
Total business-type activities	<u>28,405,978</u>	<u>24,766,952</u>	<u>1,267,358</u>	<u>3,279,312</u>
Total primary government	<u>\$ 102,605,900</u>	<u>\$ 42,334,231</u>	<u>\$ 6,551,045</u>	<u>\$ 19,328,794</u>
Governmental component unit				
Downtown Development Authority	<u>\$ 770,211</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues
 Property taxes and other taxes
 Sales taxes
 Franchise taxes
 Motor vehicle taxes
 Intergovernmental funds and shared revenues not restricted to specific programs
 Unrestricted investment earnings
 Miscellaneous revenue
 Gain (loss) on sale of capital assets
 Transfers
 Total general revenues and transfers
 Change in net assets

Net assets - beginning of year

Net assets - end of year

Net (Expense) Revenue and Changes in Net Assets			Component Unit
Primary Government			Downtown Development Authority
Governmental Activities	Business-type Activities	Total	
\$ (11,121,595)	\$ -	\$ (11,121,595)	\$ -
(20,076,750)	-	(20,076,750)	-
1,949,822	-	1,949,822	-
(1,810,687)	-	(1,810,687)	-
(3,702,540)	-	(3,702,540)	-
(537,724)	-	(537,724)	-
<u>(35,299,474)</u>	<u>-</u>	<u>(35,299,474)</u>	<u>-</u>
-	2,281,607	2,281,607	-
-	(688,522)	(688,522)	-
-	(393,270)	(393,270)	-
-	(292,171)	(292,171)	-
<u>-</u>	<u>907,644</u>	<u>907,644</u>	<u>-</u>
(35,299,474)	907,644	(34,391,830)	-
-	-	-	(770,211)
5,497,857	-	5,497,857	159,291
30,838,928	259,653	31,098,581	-
4,250,085	-	4,250,085	-
975,035	-	975,035	-
4,921,442	-	4,921,442	477,156
2,209,927	695,933	2,905,860	11,313
3,275,439	-	3,275,439	14,111
(432,969)	-	(432,969)	-
(1,415,055)	1,415,055	-	-
<u>50,120,689</u>	<u>2,370,641</u>	<u>52,491,330</u>	<u>661,871</u>
14,821,215	3,278,285	18,099,500	(108,340)
<u>167,596,653</u>	<u>224,797,034</u>	<u>392,393,687</u>	<u>994,734</u>
<u>\$ 182,417,868</u>	<u>\$ 228,075,319</u>	<u>\$ 410,493,187</u>	<u>\$ 886,394</u>

CITY OF CHEYENNE, WYOMING

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009**

	<u>General Fund</u>	<u>One Percent Sales Tax Fund</u>	<u>State Grants</u>
ASSETS			
Cash and cash equivalents	\$ 1,095,149	\$ 7,055,538	\$ 3,960
Investments, at fair value	3,343,723	13,720,641	-
Cash and cash equivalents - restricted	-	-	-
Investments - restricted	-	-	-
Receivables			
Accrued interest	-	121,693	-
Property tax	4,193,605	-	-
Customers	1,002,341	-	779,393
Due from other funds	1,857,623	-	700,046
Due from other governments	2,109,120	1,539,266	2,581,553
Prepaid items	462,551	27,467	-
Inventories	235,477	-	-
Total assets	<u>\$14,299,589</u>	<u>\$22,464,605</u>	<u>\$ 4,064,952</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 1,551,264	\$ 1,757,768	\$ 2,135,790
Accrued salaries including vacation and sick leave	-	-	-
Due to other funds	-	-	2,120,000
Due to other governments	300	-	-
Deferred revenue	4,127,348	-	-
Total liabilities	<u>5,678,912</u>	<u>1,757,768</u>	<u>4,255,790</u>
Fund balances			
Reserved for			
Tax voter approved specific projects	-	19,916,287	-
Legal restrictions	976,506	-	-
Prepaid items	462,551	27,467	-
Unreserved, designated for, reported in:			
Encumbrances	345,205	763,083	-
Capital projects	445,136	-	-
Loans	825,913	-	-
Future expenditures	500,000	-	-
Agency accounts	1,026,249	-	-
Special revenue funds	-	-	-
Capital projects funds	-	-	-
Unreserved, undesignated reported in:			
General fund	4,039,117	-	-
Special revenue funds	-	-	(190,838)
Capital project funds	-	-	-
Debt service fund	-	-	-
Total fund balances	<u>8,620,677</u>	<u>20,706,837</u>	<u>(190,838)</u>
Total liabilities and fund balances	<u>\$14,299,589</u>	<u>\$22,464,605</u>	<u>\$ 4,064,952</u>

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 4,331,188	\$ 12,485,835
5,730,913	22,795,277
3,170,633	3,170,633
6,734,407	6,734,407
110,156	231,849
-	4,193,605
147,192	1,928,926
3,335,000	5,892,669
1,644,302	7,874,241
-	490,018
-	235,477
<u>\$ 25,203,791</u>	<u>\$ 66,032,937</u>
\$ 1,931,769	\$ 7,376,591
-	-
1,590,914	3,710,914
-	300
171,377	4,298,725
<u>3,694,060</u>	<u>15,386,530</u>
9,455,435	29,371,722
545,099	1,521,605
-	490,018
-	1,108,288
-	445,136
-	825,913
-	500,000
-	1,026,249
11,917,757	11,917,757
89,646	89,646
-	4,039,117
(196,935)	(387,773)
(304,477)	(304,477)
3,206	3,206
<u>21,509,731</u>	<u>50,646,407</u>
<u>\$ 25,203,791</u>	<u>\$ 66,032,937</u>

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CITY OF CHEYENNE, WYOMING

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS**

June 30, 2009

Total fund balances - governmental funds	\$ 50,646,407
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	158,401,637
Other assets are not available to pay for current period expenditures and, therefore are deferred in the funds.	202,630
Long-term liabilities for compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(4,266,902)
Long-term liability for landfill closure costs is not due and payable in the current period and therefore is not reported in the funds.	(10,354,751)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(12,211,153)</u>
Net assets of governmental activities	<u>\$ 182,417,868</u>

CITY OF CHEYENNE, WYOMING

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2009**

	General Fund	One Percent Sales Tax Fund	State Grants
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Taxes and special assessments	\$ 9,152,956	\$ -	\$ -
Licenses and permits	1,830,051	-	-
Intergovernmental	26,046,249	9,772,207	11,022,879
Charges for services	9,868,835	-	-
Fines and forfeitures	1,586,462	-	-
Investment income	457,207	853,229	-
Miscellaneous	1,229,349	116,000	1,331,900
Total revenues	<u>50,171,109</u>	<u>10,741,436</u>	<u>12,354,779</u>
Expenditures			
Current			
General government	13,496,493	-	-
Public safety	19,190,161	103,632	-
Public works	10,196,185	2,077,611	-
Health and welfare	-	887,500	-
Recreation	5,278,879	239,362	17,000
Capital	1,571,141	7,171,009	12,363,721
Debt service			
Principal retirements	75,000	-	-
Interest payments	413,413	-	-
Total expenditures	<u>50,221,272</u>	<u>10,479,114</u>	<u>12,380,721</u>
Excess (deficiency) of revenues over expenditures	<u>(50,163)</u>	<u>262,322</u>	<u>(25,942)</u>
Other financing sources (uses)			
Transfers in	347,462	-	-
Transfers out	(2,166,811)	-	(148,409)
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>(1,819,349)</u>	<u>-</u>	<u>(148,409)</u>
Net change in fund balances	(1,869,512)	262,322	(174,351)
Fund balances - beginning of year	<u>10,490,189</u>	<u>20,444,515</u>	<u>(16,487)</u>
Fund balances - end of year	<u>\$ 8,620,677</u>	<u>\$ 20,706,837</u>	<u>\$ (190,838)</u>

<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 9,152,956
-	1,830,051
12,501,544	59,342,879
4,281,931	14,150,766
-	1,586,462
899,491	2,209,927
516,706	3,193,955
<u>18,199,672</u>	<u>91,466,996</u>
128,141	13,624,634
1,442,904	20,736,697
4,781,498	17,055,294
1,789,188	2,676,688
801,111	6,336,352
12,853,745	33,959,616
634,828	709,828
109,833	523,246
<u>22,541,248</u>	<u>95,622,355</u>
<u>(4,341,576)</u>	<u>(4,155,359)</u>
649,608	997,070
(96,905)	(2,412,125)
<u>1,274,260</u>	<u>1,274,260</u>
<u>1,826,963</u>	<u>(140,795)</u>
(2,514,613)	(4,296,154)
<u>24,024,344</u>	<u>54,942,561</u>
<u>\$ 21,509,731</u>	<u>\$ 50,646,407</u>

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CITY OF CHEYENNE, WYOMING

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

Year Ended June 30, 2009

Net change in fund balances - total governmental funds \$ (4,296,154)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation and disposals in the current period. 21,098,513

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (569,742)

Expenses for accrued absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (302,119)

Expenses reported in the statement of activities for the increase in the landfill closure liability do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. (530,373)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of the differences in the treatment of long-term debt and related items. (578,910)

Change in net assets of governmental activities \$ 14,821,215

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS
June 30, 2009

	Business-type Activities	
	Waterworks Fund	Sewer Fund
ASSETS		
Current assets		
Cash and cash equivalents	\$ 11,582,253	\$ 5,598,228
Investments, at fair value	6,069,000	3,465,921
Restricted assets		
Cash and cash equivalents	411,155	-
Investments	989,594	-
Due from other governments	458,427	128,577
City of Cheyenne sanitation account	1,170,554	-
Receivables		
Accrued interest	26,978	9,039
Accounts- customers	1,098,850	570,309
Estimated unbilled usage	1,279,290	547,485
Inventories	253,785	14,334
Prepaid expenses	-	-
Total current assets	23,339,886	10,333,893
Noncurrent assets		
Capital assets		
Land	4,404,799	484,039
Utility plant in service	314,452,643	108,405,640
Machinery and equipment	777,761	257,944
Transportation equipment	1,667,136	555,712
Buildings and improvements	1,510,729	509,120
Office furniture and equipment	1,173,430	393,671
Construction in progress	5,221,901	263,982
	329,208,399	110,870,108
Less accumulated depreciation	(119,231,436)	(35,607,731)
Total capital assets (net of accumulated depreciation)	209,976,963	75,262,377
Other assets		
Deferred charges	130,943	-
Total other assets	130,943	-
Total noncurrent assets	210,107,906	75,262,377
Total assets	\$ 233,447,792	\$ 85,596,270

<u>Enterprise Funds</u>	
<u>Other Proprietary Funds</u>	<u>Totals</u>
\$ 131,880	\$ 17,312,361
-	9,534,921
-	411,155
-	989,594
-	587,004
-	1,170,554
-	36,017
7,524	1,676,683
-	1,826,775
-	268,119
-	-
<u>139,404</u>	<u>33,813,183</u>
342,243	5,231,081
-	422,858,283
195,432	1,231,137
19,995	2,242,843
6,452,463	8,472,312
409,981	1,977,082
-	5,485,883
<u>7,420,114</u>	<u>447,498,621</u>
<u>(3,475,693)</u>	<u>(158,314,860)</u>
<u>3,944,421</u>	<u>289,183,761</u>
-	<u>130,943</u>
-	<u>130,943</u>
<u>3,944,421</u>	<u>289,314,704</u>
<u>\$ 4,083,825</u>	<u>\$323,127,887</u>

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS (CONTINUED)

June 30, 2009

	Business-type Activities	
	Waterworks Fund	Sewer Fund
LIABILITIES		
Current liabilities		
Accounts payable	\$ 1,500,629	\$ 101,072
Accrued interest	616,125	224,568
Unearned revenue	-	-
Due to other funds	1,841,746	140,009
Unearned fees and deposits	1,020,467	218,095
Accrued salaries including vacation and sick leave	255,108	205,564
Current portion of general obligation and loan debt	4,592,684	1,894,562
Total current liabilities	9,826,759	2,783,870
Long term liabilities		
Accrued compensated absences	460,270	271,354
General obligation and loan debt, deferred amount on refunding and unamortized bond premium, net of current portion	44,023,600	37,090,523
Total long term liabilities	44,483,870	37,361,877
Total liabilities	54,310,629	40,145,747
NET ASSETS		
Invested in capital assets, net of related debt	161,360,679	36,277,292
Restricted for debt service and capital improvements	1,289,594	-
Unrestricted (deficit)	16,486,890	9,173,231
Total net assets	179,137,163	45,450,523

<u>Enterprise Funds</u>	
<u>Other</u>	
<u>Proprietary</u>	
<u>Funds</u>	<u>Totals</u>
\$ 40,135	\$ 1,641,836
-	840,693
311,136	311,136
200,000	2,181,755
-	1,238,562
16,357	477,029
-	6,487,246
<u>567,628</u>	<u>13,178,257</u>
28,564	760,188
-	81,114,123
<u>28,564</u>	<u>81,874,311</u>
<u>596,192</u>	<u>95,052,568</u>
3,944,421	201,582,392
-	1,289,594
<u>(456,788)</u>	<u>25,203,333</u>
<u>3,487,633</u>	<u>228,075,319</u>

CITY OF CHEYENNE, WYOMING

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS
Year Ended June 30, 2009**

	Business-type Activities	
	Waterworks Fund	Sewer Fund
Operating revenues		
Sales and charges for services	\$ 15,380,781	\$ 7,870,804
Fees and miscellaneous	323,990	280,479
Total operating revenues	15,704,771	8,151,283
Operating expenses		
Source of supply	1,023,116	-
Water treatment	2,096,691	-
Transmission and distribution	1,885,130	-
Engineering and water resources	546,083	537,956
Sewer collection lines	-	1,093,916
Water reclamation	-	2,232,907
Information technology and customer service	493,396	483,674
Administrative and general	2,125,524	1,331,620
Depreciation	7,025,022	3,035,990
Parts and supplies	-	-
Intra-city charges	-	-
Total operating expenses	15,194,962	8,716,063
Operating income (loss)	509,809	(564,780)
Non-operating income (expenses)		
System development fees	1,011,625	255,733
Special purpose taxes	-	259,653
Investment income		
Interest income	421,489	191,032
Net increase in fair value of investments	56,609	26,640
Loss on disposal of capital assets	-	-
Interest expense	(1,895,467)	(1,003,147)
Total non-operating income (expenses)	(405,744)	(270,089)
Income (loss) before contributions and transfers	104,065	(834,869)
Capital contributions	1,861,885	348,976
Donated utilities and other assets	793,755	274,696
Transfers in (out)	1,000,000	-
Change in net assets	3,759,705	(211,197)
Total net assets - beginning of year	175,377,458	45,661,720
Total net assets - end of year	\$ 179,137,163	\$ 45,450,523

<u>Enterprise Funds</u>	
<u>Other Proprietary Funds</u>	<u>Totals</u>
\$ 833,611	\$ 24,085,196
77,287	681,756
<u>910,898</u>	<u>24,766,952</u>
-	1,023,116
-	2,096,691
-	1,885,130
-	1,084,039
-	1,093,916
-	2,232,907
-	977,070
1,357,352	4,814,496
165,749	10,226,761
46,701	46,701
26,537	26,537
<u>1,596,339</u>	<u>25,507,364</u>
<u>(685,441)</u>	<u>(740,412)</u>
-	1,267,358
-	259,653
163	612,684
-	83,249
-	-
-	<u>(2,898,614)</u>
<u>163</u>	<u>(675,670)</u>
<u>(685,278)</u>	<u>(1,416,082)</u>
-	2,210,861
-	1,068,451
<u>415,055</u>	<u>1,415,055</u>
(270,223)	3,278,285
<u>3,757,856</u>	<u>224,797,034</u>
<u>\$ 3,487,633</u>	<u>\$228,075,319</u>

CITY OF CHEYENNE, WYOMING

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2009**

	<u>Business-type Activities</u>	
	<u>Waterworks Fund</u>	<u>Sewer Fund</u>
Cash flows from operating activities		
Cash received from customers	\$ 15,539,895	\$ 8,101,800
Cash payments to suppliers	(1,989,082)	(2,095,869)
Cash payments to employees	(5,009,000)	(3,704,263)
Change in City sanitation account	(162,444)	-
Net cash provided by (used in) operating activities	<u>8,379,369</u>	<u>2,301,668</u>
Cash flows from noncapital financing activities		
Transfers from other funds	<u>1,000,000</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>1,000,000</u>	<u>-</u>
Cash flows from capital and related financing activities		
System development fees	1,012,868	255,733
Special purpose taxes	-	259,653
Proceeds from issuance of debt	5,213,274	82,337
Proceeds from due to other funds	-	-
Acquisition and construction of capital assets	(11,609,050)	(1,212,144)
Payment of bond issuance costs	-	-
Proceeds from disposition of capital assets	-	-
Principal paid on general obligation bonds and loan debt maturities	(4,197,161)	(1,743,523)
Capital grants	1,861,885	348,976
Interest paid on debt	(1,729,781)	(939,868)
Net cash provided by (used in) capital and related financing activities	<u>(9,447,965)</u>	<u>(2,948,836)</u>
Cash flows from investing activities		
Interest on cash accounts and investments	<u>550,518</u>	<u>241,770</u>
Net cash provided by investing activities	<u>550,518</u>	<u>241,770</u>
Net increase (decrease) in cash and cash equivalents	481,922	(405,398)
Cash and cash equivalents - beginning of year	<u>18,570,080</u>	<u>9,469,547</u>
Cash and cash equivalents - end of year	<u>\$ 19,052,002</u>	<u>\$ 9,064,149</u>

<u>Enterprise Funds</u>	
<u>Other Proprietary Funds</u>	<u>Totals</u>
\$ 979,173	\$ 24,620,868
(756,689)	(4,841,640)
(679,107)	(9,392,370)
-	(162,444)
<u>(456,623)</u>	<u>10,224,414</u>
<u>415,055</u>	<u>1,415,055</u>
<u>415,055</u>	<u>1,415,055</u>
-	1,268,601
-	259,653
-	5,295,611
200,000	200,000
(105,815)	(12,927,009)
-	-
-	-
-	(5,940,684)
-	2,210,861
-	(2,669,649)
<u>94,185</u>	<u>(12,302,616)</u>
<u>163</u>	<u>792,451</u>
<u>163</u>	<u>792,451</u>
52,780	129,304
<u>79,100</u>	<u>28,118,727</u>
<u>\$ 131,880</u>	<u>\$ 28,248,031</u>

CITY OF CHEYENNE, WYOMING

**STATEMENT OF CASH FLOWS (CONTINUED)
 PROPRIETARY FUNDS
 Year Ended June 30, 2009**

	<u>Business-type Activities</u>	
	<u>Waterworks Fund</u>	<u>Sewer Fund</u>
Combined components of cash and cash equivalents		
Cash and cash equivalents	\$ 11,993,408	\$ 5,598,228
Investments	<u>7,058,594</u>	<u>3,465,921</u>
	<u>\$ 19,052,002</u>	<u>\$ 9,064,149</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 509,809	\$ (564,780)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Depreciation	7,025,022	3,035,990
Increase (decrease) in cash and cash equivalents resulting from changes in operating assets and liabilities		
Receivables	(174,873)	(50,550)
Inventory	4,949	(3,646)
Prepaid expenses	-	-
Accounts payable	1,135,242	(138,558)
Other accruals	-	1,034
City sanitation account	(162,444)	-
Due from/due to other funds	-	-
Accrued salaries including vacation and sick leave	31,667	21,111
Deferred revenue	<u>9,997</u>	<u>1,067</u>
Net cash provided by (used in) operating activities	<u>\$ 8,379,369</u>	<u>\$ 2,301,668</u>
Noncash investing, capital and noncapital financing activities		
Amortization of deferred refunding loss and debt premiums	\$ 74,372	\$ -
Donated asset acquisitions	793,755	274,696
Capitalized interest	74,151	7,994

<u>Enterprise Funds</u>	
<u>Other Proprietary Funds</u>	<u>Totals</u>

\$ 131,880	\$ 17,723,516
-	10,524,515
<u>\$ 131,880</u>	<u>\$ 28,248,031</u>

\$ (685,441)	\$ (740,412)
--------------	--------------

165,749	10,226,761
---------	------------

(4,438)	(229,861)
---------	-----------

-	1,303
---	-------

1,542	1,542
-------	-------

(12,702)	983,982
----------	---------

-	1,034
---	-------

-	(162,444)
---	-----------

-	-
---	---

5,954	58,732
-------	--------

<u>72,713</u>	<u>83,777</u>
---------------	---------------

<u>\$ (456,623)</u>	<u>\$ 10,224,414</u>
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\$ -	\$ 74,372
------	-----------

-	1,068,451
---	-----------

-	82,145
---	--------

CITY OF CHEYENNE, WYOMING
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2009

	<u>Agency Fund DARE</u>
ASSETS	
Cash and cash equivalents	\$ <u>628</u>
Total assets	\$ <u><u>628</u></u>
 LIABILITIES	
Accounts payable	\$ <u>628</u>
Total liabilities	\$ <u><u>628</u></u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies

Reporting Entity

The City of Cheyenne, Wyoming (the City) is a municipal corporation governed by an elected mayor and nine elected council members. The accompanying financial statements present the government and its component units. As required by accounting principles generally accepted in the United States of America, these financial statements include all of the governmental activities and business-type activities relevant to the operations of the City. The accompanying financial statements of the City are to include those separately administered organizations for which the elected officials of the City are financially accountable or those that it would be misleading to exclude. Financial accountability is determined based on the appointment of a voting majority of the governing board and, either the city's ability to impose its will, or the presence of a potential financial benefit or burden to the City. The City of Cheyenne Board of Public Utilities (the Board) is not a separate legal entity; as such, the Board's information is reported as proprietary funds of the City.

Discretely Presented Component Unit

The Downtown Development Authority ("DDA") was established to account for all the revenues and those expenditures associated with the activities of developing the City downtown area. The DDA primarily serves the citizens and businesses of the City of Cheyenne, and is dependent upon revenue from tax incremental financing through 1% sales tax that is shared with the City of Cheyenne. Due to the nature and significance of its relationship with the City, the exclusion of the DDA would render the financial statements of the City incomplete or misleading. Complete financial statements for the DDA may be obtained from the Cheyenne Downtown Development Authority, 121 W. 15th, Suite 200, Cheyenne, Wyoming.

Nature of Operations

The City provides the following services as authorized by statute: public safety, street maintenance and operation, health and social services, culture-recreation, public improvements, planning and zoning, sanitation, and general administrative services.

The DDA plans and implements the restoration and improvement of property within the City boundaries.

The Board provides all water and sewer services for the City, Warren Air Force Base and the South Cheyenne Water & Sewer District. These services include obtaining an adequate source of water supply, water treatment, wastewater collection, and water reclamation.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The City's government-wide financial statements are designed to present the information in a format more closely resembling that of the private sector and to provide the user with more managerial analysis regarding the financial results and the City's financial outlook.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The City's fiduciary fund financial statements are for an agency fund in which assets equal liabilities; the agency fund has no measurement focus and uses the *accrual basis of accounting*.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues, except property taxes, to be available if they are collected within 90 days of the end of the current fiscal period. Property taxes are considered available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, intergovernmental revenues, charges for services and licenses associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *one percent sales tax fund* accounts for the City's share of revenue received and expenditures made with the general purpose optional 1% sales tax approved by the voters.

The *state grants fund* accounts for the City's grants received from non-federal sources and expenditures made with those funds.

The City reports the following major proprietary funds:

The *waterworks fund* accounts for the operation of the water distribution system which produces and supplies the City and its inhabitants with water for domestic and industrial purposes, and for public use.

The *sewer fund* accounts for operation of the water reclamation plant, sewage pumping stations, and the collection systems.

Additionally, the government reports the following fund types:

The *special revenue funds* are used to account for the proceeds of designated specific revenue sources that are restricted to expenditures for specified purposes.

The *permanent fund* is used to account for resources legally restricted for use in the care and maintenance of the City's cemetery.

The *other proprietary funds* are for the civic center and the ice and events center, which are used to account for their operations.

The *agency fund* is used to report DARE resources held by the City in a purely custodial capacity.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, civic center and ice and events center enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

Assets, Liabilities and Net Assets or Equity

Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statements of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased and all certificates of deposit to be cash equivalents. The City also has investments in the State treasurer's Investment Pool (WYOSTAR) and the Wyoming Government Investment Fund (WGIF), which are considered cash equivalents due to the City's ability to withdraw funds at any time. Interest earned is allocated among the various funds based on the average monthly outstanding balance in the consolidated bank account. Accrued interest is shown separately on the balance sheet. The City uses consolidated bank accounts, which earn interest at variable interest rates. Occasionally, certain individual funds may reflect a deficiency in the cash balance per books. These deficit cash balances are reported as an inter-fund payable between the fund showing the deficit and the fund showing the related asset.

Investments, which consist of certificates of deposit, money market certificates, mortgage-backed securities and government securities, are reported at fair value at June 30, 2009. Fair value is determined using the latest bid price or by the closing exchange price at the statement of net assets date. A significant portion of the City's investment activity, except for funds that are required to maintain their investments separately, is conducted in a pooled investment account with the State of Wyoming, State Treasurer's office. The State Treasurer's Investment Pool (WYOSTAR) operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of inter-fund loans) or "advances to/from other funds" (i.e. the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts receivable are shown on the statement of net assets net of allowances for doubtful accounts of \$444,553.

Property taxes attach as an enforceable lien on property as of May 11. Taxes are levied on or about August 1 and are payable in two installments on September 1 and March 1, with delinquent dates of November 10 and May 10, respectively. If the first installment is not paid, the entire levy is delinquent on December 31. The County bills and collects property taxes for all municipalities and political subdivisions within the County, including the City of Cheyenne.

The City is permitted by Wyoming Statutes to levy up to 8 mills of the assessed valuation except for the payment of public debt and the interest thereon. The combined tax rate to finance general governmental services other than the payment of principal and interest on long-term debt for the year ended June 30, 2009 was 8 mills, which means the City has no available tax margin and accordingly, cannot raise any additional property taxes.

The unbilled utility usage receivable represents the unbilled utility services that have been provided but not billed as of the end of the year.

Inventories

Inventories are stated at the lower of cost, determined by the weighted-average method, or market. All purchases of supplies are recorded as expenditures when used or issued to the user department (consumption method).

Restricted Assets

By voter approval, restricted assets include cash and investments required to be set aside as specific purpose sales and use taxes for the exclusive purpose of funding various projects. Assets held by the Board for the City sanitation, as well as amounts due from the State of Wyoming on requested loan advances are also deemed restricted. In addition, cash required to be set aside for the repair and maintenance of capital assets that were funded by the State of Wyoming loans, as well as the Bond Reserve Funds required by the issuance of the Series 2007 Refunding Revenue Water Bonds and the Series 2003 Refunding and Improvement Revenue Bonds, are deemed restricted.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Capital Assets

Capital assets of governmental funds and the civic and ice and events centers, which include property, plant, equipment and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the statement of net assets. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Property, plant, and equipment of the governmental funds and the civic and ice and events center are depreciated using the straight-line method over the following estimated useful lives:

Buildings	30-50 years
Infrastructure	15-40 years
Improvements	20 years
Equipment	5-20 years

Sewer and waterworks capital assets, which include property, plant equipment and infrastructure assets (e.g., water and sewer lines), are reported in the applicable business-type activities columns in the statement of net assets. Capital assets are defined by the Board as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets, land, buildings and improvements, equipment and utility plant in service have been valued at an estimated historical cost, as determined by an independent study as of June 30, 1973, plus additions since that time at historical cost. Property and equipment donated by developers is valued at its fair value at the date of donation.

Depreciation for the waterworks and sewer capital assets has been provided over the following estimated useful lives computed by the straight-line method:

Utility plant in service:	
Waterworks system	10-50 years
Sewer system	10-40 years
Machinery and equipment	5-10 years
Transportation equipment	5 years
Structures and improvements	40 years
Office furniture and equipment	3-5 years

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Compensated Absences

City employees, other than employees of the waterworks and sewer departments, earn vacation leave at the following rates:

<u>Months of Service</u>	<u>Vacation Hours Accrued Per Month</u>
0 to 60	8.67
61 to 120	10.67
121 to 180	12.67
181 to 240	14.67
Over 240	16.67

Employees may accumulate up to 30 days of vacation. Accumulated vacation leave in excess of 30 days shall be deemed forfeited at the end of the December pay period. Sick leave accrues at the rate of 1.25 days per month and employees may accumulate unlimited hours of sick leave but upon termination are only paid up to 60 days of sick leave.

Nonexempt full-time and part-time employees of the waterworks and sewer departments are eligible to earn and use compensatory time upon employment. Compensatory time may be earned in lieu of overtime wages and call back wages. Compensatory time is earned at 1½ hours for time worked in excess of 40 in a workweek and for call back hours. The maximum accumulation of compensatory time is 120 hours. A full-time or part-time exempt employee may earn administrative time at a rate of one for one for hours worked above 40 in a workweek, up to a maximum of 120 hours. Upon termination, an employee is paid for his or her accrued unused compensatory or administrative time, not to exceed 120 hours. Payment is calculated using the rate of pay at the time of termination.

Employees of the waterworks and sewer departments earn vacation leave at the following rates:

<u>Months of Service</u>	<u>Vacation Hours Accrued Per Month</u>
0 to 48	8.0
49 to 96	10.0
97 to 144	12.0
145 to 192	14.0
Over 192	16.0

Accumulated vacation leave in excess of 30 days shall be deemed forfeited at the end of the December pay period.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Compensated Absences (Continued)

Employees of the waterworks and sewer departments accrue sick leave up to a maximum of 480 hours for a full-time employee and 240 hours for a part-time employee on the basis of the number of hours worked in the month at the following rates:

<u>Hours Worked Per Month</u>	<u>Sick Leave Hours Accrued Per Month</u>
160 or more	10.0
120 to 159	7.5
80 to 119	5.0
40 to 79	2.5
39 or less	No accrual

Vacation and sick leave shall be granted to permanent employees only. Probationary employees can accrue leave from the employment date but are not eligible to use leave until a permanent status is achieved. Unused sick leave and vacations of City personnel are accumulated during employment. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences is accrued as benefits are accumulated in the government-wide and proprietary fund financial statements. Upon termination of employment, an employee is paid for his or her other accrued unused vacation leave and one-half of his or her accrued unused sick leave up to 240 hours.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 1. The Reporting Entity and Significant Accounting Policies (Continued)

Assets, Liabilities and Net Assets or Equity (Continued)

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balances represent tentative management plans that are subject to change.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition of those assets. Net assets are reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of net assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual amounts could differ from those estimates.

Encumbrances

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as designations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

Deficit Fund Equity

The following funds had a deficit balance at June 30, 2009:

Fund	Deficit Balance
Community Development Block Grant	\$ 752
Law Enforcement Block Grant	9,891
Miscellaneous Federal Grants	185,385
Transportation Planning	907
State Grants	190,838
Athletic Facilities	304,477

For the Community Development Block Grant, Law Enforcement Block Grant, Miscellaneous Federal Grants, State Grants and Transportation Planning Funds, the fund deficits are due to draws not made early in the program or requests for reimbursements not meeting the availability requirement. The Athletic Facilities deficit is caused by expenses made from loans from the general fund. As revenues are generated from future years and the loans are repaid, the deficit will be eliminated.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 2. Reconciliation of Government-wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The basic financial statements include a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$12,211,153 difference are as follows:

Long-term portion of capital leases	\$ 2,703,181
Long-term portion of debt	9,075,000
Long-term debt and capital leases current portion	683,493
Less: Bond issue costs	<u>(250,521)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ 12,211,153</u></u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The basic financial statements include a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$21,098,513 difference are as follows:

Capital outlay	\$ 30,762,112
Depreciation expense	(9,230,630)
Disposal of assets	<u>(432,969)</u>
	<u><u>\$ 21,098,513</u></u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 3. Cash and Investments

Cash and investments and restricted cash and investments as of June 30, 2009, as classified in the accompanying financial statements, consist of the following:

	Governmental Activities	Business-type Activities	Total
Deposits with financial institutions:			
Cash	\$ 8,404,907	\$ 597,770	\$ 9,002,677
Certificates of deposit	384,970	12,374,513	12,759,483
Investments:			
WYOSTAR	7,087,829	15,180,563	22,268,392
WGIF	-	95,185	95,185
Investment accounts	29,308,446	-	29,308,446
	\$ 45,186,152	\$ 28,248,031	\$ 73,434,183

Investments Authorized by the City's Investment Policy

The City follows the guidelines set forth in Wyoming State Statute 9-4-831 as it relates to the investment of public funds. The City's investment policy requires investments to comply with State statutes, which generally allow the City to invest in U.S., state and local government securities and accounts of any bank and savings associations which are federally insured or secured by a pledge of assets including bonds, debentures and other securities in which the City may by law invest. All investments made during the year were made within these statutory limits.

Custodial Credit Risk

In the case of deposits and certificates of deposit, this is the risk that in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require that the City and Board's deposits in excess of the Federal depository insurance must be collateralized. As of June 30, 2009, the deposits of the City and Board were fully insured and collateralized as required by state statutes. The deposits of the component unit of the City were fully insured and collateralized at June 30, 2009.

In addition to the applicable statutes, the City and Board's policies require all deposits to be collateralized at 105% of the amount invested including accrued interest to further reduce its exposure to custodial credit risk unless the financial institution is participating in the Transaction Account Guarantee Program, which is in effect until December 31, 2009. At June 30, 2009, the City and Board's deposits were fully collateralized as required by City and Board policy.

For an investment, this is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes limit the type of investments the City can use. Statutes limit investments primarily to securities issued or guaranteed by the U.S. Treasury or agencies of the United States Government; therefore, reducing the City's exposure to custodial credit risk for its investments. As of June 30, 2009, all investment securities were held by the City's custodians and registered in the City's name.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 3. Cash and Investments (Continued)

Concentration of Credit Risk

The City's investment policy states that with the exception of U.S. Treasury securities, certificates of deposits, and authorized pools, no more than 25% of the City's total investment portfolio will be invested in any one issuer. The City met this limitation as of June 30, 2009. The City holds \$23,164,140 or 37% of its portfolio in government agency securities such as Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), and Federal Home Loan Bank (FHLB). The Board's investment policy does not allow more than 25% of the total investment portfolio to be invested in any one issuer, with the exception of WYOSTAR, WGIF, bank certificates of deposit and U.S. Treasury securities, which include all of the Board's investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City's investments are held in an external pooled investment account, bank certificates of deposit, as well as accounts managed by an investment manager, and as a means of limiting its exposure to fair value losses arising from rising interest rates, the City attempts to match its investment maturities to expected cash flow needs. Unless matched to a specific cash flow, the City's policy is to maintain a weighted average life of one to three years for the 1-3 Year Short portfolio and maintain a weighted average life of one to five years for the 1-5 Short-intermediate portfolio. The Board's investment portfolio shall be timed to provide that at least 20% is under 31 days (but this amount need not be more than \$3,000,000) and not more than 25% may be over 181 days and less than three years. With this investment focus, investments are expected to reach maturity with limited gains and losses. The maturities and applicable interest rates of the City and Board's investments are displayed in the following Interest Rate Risk Table.

Investment Type	Fair Value	Interest Rate	Investment Maturities in Years			
			Less Than 1	1-5	6-10	More Than 10
Certificates of Deposit	\$ 10,909,485	1.35%-5.55%	\$ 9,624,921	\$ 1,284,564	\$ -	\$ -
U.S. Government Securities	5,980,574	2.375%-7.452%	-	5,717,469	263,105	-
U.S. Agencies	23,164,140	2.599%-6.625%	1,665,362	19,613,249	787,483	1,098,046
Governmental Mutual Funds	163,732	n/a	163,732	-	-	-
State Treasurer's Investment Pool (WYO-STAR)	22,268,392	1.21%	22,268,392	-	-	-
Wyoming Government Investment fund (WGIF)	95,185	0.43%	95,185	-	-	-
	<u>\$ 62,581,508</u>		<u>\$ 33,817,592</u>	<u>\$ 26,615,282</u>	<u>\$ 1,050,588</u>	<u>\$ 1,098,046</u>

The component unit of the City had investments in the Wyoming Government Investment Fund (WGIF) which was established pursuant to the Wyoming Statutory Trust Act. The component unit's balance in WGIF as of June 30, 2009 was \$955,922. The WGIF's investment policy limits its exposure to market value fluctuations due to changes in interest rates by requiring that the Fund's portfolio maintain a dollar-weighted average maturity of less than ninety days. The weighted average maturity of the Fund's entire portfolio at June 30, 2009 was 57 days.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 3. Cash and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City and Board's investment policies do not contain any specific provisions intended to limit the City or Board's exposure to credit risk. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law does not allow governments to invest in corporate bonds, stocks or mutual funds and limits investments in commercial paper to short term maturities (not greater than 270 days) and to the top ratings issued by nationally recognized statistical rating organizations (Moody's and Standard and Poor's). Obligations of the U.S. Government and obligations specifically guaranteed are backed by the full faith and credit of the U.S. Government. The City's investments in U.S. Agencies were either not rated or were rated AAA by Moody's. The City's investments in the governmental mutual funds were not rated. Under investment agreements with WYOSTAR and WGIF, the City has invested monies at a variable and fixed contract rate of interest, respectively. There is no rating available for the WYOSTAR investment; however, under Wyoming statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized rating organizations. The WGIF investment received an AAAM rating by Standard & Poor's.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 4. Capital Assets

Governmental capital asset activity for the year ended June 30, 2009 was as follows:

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>June 30, 2009</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 11,529,138	\$ 150,000	\$ 1,498,445	\$ 13,177,583
Construction in progress	21,804,594	26,291,984	(16,783,895)	31,312,683
Total capital assets, not being depreciated	<u>33,333,732</u>	<u>26,441,984</u>	<u>(15,285,450)</u>	<u>44,490,266</u>
Capital assets, being depreciated:				
Buildings and improvements	38,627,946	850,695	10,753,718	50,232,359
Machinery and equipment	12,093,801	857,088	(176,368)	12,774,521
Transportation equipment	19,668,964	2,588,018	(822,726)	21,434,256
Office furniture and equipment	1,441,855	24,327	(7,150)	1,459,032
Infrastructure	108,850,848	-	4,531,732	113,382,580
Total capital assets, being depreciated	<u>180,683,414</u>	<u>4,320,128</u>	<u>14,279,206</u>	<u>199,282,748</u>
Less accumulated depreciation for:				
Buildings	10,853,710	994,401	-	11,848,111
Improvements other than buildings	4,766,517	303,966	-	5,070,483
Infrastructure	40,482,177	5,355,260	-	45,837,437
Equipment	20,611,618	2,577,003	(573,275)	22,615,346
Total accumulated depreciation	<u>76,714,022</u>	<u>9,230,630</u>	<u>(573,275)</u>	<u>85,371,377</u>
Total capital assets being depreciated, net	<u>103,969,392</u>	<u>(4,910,502)</u>	<u>14,852,481</u>	<u>113,911,371</u>
Governmental activities, capital assets, net	<u>\$ 137,303,124</u>	<u>\$ 21,531,482</u>	<u>\$ (432,969)</u>	<u>\$ 158,401,637</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 4. Capital Assets (Continued)

Business-type capital asset activity for the year ended June 30, 2009 was as follows:

	Balance June 30, 2008	Additions	Retirements and Transfers	Balance June 30, 2009
Business-type activities				
Capital assets, not being depreciated:				
Land	\$ 5,205,942	\$ 25,139	\$ -	\$ 5,231,081
Construction in progress	5,338,131	11,422,593	(11,274,841)	5,485,883
Total capital assets, not being depreciated	<u>10,544,073</u>	<u>11,447,732</u>	<u>(11,274,841)</u>	<u>10,716,964</u>
Capital assets, being depreciated:				
Utility plant in service	409,930,227	2,025,203	10,902,853	422,858,283
Machinery and equipment	1,160,234	70,903	-	1,231,137
Transportation equipment	2,159,732	176,074	(92,963)	2,242,843
Structures and improvements	8,357,607	114,705	-	8,472,312
Office furniture and equipment	1,816,239	160,843	-	1,977,082
Total capital assets, being depreciated	<u>423,424,039</u>	<u>2,547,728</u>	<u>10,809,890</u>	<u>436,781,657</u>
Less accumulated depreciation for:				
Utility plant in service	140,895,387	9,675,971	(371,988)	150,199,370
Machinery and equipment	855,173	53,104	-	908,277
Transportation equipment	1,632,006	204,862	(92,963)	1,743,905
Structures and improvements	3,665,930	192,512	-	3,858,442
Office furniture and equipment	1,504,554	100,312	-	1,604,866
Total accumulated depreciation	<u>148,553,050</u>	<u>10,226,761</u>	<u>(464,951)</u>	<u>158,314,860</u>
Total capital assets being depreciated, net	<u>274,870,989</u>	<u>(7,679,033)</u>	<u>11,274,841</u>	<u>278,466,797</u>
Business-type activities, capital assets, net	<u>\$ 285,415,062</u>	<u>\$ 3,768,699</u>	<u>\$ -</u>	<u>\$ 289,183,761</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 4. Capital Assets (Continued)

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

Governmental activities	
General government	\$ 694,265
Public safety	928,072
Public works	6,597,734
Health and welfare	-
Recreation	<u>1,010,559</u>
Total depreciation expense - governmental activities	<u>\$ 9,230,630</u>
Business-type activities	
Waterworks	\$ 7,025,022
Sewer	3,035,990
Civic center	66,914
Ice and events center	<u>98,835</u>
Total depreciation expense - business-type activities	<u>\$ 10,226,761</u>

Note 5. Interfund Receivables, Payables and Transfers

The composition of interfund receivables and payables as of June 30, 2009 is as follows:

Fund	Government-wide Statements Internal Balances		Fund Level Financial Statements Due From/To Other Funds	
	Receivable	Payable	Receivable	Payable
Governmental activities:				
General fund	\$ 1,281,709	\$ -	\$ 1,857,623	\$ -
Special revenue funds:				
Solid Waste Management	200,000	-	3,335,000	-
Community Development Block Grant	-	-	-	-
Local Law Enforcement Block Grants	-	-	-	50,000
Transportation Planning	-	-	-	190,000
State Grants	700,046	-	700,046	2,120,000
Recreation Programs	-	-	-	88,131
Miscellaneous Federal Grants	-	-	-	775,000
Capital projects funds:				
Capital Facilities Tax	-	-	-	-
Athletic Facilities	-	-	-	487,783
Business-type activities:				
Waterworks	-	1,841,746	-	1,841,746
Sewer	-	140,009	-	140,009
Ice and Events Center	-	200,000	-	200,000
	<u>\$ 2,181,755</u>	<u>\$ 2,181,755</u>	<u>\$ 5,892,669</u>	<u>\$ 5,892,669</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 5. Interfund Receivables, Payables and Transfers (Continued)

The balance of \$1,281,709 due from the waterworks fund to the general fund resulted from the Board of Public Utilities billing and collection of sanitation charges on behalf of the City. All other balances resulted from the time lag between dates that (1) interfund goods and services were provided or reimbursable expenses occurred, (2) transactions were recorded in the accounting systems, and (3) payments between funds were made.

Transfers for the year ended June 30, 2009 were as follows:

Fund	Transfers	
	In	Out
Governmental activities:		
General fund	\$ 347,462	\$ 2,166,811
Special revenue funds:		
Community Development Block Grant	8,652	-
Law Enforcement Block Grant	13,285	-
Miscellaneous Federal Grants	-	69,119
UMTA Transit Grants	627,671	-
State Grants	-	148,409
Housing Loans	-	8,652
Permanent fund		
Cemetery Perpetual Care	-	19,134
Total governmental activities	997,070	2,412,125
Business-type activities:		
Waterworks	1,000,000	-
Civic Center	309,240	-
Ice and Events Center	105,815	-
Total business-type activities	1,415,055	-
Total primary government	\$ 2,412,125	\$ 2,412,125

During the year ended June 30, 2009, the waterworks fund received \$1,000,000 from the general fund for payment of bond indebtedness. Other transfers are used to (1) move revenues from the fund that statute or budget requires expending them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 6. Leases

The City has entered into lease agreements as lessee for financing the acquisition of landfill and irrigation equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. For governmental activities, capital lease obligations are generally liquidated by the solid waste management fund.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 6. Leases (Continued)

The assets acquired through capital leases are as follows:

	<u>Governmental Activities</u>
Asset	
Machinery and equipment	\$ 2,282,973
Less accumulated depreciation	<u>(432,375)</u>
Total	<u>\$ 1,850,598</u>

The capital lease obligations payable as of June 30, 2009 were as follows:

Lease payable for landfill equipment, due in semi-annual installments of \$79,157, with interest of 3.98%, through June 2013.	\$ 581,773
Lease payable for landfill equipment, due in semi-annual installments of \$94,536, with interest of 3.60%, through June 2015.	1,012,201
Lease payable for equipment, due in semi-annual installments of \$54,792 to \$54,901, variable interest rate through June 2013.	396,005
Lease payable for landfill equipment, due in semi-annual installments of \$13,362, with interest at 3.96%, through June 2010.	5,625
Lease payable for landfill equipment, due in semi-annual installments of \$100,269, with interest at 4.60%, through June 2016.	1,188,645
Lease payable for landfill equipment, due in semi-annual installments of \$37,070, with interest at 3.50%, through June 2011.	<u>127,425</u>
	<u>\$ 3,311,674</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 6. Leases (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2009, were as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2010	\$ 737,442
2011	716,111
2012	657,662
2013	652,859
2014	389,610
Thereafter	<u>590,149</u>
Total minimum lease payments	3,743,833
Less amount representing interest	<u>(432,159)</u>
Present value of minimum lease payments	<u>\$ 3,311,674</u>

Note 7. Long-Term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City.

General long-term debt currently outstanding is as follows:

	<u>Balance at June 30, 2009</u>	<u>Amount Due Within One Year</u>
<i>Governmental activities</i>		
Refunding and Improvement Revenue Bonds, Series 2003, due in annual installments of \$75,000 to \$1,775,000 through April 2028 plus interest from 3.25% to 4.625%. Bonds are callable by the City as of April 1, 2013 on any interest date, for the principal and accrued interest. Secured by a pledge of federal mineral royalties and gross parking fee revenues received.	<u>\$ 9,150,000</u>	<u>\$ 75,000</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 7. Long-Term Debt (Continued)

	<u>Balance at June 30, 2009</u>	<u>Amount Due Within One Year</u>
<i>Business-type activities</i>		
General Obligation Water Refunding Bonds, Series 1998, original amount of \$23,380,000, due in annual installments ranging from \$2,575,000 to \$2,850,000 through December 2011; interest at 4.60% to 5.25%. Secured by all taxable property within the City and all revenue, net of premiums and deferred loss.	8,170,000	2,705,000
Due to the State of Wyoming, Water Development Commission, original amount of \$1,951,313, with interest at 4%, due annually on December 1. Annual principal and interest payments of \$93,433 through 2036. Secured by a mortgage on Granite Springs dam and reservoir and Crystal Lake dam and reservoir and revenues from the Cheyenne Water System.	1,525,720	32,404
Due to the State of Wyoming, Office of State Lands and Investment, #IRR-802, original amount of \$4,500,000, with interest at 5%, due annually on December 1. Annual principal and interest payments are \$326,119 through 2014 for rehabilitation of Stage II embankments. Secured by assignment and pledge of all revenues generated by the Cheyenne Water System sufficient to meet the required debt service.	1,411,925	255,523
Due to the State of Wyoming, Water Development Commission, original amount of \$1,535,224, with interest at 4%, due annually on December 1. Annual principal and interest payments of \$88,782 through 2024 for rehabilitation of the North Crow Creek dams and reservoirs. Collateralized by a mortgage on North Crow Creek dams and reservoirs and revenue from the Cheyenne Water System.	1,034,516	47,402
Due to the State of Wyoming, Water Development Commission, original amount of \$6,250,000, with interest at 4%, due annually on December 1. Annual principal and interest payments are \$306,348 through 2037. Secured by a mortgage on the Stage I pipeline and revenues from the Cheyenne Water System.	5,105,849	102,114

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 7. Long-Term Debt (Continued)

	Balance at June 30, 2009	Amount Due Within One Year
<i>Business-type activities (continued)</i>		
Refunding Revenue Water bonds, Series 2007, original amount of \$12,330,000, due in annual installments ranging from \$425,000 to \$910,000 through December 2026; interest at 4% to 5%. Secured by pledge of revenues from the city's water system tap and user fees and system development fees, net of premiums.	11,905,000	445,000
Due to the State of Wyoming, Office of State Lands and Investments, DWSRF Loan #002, original amount of \$4,000,000, with interest at 2.5%, due annually on December 1. Annual principal and interest payments are \$258,075 through 2023. Secured by an assignment and pledge of all revenues generated by the Cheyenne Water System sufficient to meet the required debt service.	3,017,128	182,646
Due to the State of Wyoming, Office of State Lands and Investments, DWSRF Loan #065, original amount of \$5,600,000 for the Southern Water Transmission Main - Phase I Project, with interest at 2.5%, due annually on September 1. Annual principal and interest payments are \$334,721 through 2029. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	5,232,773	205,555
Due to the State of Wyoming, Water Development Commission, original amount of \$625,000, with interest at 4% due annually on December 1. Annual principal and interest payments are \$56,213 through 2012. Secured by a mortgage on the wells and revenues from the Cheyenne Water System.	155,998	49,973
Due to the State of Wyoming, Water Development Commission, original amount of \$767,000, with interest at 4%, due annually on December 1. Annual principal and interest payments are \$55,556 through 2015 for the construction of a water storage tank. Secured by a mortgage on the tank and revenues from the Cheyenne Water System.	333,453	42,218

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 7. Long-Term Debt (Continued)

	<u>Balance at June 30, 2009</u>	<u>Amount Due Within One Year</u>
<i>Business-type activities (continued)</i>		
<p>Due to the State of Wyoming, Office of State Lands and Investments, CWSRF Loan #007, original amount of \$2,334,500, with interest at 2.5%, due annually on September 1. Annual principal and interest payments are \$147,951 through 2019 for the rehabilitation of the Crow Creek and Rollins sewer lines. Secured by the pledge and assignment of revenue generated from wastewater user fees necessary to meet the annual loan payment.</p>	1,294,874	115,579
<p>Due to the State of Wyoming, Office of State Lands and Investments, DWSRF Loan #023, original amount of \$10,000,000, with interest at 2.5%, due annually on December 1. Annual principal and interest payments are \$641,471 through 2023. Secured with the pledge and assignment of revenues from water system user fees.</p>	7,499,384	453,987
<p>Due to the State of Wyoming, Office of State Lands and Investments, CWSRF Loan #032, original amount of \$3,200,000, with interest at 2.5%, due annually on June 1. Annual principal and interest payments are \$205,271 through 2026 for the Dry and Crow Creek Rehab - Engineering project. Secured by the pledge and assignment of revenue generated from wastewater user fees necessary to meet the annual loan payments.</p>	2,814,714	134,903
<p>Due to the State of Wyoming, Office of State Lands and Investments, DWSRF #034, original amount of \$825,000, with interest at 2.5%, due annually on December 1. Annual principal and interest payments are \$47,729 through 2025 for funding of the City's Water Main Rehabilitation Project for Fiscal Year 2004. Secured by a pledge and assignment of revenues from the City's water system user fees.</p>	623,098	32,151

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 7. Long-Term Debt (Continued)

	<u>Balance at June 30, 2009</u>	<u>Amount Due Within One Year</u>
<i>Business-type activities (continued)</i>		
Due to the State of Wyoming, Office of State Lands and Investments, DWSRF #074, advances on a \$375,000 loan for the Administration Building Project. Interest will accrue at 2.5% from the date of loan disbursements. Twenty annual payments of principal and interest will begin not later than one year after substantial completion of the project. The payments are currently estimated at \$10,109 per year. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payments.	157,595	-
Due to the State of Wyoming, Office of State Lands and Investments, CWSRF #084, advances on a \$375,000 loan for the Administration Building Project. Interest will accrue at 2.5% from the date of loan disbursements. Twenty annual payments of principal and interest will begin not later than one year after substantial completion of the project. The payments are currently estimated at \$10,109 per year. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payments.	157,595	-
Due to the State of Wyoming, Office of State Lands and Investments, CWSRF Loan #046, original amount of \$36,450,000, with interest at 2.5%, due annually on June 1. Annual principal and interest payments are \$2,338,163 through 2026 for the Dry and Crow Creek Rehab - Construction project. Secured by the pledge and assignment of revenues generated from wastewater user fees necessary to meet the annual loan payments.	32,061,351	1,536,629
Due to the State of Wyoming, Office of State Lands and Investments, CWSRF Loan #81, advances on a \$1,280,000 loan for the extension of Cheyenne's Recycled Water System Project. Interest will accrue at 2.5% from the date of loan disbursements. Twenty annual payments of principal and interest will begin not later than one year after substantial completion of the project. The payments are currently estimated at \$82,108 per year. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	1,280,000	-

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 7. Long-Term Debt (Continued)

	<u>Balance at June 30, 2009</u>	<u>Amount Due Within One Year</u>
<i>Business-type activities (continued)</i>		
Due to the State of Wyoming, Office of State Lands and Investments, DWSRF Loan #056, original amount of \$1,300,000 , with interest at 2.5%, due annually on March 1. Annual principal and interest payments are \$61,885 through 2028. Secured by the pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payments.	926,975	38,711
Due to the State of Wyoming, Office of State Lands and Investments, CWSRF Loan #060, original amount of \$2,900,000 loan, with interest at 2.5%, due annually on September 1. Annual principal and interest payments are \$242,444 through 2029. Secured by the pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payments.	2,735,348	107,451
Due to the State of Wyoming, Office of State Lands and Investments, DWSRF Loan #079, advances on a \$6,680,000 loan for the 30" Water Transmission Main Project. Interest will accrue at 2.5% from the date of loan disbursements. Twenty annual payments of principal and interest will begin not later than one year after substantial completion of the project. The payments are currently estimated at \$3,642 per year. Secured by the pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payments.	<u>56,782</u>	<u>-</u>
Total business-type activities	<u>87,500,078</u>	<u>6,487,246</u>
Total long-term debt	<u>\$ 96,650,078</u>	<u>\$ 6,562,246</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 7. Long-Term Debt (Continued)

The annual debt service requirements of the long-term debt and current principal maturities as of June 30, 2009, are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	75,000	411,725	6,487,246	2,803,990
2011	100,000	409,288	6,813,324	2,475,733
2012	150,000	405,787	6,694,006	2,215,962
2013	200,000	400,162	4,144,021	2,022,731
2014	225,000	392,663	4,266,058	1,897,527
2015-2019	1,675,000	1,789,063	21,416,447	7,629,375
2020-2024	2,725,000	1,326,013	22,858,514	4,423,085
2025-2029	4,000,000	537,656	12,098,579	1,308,472
2030-2034	-	-	1,692,425	402,469
2035-2039	-	-	1,029,458	79,929
	<u>\$ 9,150,000</u>	<u>\$ 5,672,357</u>	<u>\$ 87,500,078</u>	<u>\$ 25,259,273</u>

The balances above do not include the unamortized bond premium or the deferred loss on refunding in the amount of \$101,291 that are reported as components of bonds payable.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 7. Long-Term Debt (Continued)

The following is a summary of long-term liability transactions for the City of Cheyenne for the year ended June 30, 2009.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Revenue bonds	\$ 9,225,000	\$ -	\$ (75,000)	\$ 9,150,000	\$ 75,000
Capital leases	2,672,242	1,274,260	(634,828)	3,311,674	608,493
Compensated absences	3,964,783	3,040,536	(2,738,417)	4,266,902	2,450,917
Landfill closure and post closure costs	9,824,378	530,373	-	10,354,751	-
Governmental activity long-term liabilities	<u>\$ 25,686,403</u>	<u>\$ 4,845,169</u>	<u>\$ (3,448,245)</u>	<u>\$ 27,083,327</u>	<u>\$ 3,134,410</u>
Business-type activities					
General obligation bonds	\$ 10,745,000	\$ -	\$ (2,575,000)	\$ 8,170,000	\$ 2,705,000
Refunding revenue bonds	12,330,000	-	(425,000)	11,905,000	445,000
Loans payable	65,070,151	5,295,611	(2,940,684)	67,425,078	3,337,246
Less deferred amounts					
Premium	482,137	-	(45,988)	436,149	-
On refunding	(455,218)	-	120,360	(334,858)	-
Compensated absences	1,014,068	434,973	(346,173)	1,102,868	342,680
Business-type activity long-term liabilities	<u>\$ 89,186,138</u>	<u>\$ 5,730,584</u>	<u>\$ (6,212,485)</u>	<u>\$ 88,704,237</u>	<u>\$ 6,829,926</u>

For governmental activities, revenue bonds and compensated absences are generally liquidated by the general fund.

Advance and Current Refundings

On April 13, 1998, the City issued \$23,380,000 in General Obligation Bonds with an average interest rate of 4.8298 percent to advance refund \$22,295,000 of outstanding 1992 Series Bonds with an average interest rate of 6.079 percent. The net proceeds of \$23,772,903 (after payment of \$144,529 in underwriting fees, insurance and other issuance costs) plus an additional \$534,368 in existing sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1992 Series bonds which were defeased. As a result, the 1992 Series bonds are considered defeased to the extent of the refunding and the liability for those bonds has been removed from the long-term debt balance. As of December 1, 2002, the defeased debt was repaid in full using all remaining funds in the escrow account. The net proceeds also included a premium on the bond issue of \$391,903, which is being charged to operations through the year 2012 using the effective interest method.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,332,374. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2012 using the effective-interest method.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 7. Long-Term Debt (Continued)

Advance and Current Refundings (Continued)

On December 21, 2007, the City issued \$12,330,000 in Refunding Revenue Water Bonds with an average interest rate of 4.368 percent in order to refinance two Wyoming Water Development Commission loans totaling \$8,043,330 and one Permanent Mineral Trust fund loan for \$3,567,231 bearing substantially higher interest rates between 5.5% and 7.25%. The proceeds of the Series 2007 Bonds, together with other available monies of the City, were used to: (i) refinance the above-referenced loans in the amount of \$11,610,561, (ii) pay expenses incurred in connection with the issuance of the Bonds in the amount of \$102,636, and (iii) establish a debt service reserve fund for the Bonds in the amount of \$989,594. The proceeds from the Series 2007 Bonds included a premium on the bond issue of \$361,903, which is being charged to operations through the year 2027 using the effective interest method.

On March 25, 2003, the City issued \$9,575,000 in Refunding and Improvement Revenue Bonds with an average interest rate of 3.985% to defease the outstanding City of Cheyenne Second Lien Federal Mineral Royalty Revenue Bonds, Series 1994 (the "1994 Bonds"), to finance a portion of the cost of constructing a new multi-level parking structure, and to establish a debt service reserve fund for the 2003 Bonds. The net proceeds of \$9.45 million, (after payment of \$331,325 in underwriting fees, insurance and other issuance costs) were used as follows: \$7.45 million to fund the project, \$957,500 to purchase governmental securities for the 2003 Bond Reserve Fund, and \$821,820 to refund the 1994 Bonds. As a result, the 1994 Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide statement of net assets. As of June 1, 2009, the defeased debt was repaid in full.

Note 8. Retirement Commitments

All eligible City employees are covered under one of the three following retirement plans:

Police Pension Plans

In the past, the City had established two police pension funds as required by Wyoming statutes. Both were single employer defined benefit plans which did not issue separately available financial statements. Police Pension Fund No. 1 was for police officers employed before July 1, 1981, and Police Pension Fund No. 2 was for police officers employed after June 30, 1981. The funds were established under the authority of the Police Pension Board, made up of City council members, the mayor, and police department representatives. Administrative costs for each plan were deducted from plan assets. As of July 1, 2002, all funds were transferred to the Wyoming Retirement System and are currently administered by the Wyoming Retirement System. Under the current plan, employees are eligible for full retirement benefits after they either reach age 60 with at least forty-eight months of contributions to the plan or at any age with 20 years of service. Employees are eligible for early retirement with a reduced benefit after they reach age 50 with forty-eight months of contributions. Benefits are established by State statutes. The Fund issues a publicly available financial report which includes audited financial statements and required supplementary information for the Fund. The report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, 5th Floor West, Cheyenne, Wyoming 82009.

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

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 8. Retirement Commitments (Continued)

Police Pension Plans (continued)

Police State Retirement is funded by amounts withheld from participating employees' salaries and by contributions from the City. These contributions are determined by state statutes and as of June 30, 2009, the percentages to be contributed on compensation were 8.6% by the employees and the same by the City.

During the years ended June 30, 2009, 2008 and 2007, total contributions for the Police State Retirement were \$1,092,164, \$1,006,832 and \$887,836, respectively. The City and employee's portions of the contributions were \$546,082, \$503,416 and \$443,918 for the years ended June 30, 2009, 2008 and 2007 respectively.

Fire Pension Plans

The City participates in the Wyoming Paid Firemen's Retirement Fund ("Fund"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all paid City firemen are eligible to participate. The Fund provides retirement, disability and death benefits according to predetermined formulas. Benefits are established by Wyoming Statutes. The Fund issues a publicly available financial report which includes audited financial statements and required supplementary information for the Fund. The report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, 5th Floor West, Cheyenne, Wyoming 82009.

The Fund is comprised of two plans. Plan A relates to members hired prior to July 1, 1981 and Plan B relates to members hired on or after July 1, 1981 (and any earlier hires electing this plan). Employees under Plan A qualify for a retirement allowance if they have 20 years of active service while members under Plan B qualify if they are 50 years old and have at least 10 years of credited service. Benefits for members participating under Plan A are based on the maximum monthly salary of a fireman first class. The benefit equals 50% of such salary for 20 years of service plus 1% of such salary for years of service in excess of 20 worked after July 1, 1981, up to a maximum of 60% of such salary. The basic monthly benefit for participants of Plan B is equal to a percentage of the highest average monthly salary during any period of 36 consecutive months, with such percentage based on years of service. The percentage is equal to the sum of (i) 2.00% multiplied by the first 20 years of credited service, (ii) 2.50% multiplied by the next 5 years of credited service, and (iii) 1.00% multiplied by years of service in excess of 25, up to a maximum of 60%. The basic monthly benefit is reduced by 1/3% for each month that the retiring member is under age 55, if any. The Fund also provides disability retirement to any employee who becomes permanently incapacitated, mentally or physically, and cannot continue in the performance of their duties.

Effective April 1997, Firemen's Fund A was determined to be fully funded and the City is no longer required to make contributions to the Fund.

Individual members participating under Plan B contribute 8.5% of their compensation and the City contributes 12% of the compensation of covered members. The City's contributions to Plan B for the years ended June 30, 2009, 2008 and 2007 were \$661,619, \$623,309 and \$569,117 respectively, equal to the required contributions for each year.

Wyoming Retirement System

The City participates in the Wyoming Retirement System ("System"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 8. Retirement Commitments (Continued)

Wyoming Retirement System (Continued)

all city full-time employees not covered by the Police or Fire Plans are eligible to participate. Participants who retire at age 60 with four years of credited service are entitled to a retirement benefit according to predetermined formulas and are allowed to select one of five optional methods for receiving benefits. Early retirement is allowed provided the employee has completed four years of service and attained the age of 50, but will result in a reduction of benefits based on the length of time remaining to normal retirement age. The System also provides death and disability benefits. Benefits are established by State statutes. The System issues a publicly available financial report which includes audited financial statements and required supplementary information. The report may be obtained by writing to the Wyoming Retirement System, 6101 Yellowstone Road, 5th Floor West, Cheyenne, Wyoming 82009.

Generally, for individuals with creditable service prior to July 1, 1981, the individuals receive benefits based on the larger of a money purchase benefit structure or a formula basis. The formula consists of multiplying the number of years of service by 2.215% for the members first 15 years of service and 2.25% for all years after 15 by the final average salary. The final average salary consists of the three highest continuous years of service. Benefits for individuals hired after July 1, 1981, are calculated only by the formula method.

The System also provides disability retirement to any employee who becomes permanently incapacitated, mentally or physically, and who cannot continue in the performance of his duties. Benefits are established by State statute.

Plan members are required to contribute 5.57% of their annual covered salary and the City is required to contribute 5.68% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees' contribution. The City currently pays 3% of the required employee's contribution of 5.57%.

The City's contributions to the System for the years ended June 30, 2009, 2008 and 2007 were \$1,897,977, \$1,795,910 and \$1,675,050, respectively, equal to the required contributions for each year, plus the City's 3% share of the required employee contribution.

Note 9. Risk Management

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 is a member of the Wyoming Association of Risk Management (WARM), which is a separate legal agency created under Wyoming State Statutes for the purpose of establishing a shared risk pool and/or jointly purchasing insurance coverage. The premiums required by the participating entities are calculated annually and are based upon actuarially sound and recognized pooling practices. The City's management considers the assets of WARM to be sufficient to cover any claims that may be incurred by its members. The City has paid premiums to WARM of \$543,531 and \$622,243 for the years ended June 30, 2009 and 2008, respectively.

The City has not had significant settlements exceeding insurance coverage in any of the past three fiscal years. The City has had no significant reductions in insurance coverage from coverage in the prior year.

The City also participates in two other risk management programs: Workers' Compensation Act and Unemployment Compensation Act.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 9. Risk Management (Continued)

Wyoming Statute §27-14-101 created the Wyoming Workers' Compensation Act, which is administered as an enterprise fund by the State of Wyoming. All employers within the State of Wyoming are participants of this plan unless the employer elects not to be covered under the plan. This Act requires the City to obtain liability coverage for payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This Act provides general protection from suits filed by employees against the City. The City makes monthly payments to the Department of Employment, State of Wyoming. This amount is based on salaries and a split rate between hazardous and non-hazardous positions. Amounts paid by the City to the State for Workers' Compensation during fiscal years 2009 and 2008 were \$825,450 and \$832,990 respectively.

Wyoming Statute §27-3-101 created the Unemployment Compensation Act. This Act requires the City to pay the cost of actual claims incurred. The City incurred and paid claims of \$47,715 and \$26,509 during the fiscal years ended June 30, 2009 and 2008 respectively.

Note 10. Compensated Absences

Compensated absences have been accrued in the financial statements of the City and consist of the following at June 30, 2009:

	<u>Vacation Leave</u>	<u>Sick Leave</u>	<u>Compensatory Time</u>	<u>Total</u>
Governmental activities	<u>\$ 2,359,047</u>	<u>\$ 1,907,855</u>	<u>\$ -</u>	<u>\$ 4,266,902</u>
Business-type activities				
Waterworks fund	290,265	271,431	73,072	634,768
Sewer fund	193,510	180,953	48,715	423,178
Civic Center fund	24,042	16,014	-	40,056
Ice and Events Center fund	<u>4,865</u>	<u>-</u>	<u>-</u>	<u>4,865</u>
Total business-type activities	<u>512,682</u>	<u>468,398</u>	<u>121,787</u>	<u>1,102,867</u>
Total all funds	<u>\$ 2,871,729</u>	<u>\$ 2,376,253</u>	<u>\$ 121,787</u>	<u>\$ 5,369,769</u>

The amounts reported above for governmental and business-type activities include current and long-term portions.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 11. Industrial Revenue Bonds

The City has participated in several issues of industrial revenue bonds for constructing privately operated manufacturing and other related facilities in the City. These bonds are not direct or contingent liabilities of the City.

Note 12. Closure and Post-Closure Care Liability

State and federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports the estimated liability for these closure and post closure costs in the government-wide financial statements based on landfill capacity used as of each balance sheet date. The current operating costs of the landfill are accounted for within the Solid Waste Management Fund of the City using the modified accrual basis of accounting. The \$10,354,751 reported as landfill closure and post closure care liability at June 30, 2009, represents the cumulative amount estimated to date based on the use of 91% of the estimated capacity of the site. The city will recognize the remaining estimated cost of closure and post closure care of \$1,000,999 as the remaining estimated capacity is filled. The calculation of the estimated liability has been based on what it would cost to perform all closure and post closure care in 2009. The City expects to close the landfill site in approximately 4 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS June 30, 2009

Note 13. Commitments

As of June 30, 2009, the City has entered into several construction/engineering contracts resulting in commitments for future capital expenditures. The major projects are listed below. Although portions of the projects may have been completed and capitalized during 2009, the amounts below represent the activity pertaining to the contract as a whole.

	Expended to Date at June 30, 2009	Total Contract	Total Commitment at June 30, 2009
Governmental Activities			
FY09 Concrete, Milling and Utility	\$ 19,400	\$ 133,430	\$ 114,030
Norris Viaduct Replacement	12,548,007	18,043,937	5,495,930
FY09 City Overlay	100,693	1,346,505	1,245,812
Greenway U.S. 30	422,196	509,389	87,193
Deming/Waltersheid Reconstruction	1,899,223	3,893,119	1,993,896
Dry Creek-Sheridan Reach Flood Control	3,725,627	4,040,146	314,519
Henderson Basin Flood Control Improvements	1,968,274	2,888,910	920,636
FY09 Yellowstone Overlay	739,399	791,230	51,831
FY09 Intersection Repair	48,008	246,124	198,116
FY09 Inlet Repair	107,042	133,529	26,487
Cheyenne Youth Activity & Community Center	511,565	2,128,892	1,617,327
So. Cheyenne Community Park	989,999	1,502,609	512,610
Carey Avenue Extension	351,621	608,512	256,891
C & D Recycle Building	9,663	1,266,996	1,257,333
Dell Range & Marble Ave. Signal Installation	1,792	199,750	197,958
Total governmental activities	<u>23,442,509</u>	<u>37,733,078</u>	<u>14,290,569</u>
Business-type Activities			
Stage I Pipeline Rectifiers	217,770	273,077	55,307
Water Recycle Pipelines - Phase II	1,413,741	1,714,158	300,417
Rehab Granite Spillway	80,087	682,113	602,026
FY08 Well Projects - Phase II	1,500	478,579	477,079
ASR Project	105,001	453,615	348,614
FY09 Water Rehabs	179,675	1,066,386	886,711
Carey Avenue City Project	37,366	48,714	11,348
Pioneer Avenue City Project	17,583	22,924	5,341
W. Lincolnway - WYDOT Project	3,028	408,888	405,860
Deming Drive and Walterscheid City Project	500,179	857,346	357,167
Norris Viaduct City Project	2,172,975	2,868,517	695,542
30" Water Transmission Main/WAFB	90,181	406,005	315,824
Crystal Lake Aeration	594,611	711,947	117,336
Administration Building - Engineering	315,190	580,051	264,861
FY09 Sewer Rehabs	12,578	644,421	631,843
Total business-type activities	<u>5,741,465</u>	<u>11,216,741</u>	<u>5,475,276</u>
Total primary government	<u>\$ 29,183,974</u>	<u>\$ 48,949,819</u>	<u>\$ 19,765,845</u>

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 14. Postemployment Benefits Other Than Pensions

Plan Descriptions. The City participates in two single-employer defined benefit postemployment healthcare plans, being the Post Retirement Health Insurance Plan and the Implicit Rate Subsidy Health Insurance Plan. The City Council has the authority for establishing and amending any of these plans. None of these plans issue a separate report.

Under the Post Retirement Health Insurance Plan, the City offers retiring firefighters an offset to postretirement medical premiums. To be eligible for the coverage, an active firefighter must be at least age 50 and have a minimum of 4 years of service upon retirement. Firefighters retiring prior to age 50 must pay the full premium until age 50 when the monthly offset begins. Some current retirees have retired under differing monthly offset provisions and disabled firefighters are also included in current retiree costs with medical benefits payable to age 65 as well. The current program offers payment of health insurance benefits equal to \$300 per month. There were 35 persons eligible for this program and 20 participants at June 30, 2009.

Under the Implicit Rate Subsidy Health Insurance Plan, the City allows retiring employees to remain on the City's health insurance plan, as long as the retiring employee pays their full premium each month. Employees qualify for the benefit by retiring with the City. In this situation, the retired employee may remain on the City's health insurance plan until the participant reaches age 65.

Funding Policy. The City finances these programs on a "pay-as-you-go" basis. The City Council has the authority for establishing and amending the funding policy.

Annual OPEB Cost and Net OPEB Obligation. The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

	Post Retirement Health Insurance Plan	Implicit Rate Subsidy Health Insurance Plan
Annual required contribution	\$ 134,172	\$ 16,561
Interest on net OPEB obligation	(1,370)	(1,342)
Adjustment to annual required contribution	(2,030)	(1,988)
 Annual OPEB Cost	 130,772	 13,231
Contributions made	(181,251)	(48,810)
 Increase in net OPEB obligation	 (50,479)	 (35,579)
Net OPEB obligation - beginning of year	(30,455)	(29,823)
Net OPEB obligation - end of year	\$ (80,934)	\$ (65,402)

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS
June 30, 2009

Note 14. Postemployment Benefits Other Than Pensions (continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 for each of the plans were as follows:

	<u>Post Retirement Health Insurance Plan</u>	<u>Implicit Rate Subsidy Health Insurance Plan</u>
Year ended	June 30, 2009	June 30, 2009
Annual OPEB cost	\$ 130,771	\$ 13,231
Percentage of OPEB cost contributed	138.6%	368.9%
Net OPEB obligation	\$ (80,934)	\$ (65,402)

Funded Status and Funding Progress. The funded status of the plans as of June 30, 2009, being the actuarial valuation date, was as follows:

	<u>Post Retirement Health Insurance Plan</u>	<u>Implicit Rate Subsidy Health Insurance Plan</u>
Actuarial accrued liability (a)	\$ 2,852,146	\$ 344,333
Actuarial value of plan assets (b)	-	-
Unfunded actuarial accrued liability (funding excess) (a) - (b)	<u>\$ 2,852,146</u>	<u>\$ 344,333</u>
Funded ratio (b) / (a)	0%	0%
Covered payroll (c)	\$ 27,821,006	\$ 27,821,006
Unfunded actuarial accrued liability (funding excess) as a percentage of covered payroll ((a) - (b)) / (c)	10.25%	1.24%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions. Projections of benefits are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits in force at the valuation date. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 14. Postemployment Benefits Other Than Pensions (continued)

	Post Retirement Health Insurance Plan	Implicit Rate Subsidy Health Insurance Plan
	<u>June 30, 2009</u>	<u>June 30, 2009</u>
Actuarial valuation date	June 30, 2009	June 30, 2009
Actuarial cost method	Entry age normal	Entry age normal
Amortization method	Level dollar, open	Level dollar, open
Remaining amortization period	30 years	30 years
Asset valuation method	N/A	N/A
Actuarial assumptions:		
Investment rate of return *	4.50%	4.50%
Healthcare cost Trend Rate (HCCTR)	9% for 2009; decreasing 1% each year until 5% in year 2013 and after	9% for 2009; decreasing 1% each year until 5% in year 2013 and after
Assumed rates of increase applied to retiree premiums	Same as HCCTR	Same as HCCTR

* Includes inflation at 3.5%; funded basis.

Note 15. Contingencies

At various times, claims and lawsuits are pending against the City. The City is of the opinion that the liability, if any, arising from such claims will not have a materially adverse effect on its financial statements. Under the terms of Federal and State grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, would not be significant to the City's financial statements.

Note 16. Subsequent Events

Subsequent to year-end, the Board entered into a loan agreement with the State of Wyoming, Office of State Lands and Investments, CWSRF #115, for the financing of the construction of the Board's Administration/Engineering and Water Resource Facility. The authorized amount of the loan is \$3,500,000 at 2.5% interest. The Board will be required to make annual principal and interest payments over the 20-year term of the loan. The loan is secured by the assignment and pledge of all Water System user fees and system development fees.

CITY OF CHEYENNE

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2009

Note 16. Subsequent Events (continued)

Subsequent to year-end, the Board entered into a loan agreement with the State of Wyoming, Office of State Lands and Investments, DWSRF #106, for the financing of the construction of the Board's Administration/Engineering and Water Resource Facility. The authorized amount of the loan is \$3,500,000 at 2.5% interest. The Board will be required to make annual principal and interest payments over the 20-year term of the loan. The loan is secured by the pledge and assignment of the City's Water System user fees and system development fees.

Subsequent to year-end, the Board entered into a loan agreement with the State of Wyoming, Office of State Lands and Investments, CWSRF #092, for the purpose of funding the Crow Creek Anoxic Basin project. The authorized amount of this loan is \$3,200,000 at 0% interest for 20 years. In addition, subsequent to year-end, the Board also entered into another loan agreement with the State of Wyoming, Office of State Lands and Investments, DWSRF #082, for the purpose of funding the 2010 Water Wells Project. The authorized amount of this loan is \$200,000 at 0% interest for 20 years. The source of the loan funds for both CWSRF #092 and DWSRF #082 is either in whole or part the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 (the Act). As such, the Board must comply with all applicable requirements of the Act when constructing and contracting for the construction of these projects. In addition, the Board must be under contract or commence construction on the projects no later than January 1, 2010. The Board is also required to draw all funds on the loans by September 13, 2013 as well as meet certain other conditions as set forth in the loan agreements. Upon completion of the projects in accordance with all required terms and conditions and prior commencement of repayment of the loans, these projects will be granted principal forgiveness on these loans of up to \$3,200,000 for CWSRF #092 and \$200,000 for DWSRF #082.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

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CITY OF CHEYENNE, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - GENERAL FUND
Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes				
Motor vehicle	\$ 946,150	\$ 946,150	\$ 975,035	\$ 28,885
Property	3,783,020	3,783,020	3,927,836	144,816
Franchise	3,763,838	3,763,838	4,250,085	486,247
Licenses and permits	1,986,848	1,986,848	1,830,051	(156,797)
Intergovernmental	27,523,200	27,523,200	26,046,249	(1,476,951)
Charges for services	9,766,599	9,811,599	9,868,835	57,236
Fines	1,616,170	1,616,170	1,586,462	(29,708)
Investment income	274,695	274,695	457,207	182,512
Miscellaneous	506,072	1,232,448	1,229,349	(3,099)
Total revenues	<u>50,166,592</u>	<u>50,937,968</u>	<u>50,171,109</u>	<u>(766,859)</u>
Expenditures				
General government				
City Council	450,971	450,991	328,250	122,741
Mayor	2,110,994	2,204,035	2,123,332	80,703
City Clerk	2,710,285	2,732,138	2,711,123	21,015
Planning and development	2,746,684	2,810,804	2,626,828	183,976
Budget and finance	636,518	640,736	623,605	17,131
General accounts	4,098,585	5,927,756	5,083,355	844,401
Public works	10,525,877	10,590,816	10,196,185	394,631
Public safety				
Police	10,794,138	10,803,804	10,888,450	(84,646)
Fire	8,337,005	8,397,582	8,301,711	95,871
Recreation	5,358,315	5,361,804	5,278,879	82,925
Capital	363,240	2,129,729	1,571,141	558,588
Debt service	563,975	563,975	488,413	75,562
Total expenditures	<u>48,696,587</u>	<u>52,614,170</u>	<u>50,221,272</u>	<u>2,392,898</u>
Excess (deficiency) of revenues over expenditures	<u>1,470,005</u>	<u>(1,676,202)</u>	<u>(50,163)</u>	<u>1,626,039</u>
Other financing sources (uses)				
Transfers in	379,635	352,018	347,462	(4,556)
Transfers out	(1,969,640)	(1,969,023)	(2,166,811)	(197,788)
Total other financing sources and uses	<u>(1,590,005)</u>	<u>(1,617,005)</u>	<u>(1,819,349)</u>	<u>(202,344)</u>
Net change in fund balance	(120,000)	(3,293,207)	(1,869,512)	\$ <u>1,423,695</u>
Fund balance - beginning of year	<u>10,490,189</u>	<u>10,490,189</u>	<u>10,490,189</u>	
Fund balance - end of year	<u>\$ 10,370,189</u>	<u>\$ 7,196,982</u>	<u>\$ 8,620,677</u>	

CITY OF CHEYENNE, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - ONE PERCENT SALES TAX FUND
Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 11,250,000	\$ 11,250,000	\$ 9,772,207	\$ (1,477,793)
Investment income	645,965	645,965	853,229	207,264
Miscellaneous	-	116,000	116,000	-
Total revenues	<u>11,895,965</u>	<u>12,011,965</u>	<u>10,741,436</u>	<u>(1,270,529)</u>
Expenditures				
General government				
General accounts	8,500	8,500	-	8,500
Public safety				
Fire	55,500	153,898	103,632	50,266
Public works	1,724,442	2,588,210	2,077,611	510,599
Health and welfare	887,500	887,500	887,500	-
Recreation	92,000	305,230	239,362	65,868
Capital	9,179,000	22,611,874	7,171,009	15,440,865
Total expenditures	<u>11,946,942</u>	<u>26,555,212</u>	<u>10,479,114</u>	<u>16,076,098</u>
Excess (deficiency) of revenues over expenditures	(50,977)	(14,543,247)	262,322	<u>\$ 14,805,569</u>
Fund balance - beginning of year	<u>20,444,515</u>	<u>20,444,515</u>	<u>20,444,515</u>	
Fund balance - end of year	<u>\$ 20,393,538</u>	<u>\$ 5,901,268</u>	<u>\$ 20,706,837</u>	

CITY OF CHEYENNE, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - STATE GRANTS FUND
Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 22,986,456	\$ 11,022,879	\$ (11,963,577)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	1,500,000	1,331,900	(168,100)
Total revenues	-	24,486,456	12,354,779	(12,131,677)
Expenditures				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Recreation	-	10,000	17,000	(7,000)
Capital outlay	-	24,476,456	12,363,721	12,112,735
Debt service				
Principal retirements	-	-	-	-
Interest payments	-	-	-	-
Total expenditures	-	24,486,456	12,380,721	12,105,735
Revenues over (under) expenditures	-	-	(25,942)	(25,942)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	(42,594)	(148,409)	(105,815)
Issuance of debt	-	-	-	-
Total other financing sources (uses)	-	(42,594)	(148,409)	(105,815)
Net change in fund balance	-	(42,594)	(174,351)	\$ (131,757)
Fund balances (deficits) - beginning of year	(16,487)	(16,487)	(16,487)	
Fund balances (deficits) - end of year	\$ (16,487)	\$ (59,081)	\$ (190,838)	

CITY OF CHEYENNE

NOTE TO THE BUDGETARY SCHEDULES

June 30, 2009

Budget Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

Prior to May 15, the City Treasurer submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted not prior to the second Tuesday nor later than the third Tuesday in June to obtain public comments. Within twenty-four hours of the public hearing, the governing body adopts the budget.

At the request of the City Treasurer or upon its own motion after publication of notice, the City Council may by resolution transfer any unencumbered or unexpended appropriation balance or part thereof from one fund, department or account to another. No officer or employee of the City shall make any expenditure or encumbrance in excess of the total appropriation for any department. Management may amend the budget within the department level without the approval of the governing body. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Funds and Permanent Fund. The amounts reported as the original budgeted amounts in the budgetary schedules reflect appropriation in the first appropriated budget. The amounts reported as the final budgeted amounts in the schedules of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations.

**COMBINING
AND OTHER
INDIVIDUAL FUND
AND
OTHER
SUPPLEMENTARY
INFORMATION**

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific resources that are legally restricted to expenditure for particular purposes.

Weed and Pest Control – accounts for monies received by the City from a general county tax levy to administer a program of weed and pest control.

Youth Alternative Grant – accounts for monies received by the City from various agencies to administer a program for youth.

Juvenile Justice – accounts for a program which assists youth in trouble.

Special Friends – accounts for a program which brings adults together with young people.

Local Fees – accounts for fees received by the City to administer specific functions required of the City.

Community Development Block Grant – accounts for funds given to various entities which assist low income individuals.

Law Enforcement Block Grant – accounts for funds received by the police department to administer various programs.

Miscellaneous Federal Grants – accounts for revenue received from various federal agencies to administer federal programs.

Transportation Planning – accounts for funds used for planning of streets and other transportation projects.

UMTA Transit Grant – accounts for funds used to provide public transportation.

Solid Waste Management – accounts for the maintenance of the Landfill as mandated by EPA regulations and is also used to accumulate funds for the closure and post-closure costs of the Landfill.

Recreation Programs – accounts for monies received by the City from various recreation programs to administer recreation programs.

Non-Major Governmental Funds (Continued)

Special Revenue Funds (Continued)

Annexation Improvements – accounts for monies from individuals who have prepaid for annexation improvements in areas not yet annexed by the City.

Housing Loans – accounts for monies collected from rehabilitation loans made to low-income owners through the Neighborhood Housing Service. When the agency closed, the loans were turned over to the City. Money collected from home owners who received low-interest rehabilitation loans through the Cheyenne Redevelopment Agency is also in this fund.

Debt Service Fund

The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

JPA Loans – accounts for the collection of special assessments in order to pay principal and interest on JPA loans incurred for the construction of streets and sewage projects in the Sunnyside Improvement and the North Cheyenne Improvement Districts.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Youth Alternatives – accounts for construction of youth alternatives projects.

Athletic Facilities – accounts for improvements to City parks and recreation facilities.

Capital Facilities Tax – accounts for major projects financed through a special voter approved capital facilities sales tax.

Depot Square – accounts for construction of the downtown depot square.

Permanent Fund

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

Cemetery Perpetual Care – this trust fund was set up for perpetual care of the Cheyenne cemetery. Eighty dollars is put into the fund each time a cemetery lot is purchased. The fund is managed by a local bank.

CITY OF CHEYENNE, WYOMING

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2009

	<u>Special Revenue Funds</u>		
	<u>Weed and Pest Control</u>	<u>Youth Alternative Grants</u>	<u>Juvenile Justice</u>
ASSETS			
Cash and cash equivalents	\$ 271,646	\$ 94,803	\$ 37,370
Investments, at fair value	-	-	-
Receivables			
Accrued interest	-	-	-
Customers	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Investments - restricted	-	-	-
Total assets	<u>\$ 271,646</u>	<u>\$ 94,803</u>	<u>\$ 37,370</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 92,020	\$ 3,034	\$ 6,176
Accrued salaries including vacation and sick leave	-	-	-
Due to other funds	-	-	-
Deferred revenue	-	-	-
Total liabilities	<u>92,020</u>	<u>3,034</u>	<u>6,176</u>
Fund balances			
Reserved for			
Tax voter approved specific projects	174,876	-	-
Legal restrictions	-	-	-
Prepaid expenses	-	-	-
Unreserved:			
Designated for:			
Encumbrances	4,750	2,801	244
Revenue designations	-	88,968	30,950
Capital projects	-	-	-
Landfill development	-	-	-
Housing loans	-	-	-
Undesignated, reported in			
Special revenue funds	-	-	-
Capital project funds	-	-	-
Debt service fund	-	-	-
Total fund balances (deficits)	<u>179,626</u>	<u>91,769</u>	<u>31,194</u>
Total liabilities and fund balances	<u>\$ 271,646</u>	<u>\$ 94,803</u>	<u>\$ 37,370</u>

Special Revenue Funds

Special Friends	Local Fees	Community Development Block Grant	Law Enforcement Block Grant	Miscellaneous Federal Grants
\$ 235,892	\$ 416,207	\$ 10,811	\$ 955	\$ 8,894
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	13,241	40,104	1,095,869
-	-	-	-	-
-	-	-	-	-
<u>\$ 235,892</u>	<u>\$ 416,207</u>	<u>\$ 24,052</u>	<u>\$ 41,059</u>	<u>\$ 1,104,763</u>
\$ 679	\$ 46,323	\$ 24,804	\$ 950	\$ 453,348
-	-	-	-	-
-	-	-	50,000	775,000
-	-	-	-	61,800
<u>679</u>	<u>46,323</u>	<u>24,804</u>	<u>50,950</u>	<u>1,290,148</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
211	-	-	-	-
235,002	369,884	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	(752)	(9,891)	(185,385)
-	-	-	-	-
<u>235,213</u>	<u>369,884</u>	<u>(752)</u>	<u>(9,891)</u>	<u>(185,385)</u>
<u>\$ 235,892</u>	<u>\$ 416,207</u>	<u>\$ 24,052</u>	<u>\$ 41,059</u>	<u>\$ 1,104,763</u>

CITY OF CHEYENNE, WYOMING

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

June 30, 2009

	Special Revenue Funds		
	Transportation Planning	UMTA Transit Grant	Solid Waste Management
ASSETS			
Cash and cash equivalents	\$ 845	\$ 343,561	\$ 1,317,149
Investments, at fair value	-	-	5,345,943
Receivables			
Accrued interest	-	-	45,723
Customers	-	-	27,517
Due from other funds	-	-	3,335,000
Due from other governments	212,942	97,110	-
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	-
Investments - restricted	-	-	-
Total assets	<u>\$ 213,787</u>	<u>\$ 440,671</u>	<u>\$ 10,071,332</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 24,694	\$ 3,142	\$ 176,063
Accrued salaries including vacation and sick leave	-	-	-
Due to other funds	190,000	-	-
Deferred revenue	-	-	-
Total liabilities	<u>214,694</u>	<u>3,142</u>	<u>176,063</u>
Fund balances			
Reserved for			
Tax voter approved specific projects	-	-	-
Legal restrictions	-	-	-
Prepaid expenses	-	-	-
Unreserved:			
Designated for:			
Encumbrances	-	226,331	802,686
Revenue designations	-	211,198	-
Capital projects	-	-	-
Landfill development	-	-	9,092,583
Housing loans	-	-	-
Undesignated, reported in			
Special revenue funds	(907)	-	-
Capital project funds	-	-	-
Debt service fund	-	-	-
Total fund balances (deficits)	<u>(907)</u>	<u>437,529</u>	<u>9,895,269</u>
Total liabilities and fund balances	<u>\$ 213,787</u>	<u>\$ 440,671</u>	<u>\$ 10,071,332</u>

Special Revenue Funds			Debt Service Fund
Recreation Programs	Annexation Improvements	Housing Loans	JPA Loans
\$ 449,884	\$ 400,030	\$ 301,135	\$ 2,188
-	-	-	-
-	-	-	-
7,140	-	109,534	1,018
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>\$ 457,024</u>	<u>\$ 400,030</u>	<u>\$ 410,669</u>	<u>\$ 3,206</u>
\$ 46,400	\$ 171,466	\$ -	\$ -
-	-	-	-
88,131	-	-	-
-	-	109,577	-
<u>134,531</u>	<u>171,466</u>	<u>109,577</u>	<u>-</u>
-	-	-	-
-	-	-	-
-	-	-	-
3,210	-	-	-
319,283	228,564	-	-
-	-	-	-
-	-	-	-
-	-	301,092	-
-	-	-	-
-	-	-	-
-	-	-	3,206
<u>322,493</u>	<u>228,564</u>	<u>301,092</u>	<u>3,206</u>
<u>\$ 457,024</u>	<u>\$ 400,030</u>	<u>\$ 410,669</u>	<u>\$ 3,206</u>

CITY OF CHEYENNE, WYOMING

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

June 30, 2009

	Capital Projects Funds		
	Youth Alternatives	Athletic Facilities	Capital Facilities Tax
ASSETS			
Cash and cash equivalents	\$ 72,391	\$ 187,637	\$ -
Investments, at fair value	-	-	-
Receivables			
Accrued interest	-	-	57,599
Customers	-	-	-
Due from other funds	-	-	-
Due from other governments	-	-	185,036
Prepaid items	-	-	-
Cash and cash equivalents - restricted	-	-	3,170,633
Investments - restricted	-	-	6,734,407
Total assets	<u>\$ 72,391</u>	<u>\$ 187,637</u>	<u>\$ 10,147,675</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 28	\$ 4,331	\$ 866,672
Accrued salaries including vacation and sick leave	-	-	-
Due to other funds	-	487,783	-
Deferred revenue	-	-	-
Total liabilities	<u>28</u>	<u>492,114</u>	<u>866,672</u>
Fund balances			
Reserved for			
Tax voter approved specific projects	-	-	9,280,559
Legal restrictions	-	-	-
Prepaid expenses	-	-	-
Unreserved:			
Designated for:			
Encumbrances	-	-	444
Revenue designations	-	-	-
Capital projects	72,363	-	-
Landfill development	-	-	-
Housing loans	-	-	-
Undesignated, reported in			
Special revenue funds	-	-	-
Capital project funds	-	(304,477)	-
Debt service fund	-	-	-
Total fund balances (deficits)	<u>72,363</u>	<u>(304,477)</u>	<u>9,281,003</u>
Total liabilities and fund balances	<u>\$ 72,391</u>	<u>\$ 187,637</u>	<u>\$ 10,147,675</u>

<u>Capital Projects Funds</u>	<u>Permanent Fund</u>	<u>Nonmajor Governmental Funds Total</u>
<u>Depot Square</u>	<u>Cemetery Perpetual Care</u>	
\$ 16,839	\$ 162,951	\$ 4,331,188
-	384,970	5,730,913
-	6,834	110,156
-	1,983	147,192
-	-	3,335,000
-	-	1,644,302
-	-	-
-	-	3,170,633
-	-	6,734,407
<u>\$ 16,839</u>	<u>\$ 556,738</u>	<u>\$ 25,203,791</u>
\$ -	\$ 11,639	\$ 1,931,769
-	-	-
-	-	1,590,914
-	-	171,377
<u>-</u>	<u>11,639</u>	<u>3,694,060</u>
-	-	9,455,435
-	545,099	545,099
-	-	-
-	-	1,040,677
-	-	1,483,849
16,839	-	89,202
-	-	9,092,583
-	-	301,092
-	-	(196,935)
-	-	(304,477)
-	-	3,206
<u>16,839</u>	<u>545,099</u>	<u>21,509,731</u>
<u>\$ 16,839</u>	<u>\$ 556,738</u>	<u>\$ 25,203,791</u>

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2009**

	<u>Special Revenue Funds</u>		
	<u>Weed and Pest Control</u>	<u>Youth Alternatives Grants</u>	<u>Juvenile Justice</u>
Revenues			
Intergovernmental	\$ 626,239	\$ 348,889	\$ 316,118
Charges for services	-	-	-
Investment income	327	855	146
Miscellaneous	6,005	6,844	-
Total revenues	<u>632,571</u>	<u>356,588</u>	<u>316,264</u>
Expenditures			
Current			
General government	-	-	47,760
Public safety	-	304,170	271,428
Public works	-	-	-
Health and welfare	632,024	144,048	-
Recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>632,024</u>	<u>448,218</u>	<u>319,188</u>
Revenues over (under) expenditures	<u>547</u>	<u>(91,630)</u>	<u>(2,924)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	547	(91,630)	(2,924)
Fund balances (deficits) - beginning of year	<u>179,079</u>	<u>183,399</u>	<u>34,118</u>
Fund balances (deficits) - end of year	<u>\$ 179,626</u>	<u>\$ 91,769</u>	<u>\$ 31,194</u>

Special Revenue Funds

Special Friends	Local Fees	Community Development Block Grant	Law Enforcement Block Grant	Miscellaneous Federal Grants
\$ 27,750	\$ -	\$ 866,334	\$ 289,502	\$ 5,741,675
-	161,610	-	-	-
1,244	8,175	-	-	-
94,456	-	-	-	-
<u>123,450</u>	<u>169,785</u>	<u>866,334</u>	<u>289,502</u>	<u>5,741,675</u>
-	-	-	-	2,500
59,340	-	-	326,447	480,487
-	-	-	-	6,185
53,834	-	874,871	-	-
-	1,934	-	-	226
-	188,055	-	-	4,827,197
-	-	-	-	-
<u>113,174</u>	<u>189,989</u>	<u>874,871</u>	<u>326,447</u>	<u>5,316,595</u>
<u>10,276</u>	<u>(20,204)</u>	<u>(8,537)</u>	<u>(36,945)</u>	<u>425,080</u>
-	-	8,652	13,285	-
-	-	-	-	(69,119)
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>8,652</u>	<u>13,285</u>	<u>(69,119)</u>
10,276	(20,204)	115	(23,660)	355,961
<u>224,937</u>	<u>390,088</u>	<u>(867)</u>	<u>13,769</u>	<u>(541,346)</u>
<u>\$ 235,213</u>	<u>\$ 369,884</u>	<u>\$ (752)</u>	<u>\$ (9,891)</u>	<u>\$ (185,385)</u>

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
Year Ended June 30, 2009**

	Special Revenue Funds		
	Transportation Planning	UMTA Transit Grant	Solid Waste Management
Revenues			
Intergovernmental	\$ 829,283	\$ 1,335,444	\$ -
Charges for services	-	-	3,237,619
Investment income	-	293	411,264
Miscellaneous	-	188,795	123,740
Total revenues	829,283	1,524,532	3,772,623
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	767,012	1,506,532	2,501,769
Health and welfare	-	-	-
Recreation	-	-	-
Capital outlay	21,382	350,052	2,027,689
Debt service			
Principal retirements	-	-	634,828
Interest payments	-	-	109,833
Total expenditures	788,394	1,856,584	5,274,119
Revenues over (under) expenditures	40,889	(332,052)	(1,501,496)
Other financing sources (uses)			
Transfers in	-	627,671	-
Transfers out	-	-	-
Issuance of debt	-	-	1,274,260
Total other financing sources (uses)	-	627,671	1,274,260
Net change in fund balances	40,889	295,619	(227,236)
Fund balances (deficits) - beginning of year	(41,796)	141,910	10,122,505
Fund balances (deficits) - end of year	\$ (907)	\$ 437,529	\$ 9,895,269

Special Revenue Funds			Debt Service Fund
Recreation Programs	Annexation Improvements	Housing Loans	JPA Loans
\$ 24,835	\$ -	\$ -	\$ -
689,469	-	-	-
5,207	7,856	10,365	8
-	41,375	45,901	-
<u>719,511</u>	<u>49,231</u>	<u>56,266</u>	<u>8</u>
-	-	-	-
-	-	-	-
-	-	-	-
678,784	-	84,411	-
-	-	-	-
-	-	-	-
<u>678,784</u>	<u>-</u>	<u>84,411</u>	<u>-</u>
40,727	49,231	(28,145)	8
-	-	-	-
-	-	(8,652)	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>(8,652)</u>	<u>-</u>
40,727	49,231	(36,797)	8
<u>281,766</u>	<u>179,333</u>	<u>337,889</u>	<u>3,198</u>
<u>\$ 322,493</u>	<u>\$ 228,564</u>	<u>\$ 301,092</u>	<u>\$ 3,206</u>

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
Year Ended June 30, 2009**

	<u>Capital Projects Funds</u>		
	<u>Youth Alternatives</u>	<u>Athletic Facilities</u>	<u>Capital Facilities Tax</u>
Revenues			
Intergovernmental	\$ -	\$ -	\$ 2,095,475
Charges for services	-	193,233	-
Investment income	-	2,485	428,409
Miscellaneous	100	-	-
Total revenues	<u>100</u>	<u>195,718</u>	<u>2,523,884</u>
Expenditures			
Current			
General government	-	-	73,376
Public safety	1,032	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation	-	24,470	95,697
Capital outlay	475	52,078	5,386,817
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>1,507</u>	<u>76,548</u>	<u>5,555,890</u>
Revenues over (under) expenditures	<u>(1,407)</u>	<u>119,170</u>	<u>(3,032,006)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,407)</u>	<u>119,170</u>	<u>(3,032,006)</u>
Fund balances (deficits) - beginning of year	<u>73,770</u>	<u>(423,647)</u>	<u>12,313,009</u>
Fund balances (deficits) - end of year	<u>\$ 72,363</u>	<u>\$ (304,477)</u>	<u>\$ 9,281,003</u>

<u>Capital Projects Funds</u>	<u>Permanent Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<u>Depot Square</u>	<u>Cemetery Perpetual Care</u>	
\$ -	\$ -	\$ 12,501,544
-	-	4,281,931
-	22,857	899,491
-	9,490	516,706
-	32,347	18,199,672
-	4,505	128,141
-	-	1,442,904
-	-	4,781,498
-	-	1,789,188
-	-	801,111
-	-	12,853,745
-	-	634,828
-	-	109,833
-	4,505	22,541,248
-	27,842	(4,341,576)
-	-	649,608
-	(19,134)	(96,905)
-	-	1,274,260
-	(19,134)	1,826,963
-	8,708	(2,514,613)
<u>16,839</u>	<u>536,391</u>	<u>24,024,344</u>
<u>\$ 16,839</u>	<u>\$ 545,099</u>	<u>\$ 21,509,731</u>

CITY OF CHEYENNE, WYOMING

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2009**

	Special Revenue Funds		
	Weed and Pest Control		
	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	\$ 610,812	\$ 626,239	\$ 15,427
Charges for services	-	-	-
Investment income	3,065	327	(2,738)
Miscellaneous	-	6,005	6,005
Total revenues	<u>613,877</u>	<u>632,571</u>	<u>18,694</u>
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	632,835	632,024	811
Recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>632,835</u>	<u>632,024</u>	<u>811</u>
Excess (deficiency) of revenues over expenditures	<u>(18,958)</u>	<u>547</u>	<u>19,505</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(18,958)</u>	<u>547</u>	<u>19,505</u>
Fund balance - beginning of year	<u>179,079</u>	<u>179,079</u>	
Fund balance - end of year	<u>\$ 160,121</u>	<u>\$ 179,626</u>	

Special Revenue Funds

Youth Alternative Grants			Juvenile Justice		
Budget	Actual	Variance with Final Budget - Positive (Negative)	Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ 328,550	\$ 348,889	\$ 20,339	\$ 556,064	\$ 316,118	\$ (239,946)
-	-	-	-	-	-
10,000	855	(9,145)	-	146	146
5,000	6,844	1,844	-	-	-
<u>343,550</u>	<u>356,588</u>	<u>13,038</u>	<u>556,064</u>	<u>316,264</u>	<u>(239,800)</u>
-	-	-	48,000	47,760	240
396,604	304,170	92,434	508,064	271,428	236,636
-	-	-	-	-	-
147,910	144,048	3,862	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>544,514</u>	<u>448,218</u>	<u>96,296</u>	<u>556,064</u>	<u>319,188</u>	<u>236,876</u>
<u>(200,964)</u>	<u>(91,630)</u>	<u>109,334</u>	<u>-</u>	<u>(2,924)</u>	<u>(2,924)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(200,964)</u>	<u>(91,630)</u>	<u>109,334</u>	<u>-</u>	<u>(2,924)</u>	<u>(2,924)</u>
<u>183,399</u>	<u>183,399</u>		<u>34,118</u>	<u>34,118</u>	
<u>\$ (17,565)</u>	<u>\$ 91,769</u>		<u>\$ 34,118</u>	<u>\$ 31,194</u>	

CITY OF CHEYENNE, WYOMING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 Year Ended June 30, 2009

	Special Revenue Funds		Variance with Final Budget - Positive (Negative)
	Special Friends		
	Budget	Actual	
Revenues			
Intergovernmental	\$ -	\$ 27,750	\$ 27,750
Charges for services	-	-	-
Investment income	7,000	1,244	(5,756)
Miscellaneous	113,000	94,456	(18,544)
Total revenues	120,000	123,450	3,450
Expenditures			
Current			
General government	-	-	-
Public safety	59,722	59,340	382
Public works	-	-	-
Health and welfare	116,404	53,834	62,570
Recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	176,126	113,174	62,952
Excess (deficiency) of revenues over expenditures	(56,126)	10,276	66,402
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(56,126)	10,276	66,402
Fund balance - beginning of year	224,937	224,937	
Fund balance - end of year	\$ 168,811	\$ 235,213	

Special Revenue Funds

Local Fees		
Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ -	\$ -	\$ -
-	161,610	161,610
18,275	8,175	(10,100)
-	-	-
<u>18,275</u>	<u>169,785</u>	<u>151,510</u>
-	-	-
-	-	-
-	-	-
-	-	-
219,629	1,934	217,695
170,459	188,055	(17,596)
-	-	-
-	-	-
<u>390,088</u>	<u>189,989</u>	<u>200,099</u>
<u>(371,813)</u>	<u>(20,204)</u>	<u>351,609</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>(371,813)</u>	<u>(20,204)</u>	<u>351,609</u>
<u>390,088</u>	<u>390,088</u>	
<u>\$ 18,275</u>	<u>\$ 369,884</u>	

CITY OF CHEYENNE, WYOMING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 Year Ended June 30, 2009

	Special Revenue Funds		
	Community Development Block Grant		
	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	\$ 1,512,248	\$ 866,334	\$ (645,914)
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>1,512,248</u>	<u>866,334</u>	<u>(645,914)</u>
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	1,540,188	874,871	665,317
Recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>1,540,188</u>	<u>874,871</u>	<u>665,317</u>
Excess (deficiency) of revenues over expenditures	<u>(27,940)</u>	<u>(8,537)</u>	<u>19,403</u>
Other financing sources (uses)			
Transfers in	27,940	8,652	(19,288)
Transfer out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>27,940</u>	<u>8,652</u>	<u>(19,288)</u>
Net change in fund balances	-	115	<u>115</u>
Fund balance - beginning of year	<u>(867)</u>	<u>(867)</u>	
Fund balance - end of year	<u>\$ (867)</u>	<u>\$ (752)</u>	

Special Revenue Funds

Law Enforcement Block Grant			Miscellaneous Federal Grants		
Budget	Actual	Variance with Final Budget - Positive (Negative)	Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ 480,085	\$ 289,502	\$ (190,583)	\$ 6,056,181	\$ 5,741,675	\$ (314,506)
-	-	-	-	-	-
-	-	-	-	-	-
<u>480,085</u>	<u>289,502</u>	<u>(190,583)</u>	<u>6,056,181</u>	<u>5,741,675</u>	<u>(314,506)</u>
-	-	-	-	2,500	(2,500)
490,283	326,447	163,836	672,973	480,487	192,486
-	-	-	10,000	6,185	3,815
-	-	-	-	-	-
-	-	-	226	226	-
-	-	-	5,372,982	4,827,197	545,785
-	-	-	-	-	-
<u>490,283</u>	<u>326,447</u>	<u>163,836</u>	<u>6,056,181</u>	<u>5,316,595</u>	<u>739,586</u>
<u>(10,198)</u>	<u>(36,945)</u>	<u>(26,747)</u>	<u>-</u>	<u>425,080</u>	<u>425,080</u>
-	13,285	13,285	-	-	-
-	-	-	(69,119)	(69,119)	-
-	-	-	-	-	-
-	13,285	13,285	(69,119)	(69,119)	-
(10,198)	(23,660)	<u>(13,462)</u>	(69,119)	355,961	<u>425,080</u>
<u>13,769</u>	<u>13,769</u>		<u>(541,346)</u>	<u>(541,346)</u>	
<u>\$ 3,571</u>	<u>\$ (9,891)</u>		<u>\$ (610,465)</u>	<u>\$ (185,385)</u>	

CITY OF CHEYENNE, WYOMING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
 Year Ended June 30, 2009

	Special Revenue Funds		Variance with Final Budget - Positive (Negative)
	Transportation Planning		
	Budget	Actual	
Revenues			
Intergovernmental	\$ 1,110,586	\$ 829,283	\$ (281,303)
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	2,371	-	(2,371)
Total revenues	<u>1,112,957</u>	<u>829,283</u>	<u>(283,674)</u>
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	1,075,586	767,012	308,574
Health and welfare	-	-	-
Recreation	-	-	-
Capital outlay	37,371	21,382	15,989
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>1,112,957</u>	<u>788,394</u>	<u>324,563</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>40,889</u>	<u>40,889</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	40,889	<u>40,889</u>
Fund balance - beginning of year	<u>(41,796)</u>	<u>(41,796)</u>	
Fund balance - end of year	<u>\$ (41,796)</u>	<u>\$ (907)</u>	

Special Revenue Funds

UMTA Transit Grant

<u>Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
\$ 2,712,531	\$1,335,444	\$ (1,377,087)
-	-	-
2,000	293	(1,707)
147,245	188,795	41,550
<u>2,861,776</u>	<u>1,524,532</u>	<u>(1,337,244)</u>
-	-	-
-	-	-
1,647,503	1,506,532	140,971
-	-	-
-	-	-
1,676,753	350,052	1,326,701
-	-	-
-	-	-
<u>3,324,256</u>	<u>1,856,584</u>	<u>1,467,672</u>
<u>(462,480)</u>	<u>(332,052)</u>	<u>130,428</u>
462,480	627,671	165,191
-	-	-
-	-	-
<u>462,480</u>	<u>627,671</u>	<u>165,191</u>
-	295,619	<u>295,619</u>
<u>141,910</u>	<u>141,910</u>	
<u>\$ 141,910</u>	<u>\$ 437,529</u>	

CITY OF CHEYENNE, WYOMING

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED) Year Ended June 30, 2009

	Special Revenue Funds		
	Solid Waste Management		
	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	3,006,996	3,237,619	230,623
Investment income	255,240	411,264	156,024
Miscellaneous	-	123,740	123,740
Total revenues	<u>3,262,236</u>	<u>3,772,623</u>	<u>510,387</u>
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	2,967,605	2,501,769	465,836
Health and welfare	-	-	-
Recreation	-	-	-
Capital outlay	3,926,808	2,027,689	1,899,119
Debt service			
Principal retirements	561,758	634,828	(73,070)
Interest payments	96,175	109,833	(13,658)
Total expenditures	<u>7,552,346</u>	<u>5,274,119</u>	<u>2,278,227</u>
Excess (deficiency) of revenues over expenditures	<u>(4,290,110)</u>	<u>(1,501,496)</u>	<u>2,788,614</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	-	-	-
Issuance of debt	1,274,260	1,274,260	-
Total other financing sources (uses)	<u>1,274,260</u>	<u>1,274,260</u>	<u>-</u>
Net change in fund balances	<u>(3,015,850)</u>	<u>(227,236)</u>	<u>2,788,614</u>
Fund balance - beginning of year	<u>10,122,505</u>	<u>10,122,505</u>	
Fund balance - end of year	<u>\$ 7,106,655</u>	<u>\$ 9,895,269</u>	

Special Revenue Funds

Recreation Programs			Annexation Improvements		
Budget	Actual	Variance with Final Budget - Positive (Negative)	Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ -	\$ 24,835	\$ 24,835	\$ -	\$ -	\$ -
493,680	689,469	195,789	-	-	-
15,600	5,207	(10,393)	-	7,856	7,856
-	-	-	-	41,375	41,375
<u>509,280</u>	<u>719,511</u>	<u>210,231</u>	<u>-</u>	<u>49,231</u>	<u>49,231</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
848,753	678,784	169,969	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>848,753</u>	<u>678,784</u>	<u>169,969</u>	<u>-</u>	<u>-</u>	<u>-</u>
(339,473)	40,727	380,200	-	49,231	49,231
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(339,473)</u>	<u>40,727</u>	<u>380,200</u>	<u>-</u>	<u>49,231</u>	<u>49,231</u>
281,766	281,766		179,333	179,333	
<u>\$ (57,707)</u>	<u>\$ 322,493</u>		<u>\$ 179,333</u>	<u>\$ 228,564</u>	

CITY OF CHEYENNE, WYOMING

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
Year Ended June 30, 2009**

	Special Revenue Funds		
	Housing Loans		
	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	-	-	-
Investment income	22,300	10,365	(11,935)
Miscellaneous	71,500	45,901	(25,599)
Total revenues	<u>93,800</u>	<u>56,266</u>	<u>(37,534)</u>
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	261,435	84,411	177,024
Recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>261,435</u>	<u>84,411</u>	<u>177,024</u>
Excess (deficiency) of revenues over expenditures	<u>(167,635)</u>	<u>(28,145)</u>	<u>139,490</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	(27,940)	(8,652)	19,288
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>(27,940)</u>	<u>(8,652)</u>	<u>19,288</u>
Net change in fund balances	<u>(195,575)</u>	<u>(36,797)</u>	<u>158,778</u>
Fund balance - beginning of year	<u>337,889</u>	<u>337,889</u>	
Fund balance - end of year	<u>\$ 142,314</u>	<u>\$ 301,092</u>	

Debt Service Fund			Capital Projects Funds		
JPA Loans			Youth Alternatives		
Budget	Actual	Variance with Final Budget - Positive (Negative)	Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	8	8	-	-	-
-	-	-	-	100	100
-	8	8	-	100	100
-	-	-	-	-	-
-	-	-	13,590	1,032	12,558
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,000	475	6,525
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	20,590	1,507	19,083
-	8	8	(20,590)	(1,407)	19,183
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	8	8	(20,590)	(1,407)	19,183
3,198	3,198		73,770	73,770	
\$ 3,198	\$ 3,206		\$ 53,180	\$ 72,363	

CITY OF CHEYENNE, WYOMING

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
Year Ended June 30, 2009**

	Capital Projects Funds		
	Athletic Facilities		
	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	194,250	193,233	(1,017)
Investment income	7,000	2,485	(4,515)
Miscellaneous	-	-	-
Total revenues	<u>201,250</u>	<u>195,718</u>	<u>(5,532)</u>
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation	99,995	24,470	75,525
Capital outlay	120,000	52,078	67,922
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>219,995</u>	<u>76,548</u>	<u>143,447</u>
Excess (deficiency) of revenues over expenditures	<u>(18,745)</u>	<u>119,170</u>	<u>137,915</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	-	-	-
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(18,745)</u>	<u>119,170</u>	<u>137,915</u>
Fund balance - beginning of year	<u>(423,647)</u>	<u>(423,647)</u>	
Fund balance - end of year	<u>\$ (442,392)</u>	<u>\$ (304,477)</u>	

Capital Projects Funds

Capital Facilities Tax			Depot Square		
Budget	Actual	Variance with Final Budget - Positive (Negative)	Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ 556,058	\$ 2,095,475	\$ 1,539,417	\$ -	\$ -	\$ -
-	-	-	-	-	-
378,350	428,409	50,059	-	-	-
-	-	-	-	-	-
<u>934,408</u>	<u>2,523,884</u>	<u>1,589,476</u>	<u>-</u>	<u>-</u>	<u>-</u>
250,000	73,376	176,624	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
186,918	95,697	91,221	-	-	-
11,748,935	5,386,817	6,362,118	13,817	-	13,817
-	-	-	-	-	-
-	-	-	-	-	-
<u>12,185,853</u>	<u>5,555,890</u>	<u>6,629,963</u>	<u>13,817</u>	<u>-</u>	<u>13,817</u>
<u>(11,251,445)</u>	<u>(3,032,006)</u>	<u>8,219,439</u>	<u>(13,817)</u>	<u>-</u>	<u>13,817</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(11,251,445)</u>	<u>(3,032,006)</u>	<u>8,219,439</u>	<u>(13,817)</u>	<u>-</u>	<u>13,817</u>
<u>12,313,009</u>	<u>12,313,009</u>		<u>16,839</u>	<u>16,839</u>	
<u>\$ 1,061,564</u>	<u>\$ 9,281,003</u>		<u>\$ 3,022</u>	<u>\$ 16,839</u>	

CITY OF CHEYENNE, WYOMING

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GAAP BASIS - NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
Year Ended June 30, 2009**

	Permanent Fund		Variance with Final Budget - Positive (Negative)
	Cemetery Perpetual Care		
	Budget	Actual	
Revenues			
Intergovernmental	\$ -	\$ -	\$ -
Charges for services	-	-	-
Investment income	25,000	22,857	(2,143)
Miscellaneous	15,000	9,490	(5,510)
Total revenues	<u>40,000</u>	<u>32,347</u>	<u>(7,653)</u>
Expenditures			
Current			
General government	5,000	4,505	495
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Recreation	-	-	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	-
Interest payments	-	-	-
Total expenditures	<u>5,000</u>	<u>4,505</u>	<u>495</u>
Excess (deficiency) of revenues over expenditures	<u>35,000</u>	<u>27,842</u>	<u>(7,158)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfer out	(25,000)	(19,134)	5,866
Issuance of debt	-	-	-
Total other financing sources (uses)	<u>(25,000)</u>	<u>(19,134)</u>	<u>5,866</u>
Net change in fund balances	10,000	8,708	<u>(1,292)</u>
Fund balance - beginning of year	<u>536,391</u>	<u>536,391</u>	
Fund balance - end of year	<u>\$ 546,391</u>	<u>\$ 545,099</u>	

Totals		
Nonmajor Governmental Funds		
Budget	Actual	Variance with Final Budget - Positive (Negative)
\$ 13,923,115	\$ 12,501,544	\$ (1,421,571)
3,694,926	4,281,931	587,005
743,830	899,491	155,661
354,116	516,706	162,590
<u>18,715,987</u>	<u>18,199,672</u>	<u>(516,315)</u>
303,000	128,141	174,859
2,141,236	1,442,904	698,332
5,700,694	4,781,498	919,196
2,698,772	1,789,188	909,584
1,355,521	801,111	554,410
23,074,125	12,853,745	10,220,380
561,758	634,828	(73,070)
96,175	109,833	(13,658)
<u>35,931,281</u>	<u>22,541,248</u>	<u>13,390,033</u>
<u>(17,215,294)</u>	<u>(4,341,576)</u>	<u>12,873,718</u>
490,420	649,608	159,188
(122,059)	(96,905)	25,154
<u>1,274,260</u>	<u>1,274,260</u>	<u>-</u>
<u>1,642,621</u>	<u>1,826,963</u>	<u>184,342</u>
(15,572,673)	(2,514,613)	<u>13,058,060</u>
<u>24,024,344</u>	<u>24,024,344</u>	
<u>\$ 8,451,671</u>	<u>\$ 21,509,731</u>	

Nonmajor Proprietary Funds

Business-type Activities

Proprietary funds are used to account for business-type activities which rely to a significant extent on fees and charges for support.

Civic Center – accounts for monies received by the City from the operation of the Civic Center.

Ice and Events Center – accounts for monies received by the City from the operation of the Ice and Events Center.

CITY OF CHEYENNE, WYOMING

COMBINING STATEMENT OF NET ASSETS - NONMAJOR PROPRIETARY FUNDS

June 30, 2009

	Civic Center Fund	Ice and Events Center Fund	Nonmajor Proprietary Funds Totals
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 125,707	\$ 6,173	\$ 131,880
Receivables			
Customers	1,190	6,334	7,524
Total current assets	<u>126,897</u>	<u>12,507</u>	<u>139,404</u>
Noncurrent assets			
Capital assets			
Land	-	342,243	342,243
Machinery and equipment	67,528	127,904	195,432
Transportation equipment	19,995	-	19,995
Buildings and improvements	3,768,560	2,683,903	6,452,463
Office furniture and equipment	381,981	28,000	409,981
	<u>4,238,064</u>	<u>3,182,050</u>	<u>7,420,114</u>
Less accumulated depreciation	<u>(3,328,258)</u>	<u>(147,435)</u>	<u>(3,475,693)</u>
Total capital assets (net of accumulated depreciation)	<u>909,806</u>	<u>3,034,615</u>	<u>3,944,421</u>
Total noncurrent assets	<u>909,806</u>	<u>3,034,615</u>	<u>3,944,421</u>
Total assets	<u>\$ 1,036,703</u>	<u>\$ 3,047,122</u>	<u>\$ 4,083,825</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 17,519	\$ 22,616	\$ 40,135
Unearned revenue	286,768	24,368	311,136
Due to other funds	-	200,000	200,000
Accrued salaries including vacation and sick leave	12,513	3,844	16,357
	<u>316,800</u>	<u>250,828</u>	<u>567,628</u>
Total current liabilities	<u>316,800</u>	<u>250,828</u>	<u>567,628</u>
Long term liabilities			
Accrued compensated absences	27,543	1,021	28,564
	<u>27,543</u>	<u>1,021</u>	<u>28,564</u>
Total liabilities	<u>344,343</u>	<u>251,849</u>	<u>596,192</u>
NET ASSETS			
Invested in capital assets, net of related debt	909,806	3,034,615	3,944,421
Unrestricted (deficit)	<u>(217,446)</u>	<u>(239,342)</u>	<u>(456,788)</u>
Total net assets	<u>\$ 692,360</u>	<u>\$ 2,795,273</u>	<u>\$ 3,487,633</u>

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS - NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2009**

	Civic Center Fund	Ice and Events Center Fund	Nonmajor Proprietary Funds Totals
Operating revenues			
Sales and charges for services	\$ 364,990	\$ 468,621	\$ 833,611
Fees and miscellaneous	77,287	-	77,287
Total operating revenues	442,277	468,621	910,898
Operating expenses			
Administrative and general	739,956	617,396	1,357,352
Depreciation	66,914	98,835	165,749
Parts and supplies	14,240	32,461	46,701
Intra-city charges	14,437	12,100	26,537
Total operating expenses	835,547	760,792	1,596,339
Operating income (loss)	(393,270)	(292,171)	(685,441)
Non-operating income (expenses)			
Investment income			
Interest income	163	-	163
Capital contributions			
Transfers in (out)	309,240	105,815	415,055
Change in net assets	(83,867)	(186,356)	(270,223)
Total net assets - beginning of year	776,227	2,981,629	3,757,856
Total net assets - end of year	\$ 692,360	\$ 2,795,273	\$ 3,487,633

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
Year Ended June 30, 2009**

	<u>Civic Center Fund</u>	<u>Ice and Events Center Fund</u>	<u>Nonmajor Proprietary Funds Totals</u>
Cash flows from operating activities			
Cash received from customers	\$ 529,346	\$ 449,827	\$ 979,173
Cash payments to suppliers	(433,556)	(323,133)	(756,689)
Cash payments to employees	<u>(352,948)</u>	<u>(326,159)</u>	<u>(679,107)</u>
Net cash (used in) operating activities	<u>(257,158)</u>	<u>(199,465)</u>	<u>(456,623)</u>
Cash flows from noncapital financing activities			
Transfers from other funds	<u>309,240</u>	<u>105,815</u>	<u>415,055</u>
Net cash provided by noncapital financing activities	<u>309,240</u>	<u>105,815</u>	<u>415,055</u>
Cash flows from capital and related financing activities			
Proceeds from due to other funds	-	200,000	200,000
Acquisition and construction of capital assets	<u>-</u>	<u>(105,815)</u>	<u>(105,815)</u>
Net cash provided by capital and related financing activities	<u>-</u>	<u>94,185</u>	<u>94,185</u>
Cash flows from investing activities			
Interest on cash accounts and investments	<u>163</u>	<u>-</u>	<u>163</u>
Net cash provided by investing activities	<u>163</u>	<u>-</u>	<u>163</u>
Net increase (decrease) in cash and cash equivalents	52,245	535	52,780
Cash and cash equivalents - beginning of year	<u>73,462</u>	<u>5,638</u>	<u>79,100</u>
Cash and cash equivalents - end of year	<u>\$ 125,707</u>	<u>\$ 6,173</u>	<u>\$ 131,880</u>

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS (CONTINUED)**

Year Ended June 30, 2009

	<u>Civic Center Fund</u>	<u>Ice and Events Center Fund</u>	<u>Nonmajor Proprietary Funds Totals</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (393,270)	\$ (292,171)	\$ (685,441)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	66,914	98,835	165,749
Increase (decrease) in cash and cash equivalents resulting from changes in operating assets and liabilities			
Receivables	1,896	(6,334)	(4,438)
Prepaid expenses	-	1,542	1,542
Accounts payable	(20,530)	7,828	(12,702)
Accrued salaries including vacation and sick leave	2,659	3,295	5,954
Deferred revenue	<u>85,173</u>	<u>(12,460)</u>	<u>72,713</u>
Net cash provided by (used in) operating activities	<u>\$ (257,158)</u>	<u>\$ (199,465)</u>	<u>\$ (456,623)</u>

CITY OF CHEYENNE, WYOMING

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
Year Ended June 30, 2009**

	<u>DARE</u>
ADDITIONS	
Contributions	\$ 100
Investment income	<u>4</u>
Total additions	<u>104</u>
DEDUCTIONS	
Educational outreach	<u>205</u>
Total deductions	<u>205</u>
Total decrease in assets and liabilities	(101)
Assets and liabilities - beginning of year	729
Assets and liabilities - end of year	<u><u>\$ 628</u></u>

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES BY OBJECT CATEGORY - GENERAL FUND
Year Ended June 30, 2009

	<u>Salaries and Benefits</u>	<u>All Other Current Expenditures</u>	<u>Subtotal</u>	<u>Capital Outlay</u>	<u>Total</u>
General government					
City Council	\$ 266,588	\$ 61,662	\$ 328,250	\$ 1,343	\$ 329,593
Mayor	1,841,413	281,919	2,123,332	30,466	2,153,798
City Clerk	1,578,835	1,132,288	2,711,123	51,998	2,763,121
Planning and development	2,462,667	164,161	2,626,828	12,850	2,639,678
Budget and finance	595,201	28,404	623,605	-	623,605
General accounts	541,495	4,541,860	5,083,355	1,049,377	6,132,732
Public works	6,704,643	3,491,542	10,196,185	50,749	10,246,934
Public safety					
Police	9,140,864	1,747,586	10,888,450	63,334	10,951,784
Fire	8,022,504	279,207	8,301,711	45,364	8,347,075
Recreation	4,210,485	1,068,394	5,278,879	265,660	5,544,539
Debt service	-	488,413	488,413	-	488,413
	<u>\$35,364,695</u>	<u>\$13,285,436</u>	<u>\$ 48,650,131</u>	<u>\$ 1,571,141</u>	<u>\$ 50,221,272</u>

CITY OF CHEYENNE, WYOMING

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
June 30, 2009**

	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Infrastructure</u>	<u>Construction in Progress</u>	<u>Totals</u>
General government						
Mayor	\$ -	\$ 485,027	\$ 470,516	\$ -	\$ -	\$ 955,543
City Clerk	3,940,916	12,550,219	942,574	7,295,865	-	24,729,574
Planning and development	-	38,740	476,166	-	-	514,906
Public safety						
Police	205,128	1,786,734	3,653,635	-	-	5,645,497
Fire	506,038	6,577,367	6,002,686	-	-	13,086,091
Public works	6,735,370	11,076,667	19,343,606	98,705,830	27,193,827	163,055,300
Recreation	1,790,131	17,717,604	4,778,626	7,380,884	4,118,857	35,786,102
Health and welfare	-	-	-	-	-	-
	<u>\$ 13,177,583</u>	<u>\$ 50,232,358</u>	<u>\$ 35,667,809</u>	<u>\$ 113,382,579</u>	<u>\$ 31,312,684</u>	<u>\$ 243,773,013</u>

CITY OF CHEYENNE, WYOMING

**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**

Year Ended June 30, 2009

	Governmental Funds Capital Assets <u>June 30, 2008</u>	<u>Additions</u>	<u>Transfers/ Decreases</u>	Governmental Funds Capital Assets <u>June 30, 2009</u>
General government				
Mayor	\$ 10,936,516	\$ 106,622	\$ 10,087,595	\$ 955,543
City Clerk	14,678,972	60,966	(9,989,636)	24,729,574
Planning and development	514,906	-	-	514,906
Public safety				
Police	5,080,431	462,624	(102,442)	5,645,497
Fire	12,998,660	87,431	-	13,086,091
Public works	139,015,426	25,078,113	1,038,239	163,055,300
Recreation	30,792,234	4,994,449	581	35,786,102
	<u>\$ 214,017,145</u>	<u>\$ 30,790,205</u>	<u>\$ 1,034,337</u>	<u>\$ 243,773,013</u>

STATISTICAL SECTION

(Unaudited)

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

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 help the reader 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 help the reader 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 help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City of Cheyenne implemented GASB Statement No. 34 in the fiscal year ended June 30, 2003; schedules presenting government-wide information include information beginning in that year.

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CITY OF CHEYENNE, WYOMING

**NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS**
(accrual basis of accounting)

Schedule 1

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Governmental Activities							
Invested in capital assets, net of related debt	\$ 49,048,931	\$ 103,352,366	\$ 112,657,652	\$ 118,731,363	\$ 123,880,915	\$ 125,405,882	\$ 145,939,963
Restricted	3,838,701	3,768,625	3,357,551	3,007,897	27,660,850	33,508,891	30,893,327
Unrestricted	38,643,829	23,195,372	20,427,750	21,422,007	7,268,354	8,681,880	5,584,578
Total Governmental Activities Net Assets	91,531,461	130,316,363	136,442,953	143,161,267	158,810,119	167,596,653	182,417,868
Business-Type Activities							
Invested in capital assets, net of related debt	154,736,559	162,003,448	164,220,116	178,838,381	191,707,556	197,242,992	201,582,392
Restricted	400	213,598	2,902,828	800,236	2,071,169	3,250,423	1,289,594
Unrestricted	22,166,847	20,939,032	24,291,335	26,770,811	24,240,652	24,303,619	25,203,333
Total Business-Type Activities Net Assets	176,903,806	183,156,078	191,414,279	206,409,428	218,019,377	224,797,034	228,075,319
Primary Government							
Invested in capital assets, net of related debt	203,785,490	265,355,814	276,877,768	297,569,744	315,588,471	322,648,874	347,522,355
Restricted	3,839,101	3,982,223	6,260,379	3,808,133	29,732,019	36,759,314	32,182,921
Unrestricted	60,810,676	44,134,404	44,719,085	48,192,818	31,509,006	32,985,499	30,787,911
Total Primary Government Net Assets	\$ 268,435,267	\$ 313,472,441	\$ 327,857,232	\$ 349,570,695	\$ 376,829,496	\$ 392,393,687	\$ 410,493,187

Note: The City of Cheyenne began to report accrual information when it implemented GASB Statement No. 34 in fiscal year 2003.

CITY OF CHEYENNE, WYOMING

CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
(accrual basis of accounting)

Schedule 2

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Governmental Activities:							
Expenses							
General government	\$ 14,251,573	\$ 13,684,881	\$ 19,944,601	\$ 23,584,767	\$ 14,940,290	\$ 15,098,670	\$ 15,592,916
Public safety	12,604,684	13,567,311	17,409,305	17,802,026	18,754,547	20,119,841	22,294,739
Public works	11,649,966	12,066,472	14,054,816	15,169,140	21,440,291	22,272,863	26,656,451
Health and welfare	1,274,153	898,597	1,071,618	1,221,486	1,432,844	2,595,051	2,677,021
Recreation	4,430,879	4,311,628	5,234,260	5,733,071	6,288,841	7,170,812	6,441,071
Interest on long-term debt	193,856	605,873	568,008	539,721	529,820	530,382	537,724
Total expenses	44,405,111	45,134,762	58,282,608	64,050,211	63,386,634	67,787,619	74,199,922
Program revenues							
Charges for services							
General government	2,467,010	2,984,470	3,472,553	3,989,678	3,240,047	3,444,278	3,088,687
Public safety	1,285,288	1,016,845	1,100,835	1,313,834	1,830,552	1,668,677	1,513,860
Public works	7,881,908	8,275,849	8,653,287	9,752,393	10,425,810	10,828,967	11,279,354
Health and welfare	-	-	-	-	190	-	-
Recreation	1,046,776	1,031,285	1,132,473	1,248,957	1,533,463	1,536,109	1,685,378
Operating grants and contributions	2,727,760	2,430,683	2,450,423	2,948,352	4,293,366	4,359,175	5,283,687
Capital grants and contributions	5,401,301	1,740,797	2,956,789	3,777,808	4,084,390	3,369,594	16,049,482
Total program revenues	20,810,043	17,479,929	19,766,360	23,031,022	25,407,818	25,206,800	38,900,448
Total Governmental Activities Net Program Expense	(23,595,068)	(27,654,833)	(38,516,248)	(41,019,189)	(37,978,816)	(42,580,819)	(35,299,474)
General revenues and other changes in net assets							
Taxes							
Property and other	4,016,735	4,413,612	4,508,813	4,817,955	5,210,479	5,430,775	5,497,857
Sales	19,274,268	21,050,936	28,425,282	31,427,244	32,494,307	33,329,215	30,838,928
Franchise	3,308,287	3,377,993	3,683,269	4,285,932	4,055,573	4,139,596	4,250,085
Motor vehicle	758,130	842,659	895,927	947,947	986,704	946,978	975,035
Intergovernmental funds and shared revenues not restricted to specific programs	5,053,464	4,999,708	5,106,191	5,214,331	5,155,542	4,973,615	4,921,442
Gain (loss) on disposal of capital assets	-	(2,442,542)	(42,218)	-	981,303	2,366,985	(432,969)
Unrestricted investment earnings	1,174,553	61,493	914,572	608,383	1,938,128	2,821,394	2,209,927
Miscellaneous revenue	1,426,380	2,041,080	2,494,002	2,372,045	1,632,122	1,684,180	3,275,439
Transfers	(1,167,000)	(1,183,115)	(1,343,000)	(1,271,015)	(1,280,365)	(4,325,385)	(1,415,055)
Total general revenues and other changes in net assets	33,844,817	33,161,824	44,642,838	48,402,822	51,173,793	51,367,353	50,120,689
Total Governmental Activities Change in Net Assets	\$ 10,249,749	\$ 5,506,991	\$ 6,126,590	\$ 7,383,633	\$ 13,194,977	\$ 8,786,534	\$ 14,821,215

Schedule 2 (continued)

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
Business-type Activities:							
Expenses							
Water	\$ 14,688,427	\$ 14,267,339	\$ 14,739,508	\$ 15,078,511	15,474,020	16,431,926	17,090,429
Sewer	4,634,032	5,038,334	5,935,226	7,278,340	7,077,916	9,214,304	9,719,210
Civic Center	637,637	664,017	660,152	737,147	667,389	733,199	835,547
Ice and Events Center	-	-	-	-	-	388,553	760,792
Total expenses	19,960,096	19,969,690	21,334,886	23,093,998	23,219,325	26,767,982	28,405,978
Revenues							
Charges for services							
Water	11,343,413	11,950,097	10,968,004	14,657,466	15,016,607	15,193,966	15,704,771
Sewer	4,545,178	5,258,103	6,065,307	6,252,915	7,131,655	7,682,937	8,151,283
Civic Center	225,225	227,548	207,894	249,880	155,518	389,464	442,277
Ice and Events Center	-	-	-	-	-	338,726	468,621
Operating grants and contributions	1,963,019	4,055,410	3,561,171	2,507,450	1,052,745	1,268,735	1,267,358
Capital grants and contributions	1,911,023	2,276,543	2,089,274	9,901,820	5,852,303	2,160,041	3,279,312
Total revenues	19,987,858	23,767,701	22,891,650	33,569,531	29,208,828	27,033,869	29,313,622
Total Business-type Activities Net Program Revenue	27,762	3,798,011	1,556,764	10,475,533	5,989,503	265,887	907,644
General revenues and other changes in net assets							
Taxes	5,836,174	532,526	4,455,524	1,341,736	1,365,071	879,268	259,653
Unrestricted investment earnings	512,351	200,017	623,461	1,202,422	1,587,218	1,307,117	695,933
Miscellaneous revenue	224,001	538,603	279,450	686,442	1,387,792	-	-
Transfers	1,167,000	1,183,115	1,343,000	1,271,015	1,280,365	4,325,385	1,415,055
Total general revenues and other changes in net assets	7,739,526	2,454,261	6,701,435	4,501,615	5,620,446	6,511,770	2,370,641
Total Business-type Activities Change in Net Assets	7,767,288	6,252,272	8,258,199	14,977,148	11,609,949	6,777,657	3,278,285
Total Primary Government Change in Net Assets	\$ 18,017,037	\$ 11,759,263	\$ 14,384,789	\$ 22,360,781	\$ 24,804,926	\$ 15,564,191	\$ 18,099,500

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CITY OF CHEYENNE, WYOMING

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Schedule 3

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 348,578	\$ 784,133	\$ 704,961	\$ 1,191,902	\$ 1,109,185	\$ 1,623,457	\$ 1,365,717	\$ 1,271,950	\$ 1,343,216	\$ 1,439,057
Unreserved	12,124,295	15,727,679	12,809,465	17,856,007	6,943,009	6,995,219	6,965,791	8,857,488	9,146,973	7,181,620
Total general fund	<u>12,472,873</u>	<u>16,511,812</u>	<u>13,514,426</u>	<u>19,047,909</u>	<u>8,052,194</u>	<u>8,618,676</u>	<u>8,331,508</u>	<u>10,129,438</u>	<u>10,490,189</u>	<u>8,620,677</u>
All Other Governmental Funds										
Reserved	1,163,270	1,956,736	1,120,934	424,672	982,747	632,411	1,234,629	26,689,328	32,555,444	29,944,288
Unreserved, reported in:										
Special revenue funds	23,986,112	27,189,529	26,520,288	26,937,670	24,418,489	20,249,583	18,845,121	9,864,630	12,048,203	12,293,067
Capital projects funds	200,397	283,884	3,747,913	2,078,270	702,355	4,269,508	7,111,320	180,225	(154,473)	(214,831)
Debt service funds	(44,546)	(47,655)	(46,712)	(45,766)	(45,142)	(44,785)	13,904	2,709	3,198	3,206
Permanent fund	460,991	482,862	506,119	504,228	502,666	505,795	505,940	-	-	-
Total all other governmental funds	<u>\$ 25,766,224</u>	<u>\$ 29,865,356</u>	<u>\$ 31,848,542</u>	<u>\$ 29,899,074</u>	<u>\$ 26,561,115</u>	<u>\$ 25,612,512</u>	<u>\$ 27,710,914</u>	<u>\$ 36,736,892</u>	<u>\$ 44,452,372</u>	<u>\$ 42,025,730</u>

CITY OF CHEYENNE, WYOMING

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)**

Schedule 4

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Revenues				
Taxes and special assessments	\$ 5,125,634	\$ 5,555,576	\$ 6,017,877	\$ 6,469,493
Licenses and permits	1,078,368	1,179,768	1,319,565	1,919,430
Intergovernmental	29,027,129	29,985,063	34,648,627	33,663,142
Charges for services	7,776,521	7,694,141	8,149,012	9,476,264
Fines and forfeitures	832,321	890,603	1,351,786	1,285,288
Investment income	1,635,643	2,825,167	2,993,669	1,096,678
Miscellaneous	1,354,384	1,873,490	1,111,773	1,419,196
Total revenues	<u>46,830,000</u>	<u>50,003,808</u>	<u>55,592,309</u>	<u>55,329,491</u>
Expenditures				
Current				
General government	8,624,888	10,831,133	11,279,021	13,948,092
Public safety	11,213,106	11,653,659	12,919,919	12,086,912
Public works	9,962,919	6,309,618	7,399,532	11,171,412
Health and welfare	3,715,952	2,463,384	2,642,825	1,221,813
Recreation	3,247,177	3,407,749	4,021,531	4,248,869
Capital outlay	4,933,818	7,532,929	18,070,395	17,852,158
Debt service				
Principal retirements	645,063	140,918	144,506	935,000
Interest payments	208,956	-	48,775	193,210
Total expenditures	<u>42,551,879</u>	<u>42,339,390</u>	<u>56,526,504</u>	<u>61,657,466</u>
Excess of revenues over (under) expenditures	<u>4,278,121</u>	<u>7,664,418</u>	<u>(934,195)</u>	<u>(6,327,975)</u>
Other financing sources (uses)				
Transfers in	234,209	400,018	4,000,655	602,789
Transfers out	(1,534,475)	(1,735,245)	(5,165,655)	(1,769,789)
Proceeds from sales of capital assets	-	-	-	-
Issuance of debt	-	1,963,000	1,218,000	9,576,691
Total other financing sources (uses)	<u>(1,300,266)</u>	<u>627,773</u>	<u>53,000</u>	<u>8,409,691</u>
Net change in fund balances	<u>\$ 2,977,855</u>	<u>\$ 8,292,191</u>	<u>\$ (881,195)</u>	<u>\$ 2,081,716</u>
Debt services as a percentage of noncapital expenditures	<u>2.32%</u>	<u>0.41%</u>	<u>0.51%</u>	<u>2.64%</u>

Fiscal Year					
2004	2005	2006	2007	2008	2009
\$ 6,900,417	\$ 7,470,109	\$ 8,467,225	\$ 8,595,375	\$ 8,885,358	\$ 9,152,956
2,255,665	2,346,719	2,765,498	2,431,552	2,254,112	1,830,051
31,465,890	40,072,243	44,952,344	48,230,191	47,302,421	59,342,879
10,035,939	10,911,594	12,225,530	13,144,208	13,651,935	14,150,766
1,016,845	1,100,835	1,313,834	1,454,302	1,571,984	1,586,462
52,219	856,679	570,772	1,938,128	2,821,394	2,209,927
2,052,961	2,492,718	2,372,045	1,632,122	1,684,180	3,193,955
<u>53,779,936</u>	<u>65,250,897</u>	<u>72,667,248</u>	<u>77,425,878</u>	<u>78,171,384</u>	<u>91,466,996</u>
13,013,703	16,193,702	20,123,659	13,398,348	13,996,047	13,624,634
13,933,709	15,066,413	15,766,640	17,148,302	18,724,660	20,736,697
12,392,338	12,163,361	13,432,246	15,078,870	14,528,740	17,055,294
922,864	927,403	1,081,828	1,394,640	2,294,505	2,676,688
4,428,067	4,529,849	5,077,583	5,788,808	6,148,153	6,336,352
21,274,286	14,097,992	12,571,193	15,401,477	13,081,296	33,959,616
1,017,549	1,229,321	1,043,745	859,845	746,463	709,828
591,395	553,531	525,243	515,342	515,904	523,246
<u>67,573,911</u>	<u>64,761,572</u>	<u>69,622,137</u>	<u>69,585,632</u>	<u>70,035,768</u>	<u>95,622,355</u>
<u>(13,793,975)</u>	<u>489,325</u>	<u>3,045,111</u>	<u>7,840,246</u>	<u>8,135,616</u>	<u>(4,155,359)</u>
4,209,872	845,881	1,675,184	1,068,904	427,289	997,070
(5,392,987)	(2,188,881)	(2,946,199)	(2,222,044)	(1,721,674)	(2,412,125)
-	-	-	1,743,337	-	-
568,000	561,698	696,000	896,000	1,235,000	1,274,260
<u>(615,115)</u>	<u>(781,302)</u>	<u>(575,015)</u>	<u>1,486,197</u>	<u>(59,385)</u>	<u>(140,795)</u>
<u>\$ (14,409,090)</u>	<u>\$ (291,977)</u>	<u>\$ 2,470,096</u>	<u>\$ 9,326,443</u>	<u>\$ 8,076,231</u>	<u>\$ (4,296,154)</u>
<u>3.60%</u>	<u>3.65%</u>	<u>2.83%</u>	<u>2.60%</u>	<u>2.27%</u>	<u>1.91%</u>

CITY OF CHEYENNE, WYOMING

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS

Schedule 5

Fiscal Year	Tax Year	Residential Property	Commercial Property	Industrial Property	Agricultural/Vacant Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2000	1999	168,819,430	61,456,341	20,227,476	3,785,942	254,289,189	8.00	2,639,698,601	9.6%
2001	2000	178,806,953	62,591,046	24,394,527	4,214,920	270,007,446	8.00	2,797,525,469	9.7%
2002	2001	188,856,479	67,206,773	24,253,491	4,207,901	284,524,644	8.00	2,950,596,269	9.6%
2003	2002	198,716,884	73,319,387	25,006,068	4,572,764	301,615,103	8.00	3,129,118,122	9.6%
2004	2003	216,458,096	87,403,935	24,996,324	4,603,429	333,461,784	8.00	3,464,364,181	9.6%
2005	2004	240,898,699	90,420,290	24,052,789	5,574,466	360,946,244	8.00	3,755,401,582	9.6%
2006	2005	273,116,519	95,554,194	27,057,707	6,536,482	402,264,902	8.00	4,184,833,830	9.6%
2007	2006	299,464,953	108,951,158	27,214,048	7,604,451	443,234,610	8.00	4,615,807,706	9.6%
2008	2007	301,267,635	130,952,222	27,508,729	9,014,377	468,742,963	8.00	4,883,777,223	9.6%
2009	2008	311,440,645	134,384,568	35,091,021	10,220,664	491,136,898	8.00	5,105,622,229	9.6%

Source: (1) Laramie County Assessor

Note: Property within the City limits are assessed on January 1st of each year by the Laramie County Assessor's Office. Properties are assessed at various percentages with estimated actual value based on the primary use.

Residential Property: 9.5% of Fair Market Value
 Commercial Property: 9.5% of Fair Market Value
 Industrial Property: 11.5% of Fair Market Value
 Agricultural/Vacant: 9.5% of Fair Market Value

The property taxes attach as an enforceable lien on property as of May 11. Taxes are levied on or about August 1, and are payable in two installments on September 1 and March 1.

CITY OF CHEYENNE, WYOMING

DIRECT AND OVERLAPPING PROPERTY TAX RATES,

LAST TEN YEARS

(rate per \$1,000 of assessed value)

Schedule 6

Tax Year	General Fund	Total City	Special School	School Mill	School Bond Redemption	School Bond Interest	Consv District	Weed and Pest Control	State	County	Total
1999	8.00	8.00	25.00	6.00	3.04	0.11	0.50	1.00	12.00	22.00	77.65
2000	8.00	8.00	25.00	6.00	-	-	0.50	1.00	12.00	22.00	74.50
2001	8.00	8.00	25.00	6.00	-	-	0.50	1.32	12.00	22.00	74.82
2002	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	22.00	76.00
2003	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	17.00	71.00
2004	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	17.00	71.00
2005	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	17.00	71.00
2006	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	17.00	71.00
2007	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	21.66	75.66
2008	8.00	8.00	26.00	6.00	-	-	0.50	1.50	12.00	20.91	74.91

Source: Laramie County Assessor

CITY OF CHEYENNE, WYOMING

PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO

Schedule 7

Taxpayer	Type of Business	Tax Year 2008			Tax Year 1999		
		Assessed Valuation	Rank	Percentage of Total City Valuation	Assessed Valuation	Rank	Percentage of Total City Valuation
Lowes HIW Inc.	Retail	\$ 8,768,485	1	1.79%			
Echostar Satellite Corporation	Satellite	6,957,580	2	1.42%	\$ 6,859,997	1	2.54%
Great Lakes Aviation LTD	Airline	4,980,684	3	1.01%			
Qwest Corporation	Telephone	2,969,227	4	0.60%	5,864,740	2	2.17%
C B & L Associates (Frontier Mall)	Mall Developer	2,686,972	5	0.55%	2,687,720	5	1.00%
The Pointe, LLC	Real Estate	2,287,183	6	0.47%			
Cheyenne Light, Fuel & Power	Utility	2,276,958	7	0.46%	3,477,791	4	1.29%
6101 Yellowstone LLC	Real Estate	2,173,255	8	0.44%			
STPP Fulfillment Center, LLC	Outdoor Outlet	2,162,937	9	0.44%			
Sprint	Telephone	2,104,002	10	0.43%			
AT&T Communications	Telephone				3,860,373	3	1.43%
American Wyatt Corp.	Commercial Kitchen				1,402,645	6	0.52%
Dillard's Mercantile Stores	Retail				1,044,115	9	0.39%
Union Pacific Corporation	Railroad				979,577	10	0.36%
Wal-Mart - Sam's Stores	Retail				1,335,745	7	0.49%
					1,140,738	8	0.42%
		\$ 37,367,283			\$ 28,653,441		
		\$ 491,167,735			\$ 270,078,622		

Total City Assessed Valuation

Source: Laramie County Treasurer

CITY OF CHEYENNE, WYOMING

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Schedule 8

Fiscal Year	Tax Year	Taxes Levied for the Tax Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections To Date	
			Amount	Percentage Of Levy		Amount	Percentage of Levy
2000	1999	2,034,313	2,015,598	99.08%	18,063	2,033,661	99.97%
2001	2000	2,160,059	2,132,510	98.72%	26,695	2,159,205	99.96%
2002	2001	2,276,197	2,250,948	98.89%	24,255	2,275,203	99.96%
2003	2002	2,412,921	2,369,333	98.19%	41,153	2,410,486	99.90%
2004	2003	2,664,232	2,638,107	99.02%	24,027	2,662,134	99.92%
2005	2004	2,887,890	2,855,365	98.87%	29,875	2,885,240	99.91%
2006	2005	3,218,119	3,187,797	99.06%	27,560	3,215,357	99.91%
2007	2006	3,545,877	3,505,986	98.88%	35,981	3,541,967	99.89%
2008	2007	3,749,944	3,712,874	99.01%	33,691	3,746,565	99.91%
2009	2008	3,929,342	3,884,698	98.86%	-	3,884,698	98.86%

Source: (1) Laramie County Assessor

CITY OF CHEYENNE, WYOMING

TAXABLE SALES BY MAJOR BUSINESS CLASS
LAST EIGHT FISCAL YEARS

Schedule 9

Category	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Agriculture / Forestry ^{1 2}	\$ 3,087,698	\$ 2,441,273	\$ 595,951	\$ 177,875	\$ 327,200	\$ 339,225	\$ 272,025	\$ 166,900
Mining ^{1 2}	3,103,924	4,493,884	3,022,926	5,999,450	4,793,625	6,556,825	7,723,625	7,167,475
Contract Construction ^{1 2}	52,223,323	30,111,033	31,372,589	38,199,850	33,915,450	29,483,525	30,454,700	29,380,200
Manufacturing ^{1 2}	40,547,209	41,148,914	19,571,372	27,321,125	26,218,925	31,762,575	33,881,375	27,648,450
Transportation / Communication / Utilities ¹	118,453,379	128,270,095	119,798,928	n/a	n/a	n/a	n/a	n/a
Retail Trade ^{1 2}	631,038,434	666,085,405	749,342,712	677,884,900	718,477,225	627,048,300	655,835,775	627,497,000
Wholesale Trade ^{1 2}	71,272,874	76,730,977	79,428,018	64,467,350	63,231,325	80,147,200	88,402,175	136,484,475
Finance / Insurance / Real Estate ¹	1,143,634	1,323,739	2,069,344	n/a	n/a	n/a	n/a	n/a
Services ¹	140,626,869	144,712,801	136,618,282	n/a	n/a	n/a	n/a	n/a
Government ¹	129,227,490	127,184,888	128,203,655	n/a	n/a	n/a	n/a	n/a
Utilities ²	n/a	n/a	n/a	75,829,925	98,231,425	92,821,825	96,775,375	97,224,975
Transportation / Warehousing ²	n/a	n/a	n/a	3,505,225	685,950	782,275	987,075	787,125
Information ²	n/a	n/a	n/a	33,463,450	46,139,475	49,630,800	44,522,350	29,611,950
Finance and Insurance ²	n/a	n/a	n/a	1,225,975	1,121,575	1,295,550	1,802,400	1,430,925
Real Estate and Rental and Leasing ²	n/a	n/a	n/a	37,098,700	43,906,325	50,237,925	54,788,825	52,567,025
Professional, Scientific, and Technical Services ²	n/a	n/a	n/a	4,946,125	4,900,200	5,282,575	5,437,975	5,618,700
Administrative and Support and Waste ²	n/a	n/a	n/a	2,460,400	2,480,875	2,589,500	4,003,300	3,936,250
Educational Services ²	n/a	n/a	n/a	636,150	217,475	144,325	185,775	263,525
Health Care and Social Assistance ²	n/a	n/a	n/a	995,125	1,238,850	577,250	809,000	1,441,825
Arts, Entertainment, and Recreation ²	n/a	n/a	n/a	4,908,275	4,545,525	5,430,925	5,179,650	7,307,500
Accommodation and Food Services ²	n/a	n/a	n/a	157,347,775	167,763,775	166,976,475	172,708,400	180,347,675
Other Services, except Public Administration ²	n/a	n/a	n/a	37,730,025	40,740,950	43,119,850	48,562,825	44,807,525
Public Administration ²	n/a	n/a	n/a	119,413,475	125,395,225	123,501,325	128,701,750	104,780,175
Total taxable sales subject to sales tax	\$ 1,190,724,834	\$ 1,222,503,009	\$ 1,270,023,777	\$ 1,293,610,775	\$ 1,384,331,375	\$ 1,317,728,250	\$ 1,381,034,375	\$ 1,358,469,675
City direct sales tax rate:	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

¹ Standard Industrial Classification (SIC) Coding

² North American Industry Classification System (NAICS) Coding

Notes:

(1) Beginning in fiscal year 2005, the Wyoming Department of Revenue began using a new system to report Major Industry Codes. The coding system used prior to FY2005 was the SIC, which had only ten code categories. The coding system presently used is the NAICS which includes all 20 major code categories.

(2) This information is only available on a county-wide basis, so the schedule has been prepared for Laramie County as a whole. The City of Cheyenne comprises approximately 64% of the total population of Laramie County.

(3) This information is not available for years prior to fiscal year 2002.

Source: Wyoming Department of Revenue

CITY OF CHEYENNE, WYOMING

**DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN FISCAL YEARS**

Schedule 10

Fiscal Year	City of Cheyenne/ Laramie County **	* State of Wyoming
2000	1.00%	4.00%
2001	2.00%	4.00%
2002	2.00%	4.00%
2003	2.00%	4.00%
2004	2.00%	4.00%
2005	2.00%	4.00%
2006	2.00%	4.00%
2007	2.00%	4.00%
2008	2.00%	4.00%
2009	2.00%	4.00%

Note: For fiscal years 2001 through March of 2008, an optional specific purpose sales tax of 1% was imposed. The tax was implemented again in August of 2008.
 ** - 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: Wyoming Department of Revenue

CITY OF CHEYENNE, WYOMING

PRINCIPAL SALES TAX REMITTERS BY BUSINESS ACTIVITY, LARAMIE COUNTY, WYOMING
CURRENT YEAR AND SEVEN YEARS AGO

Schedule 11

Business Activity	Fiscal Year 2009				Fiscal Year 2002				
	Rank	Tax Liability	Percentage of Total County Liability	Rank	Tax Liability	Percentage of Total County Liability	Rank	Tax Liability	Percentage of Total County Liability
Executive, legislative & general government	1	\$ 9,763,623	11.37%	1	\$ 10,995,733	13.82%			
Other general merchandise stores	2	6,381,916	7.43%	8	3,297,113	4.14%			
Power generation and supply	3	5,736,746	6.68%	6	3,465,654	4.36%			
Building material and supplies dealers	4	5,657,565	6.59%	2	6,340,140	7.97%			
Full-service restaurants	5	4,233,225	4.93%	10	2,116,806	2.66%			
Electronics and appliance stores	6	3,670,037	4.28%	5	3,482,996	4.38%			
Commercial Equip. Merchant Wholesalers	7	3,467,020	4.04%						
Department stores	8	3,179,271	3.70%						
Limited-service eating places	9	3,055,634	3.56%						
Traveler accommodation	10	2,616,722	3.05%						
Grocery stores				3	5,511,375	6.93%			
Combination utility services				7	3,441,517	4.32%			
Miscellaneous shopping goods				4	4,063,179	5.11%			
Telephone communication				9	3,222,231	4.05%			
Total Laramie County		\$ 47,761,759	55.64%		\$ 45,936,743	57.73%			
		\$ 85,837,512			\$ 79,573,265				

Note: Due to confidentiality issues, the names of the ten largest sales tax remitters are not available. The categories presented are intended to provide alternative information regarding the sources of the City/County's revenue. This information is only available on a county-wide basis, so this schedule includes information for Laramie County as a whole. The population of the City of Cheyenne comprises approximately 64% of the total population of Laramie County. Fiscal year 2002 is the earliest year for which data is available. As noted on a previous schedule, the Wyoming Department of Revenue used a different industry coding system in fiscal year 2002 than in fiscal year 2009.

Source: Wyoming Department of Revenue

CITY OF CHEYENNE, WYOMING

**RATIOS OF OUTSTANDING DEBT BY TYPE,
LAST TEN FISCAL YEARS**

Schedule 12

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	Refunding and Improvement Revenue Bonds	Term Loan	Capital Leases	General Obligation Bonds	Refunding Revenue Bonds	Term Loans					
2000	1,090,000	533,312	2,263,041	27,615,000	-	22,662,881		54,164,234	2.36%	1,021.75	
2001	1,015,000	455,495	3,739,205	25,845,000	-	40,675,096		71,729,796	2.94%	1,335.97	
2002	935,000	350,000	2,979,226	23,980,000	-	43,276,272		71,520,498	2.73%	1,322.18	
2003	9,575,000	270,000	2,992,468	22,015,000	-	38,549,634		73,402,102	2.63%	1,341.51	
2004	9,525,000	185,000	2,677,919	19,955,000	-	40,602,990		72,945,909	2.43%	1,314.98	
2005	9,450,000	95,000	2,175,296	17,805,000	-	68,637,859		98,163,155	3.11%	1,751.82	
2006	9,375,000	-	1,997,551	15,555,000	-	75,271,287		102,198,838	3.00%	1,836.06	
2007	9,300,000	-	2,108,706	13,205,000	-	76,715,356		101,329,062	**	1,821.12	
2008	9,225,000	-	2,672,242	10,745,000	12,330,000	65,070,151		100,042,393	**	1,784.85	
2009	9,150,000	-	3,311,674	8,170,000	11,905,000	67,425,078		99,961,752	**	1,775.65	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

** - Information not available

CITY OF CHEYENNE, WYOMING

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Schedule 13

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Per Capita</u>
2000	27,615,000	1.05%	520.93
2001	25,845,000	0.92%	482.62
2002	23,980,000	0.81%	444.12
2003	22,015,000	0.70%	402.90
2004	19,955,000	0.58%	360.45
2005	17,805,000	0.47%	317.64
2006	15,555,000	0.37%	274.07
2007	13,205,000	0.29%	229.80
2008	10,745,000	0.22%	184.68
2009	8,170,000	0.16%	145.13

CITY OF CHEYENNE, WYOMING

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2009**

Schedule 14

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable *</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
<u>Governmental Unit</u>			
Debt repaid with property taxes			
Laramie County Community College	\$ 8,763,081	57.67%	\$ 5,053,669
Other debt			
Laramie County Community College	3,427,003	57.67%	1,976,353
Laramie County	5,371,736	57.67%	3,097,880
Laramie County School District No. 1	2,420,951	63.10%	<u>1,527,620</u>
Subtotal, overlapping debt			11,655,522
City direct debt			<u>12,461,674</u>
Total direct and overlapping debt			<u><u>\$ 24,117,196</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Laramie County Assessor. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Cheyenne. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

* - For all debt, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

CITY OF CHEYENNE, WYOMING

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Schedule 15
Debt Margin Calculation for Fiscal Year

Assessed Value (as of January 1, 2008, payable in fiscal year 2009) \$491,167,735

Debt Limit (4% of assessed value) \$ 19,646,709

Debt applicable to limit:

General obligation bonds *

Less: Amount set aside for repayment

of general obligation debt

Total net debt applicable to limit

Legal debt margin \$ 19,646,709

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	\$ 10,171,568	\$ 10,800,298	\$ 11,380,986	\$ 12,064,604	\$ 13,321,159	\$ 14,439,450	\$ 16,090,596	\$ 17,729,384	\$ 18,749,719	\$ 19,646,709
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 10,171,568</u>	<u>\$ 10,800,298</u>	<u>\$ 11,380,986</u>	<u>\$ 12,064,604</u>	<u>\$ 13,321,159</u>	<u>\$ 14,439,450</u>	<u>\$ 16,090,596</u>	<u>\$ 17,729,384</u>	<u>\$ 18,749,719</u>	<u>\$ 19,646,709</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

* Indebtedness created for supplying water to cities and towns is excluded from the limitation

CITY OF CHEYENNE, WYOMING
PLEGGED REVENUE COVERAGE
LAST TEN FISCAL YEARS

Schedule 16

Fiscal Year	Waterworks Debt *					Sewer Debt					
	Water Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Sewer Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest				Principal	Interest	
2000	12,371,100	4,545,909	7,825,191	2,027,049	1,996,256	5,145,196	2,716,526	2,428,670	75,651	87,588	14.9
2001	14,552,326	4,800,924	9,751,402	2,127,298	1,896,531	5,091,377	2,909,888	2,181,489	78,678	84,461	13.4
2002	19,269,775	5,405,555	13,864,220	9,224,238	2,163,373	4,644,887	3,253,134	1,391,753	81,824	81,209	8.5
2003	20,494,307	6,018,963	14,475,344	18,122,497	2,779,581	5,093,555	3,472,461	1,621,094	85,097	77,827	10.0
2004	16,918,782	6,143,342	10,775,440	4,137,705	2,147,693	6,082,899	3,728,724	2,354,175	99,663	134,364	10.1
2005	17,448,197	6,730,049	10,718,148	3,220,697	2,015,436	9,539,724	4,186,229	5,353,495	102,155	513,124	8.7
2006	22,103,865	7,012,378	15,091,487	3,387,453	1,888,921	10,040,555	4,886,230	5,154,325	104,709	1,037,575	4.5
2007	20,264,510	7,357,980	12,906,530	3,527,270	1,706,834	10,390,429	5,270,211	5,120,218	1,659,510	2,518,141	1.2
2008	18,328,318	7,710,867	10,617,451	3,735,298	1,794,673	9,299,608	5,288,528	4,011,080	1,700,997	938,854	1.5
2009	20,056,379	8,169,940	11,886,439	4,197,161	1,729,781	9,233,317	5,680,073	3,553,244	1,743,523	939,868	1.3

Parking Lot/Garage Refunding and Improvement Bonds

Fiscal Year	Parking Lot/Garage Refunding and Improvement Bonds					Coverage
	Parking Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2000	249,666	207,493	42,173	75,000	69,928	0.3
2001	245,276	232,009	13,267	80,000	66,455	0.1
2002	231,518	392,111	(160,593)	95,000	57,970	(1.0)
2003	225,275	263,663	(38,388)	100,000	52,080	(0.3)
2004	171,117	287,040	(115,923)	50,000	443,144	(0.2)
2005	422,511	298,273	124,238	75,000	420,163	0.3
2006	421,596	420,640	956	75,000	418,288	0.0
2007	438,591	466,527	(27,936)	75,000	417,772	(0.1)
2008	480,763	500,694	(19,931)	75,000	415,662	(0.0)
2009	415,710	553,664	(137,954)	75,000	413,413	(0.3)

Notes: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization expenses.

* - Waterworks debt includes general obligation debt which is secured by a pledge of a specific revenue stream (water revenues)

CITY OF CHEYENNE, WYOMING

**DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Schedule 17

<u>Fiscal Year</u>	<u>Population</u>		<u>Personal Income (thousands) *</u>	<u>Per Capita Income *</u>	<u>Unemployment Rate</u>	<u>School Enrollment *</u>
2000	53,011	b	2,292,534	28,043	4.0%	15,101
2001	53,691	a	2,443,472	29,655	4.4%	14,648
2002	54,093	a	2,623,184	31,540	4.5%	14,773
2003	54,716	a	2,787,595	33,053	4.8%	14,542
2004	55,473	a	2,996,745	35,140	4.8%	14,612
2005	56,035	a	3,152,691	36,922	4.4%	14,498
2006	55,662	a	3,401,073	39,647	4.1%	14,351
2007	55,641	a	**	**	4.0%	14,320
2008	56,051	c	**	**	**	14,257
2009	56,296	c	**	**	**	**

Source: Wyoming Center for Business and Economic Data - "Economic Indicators for Greater Cheyenne - Annual Trends Edition" - March, 2009

a - U.S. Census Bureau Estimate

b - U.S. Census Bureau Count

c - Center for Business & Economic Data

* - Information for Laramie County

** - Information not yet available

CITY OF CHEYENNE, WYOMING
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Schedule 18

<u>Employer</u>	<u>2009</u>			<u>2000</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Cheyenne Area Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Cheyenne Area Employment</u>
F.E. Warren A.F.B.	4,325	1	7.19%	4,068	1	7.87%
State of Wyoming	3,553	2	5.91%	2,824	2	5.47%
Laramie Co. School Dist. #1	1,955	3	3.25%	1,931	4	3.74%
Federal Government	1,739	4	2.89%	2,428	3	4.70%
Cheyenne Regional Medical Center	1,415	5	2.35%	1,108	5	2.14%
Wyoming National Guard	756	6	1.26%	635	7	1.23%
City of Cheyenne	606	7	1.01%	512	9	0.99%
Union Pacific Railroad	602	8	1.00%	800	6	1.55%
Sierra Trading Post	572	9	0.95%			
Lowe's Companies	518	10	0.86%			
Safecard Services				568	8	1.10%
Laramie County				360	10	0.70%
Subtotal	<u>16,041</u>		<u>26.68%</u>	<u>15,234</u>		<u>29.49%</u>
All other employers	46,668		73.32%	38,763		70.51%
Total all employers	<u><u>62,709</u></u>		<u><u>100.00%</u></u>	<u><u>53,997</u></u>		<u><u>100.00%</u></u>

Source: Wyoming Center for Business and Economic Data - "Economic Indicators for Greater Cheyenne - Annual Trends Edition" - March, 2009

CITY OF CHEYENNE, WYOMING

FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Schedule 19

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government:										
Central Administration	*	*	102	100	117	101	106	105	114	106
Weed and Pest	*	*	2	2	2	2	2	2	2	2
Public Safety:										
Police	*	*	120	117	118	124	117	121	132	141
Fire	*	*	83	83	84	88	89	91	94	95
Public Works										
Street/Traffic/Admin	*	*	78	82	82	85	91	101	95	99
Transit	*	*	26	26	27	27	29	27	28	29
Planning	*	*	4	5	5	5	3	6	5	5
Sanitation/Landfill	*	*	64	62	64	68	62	65	65	66
Health and Welfare:										
Youth Alternatives	*	*	23	24	19	17	15	17	20	21
Housing	*	*	3	3	3	3	2	2	2	2
Cemetery	*	*	9	9	9	8	7	7	9	9
Recreation	*	*	99	100	101	94	99	99	104	118
Water/Sewer Utility	115	116	118	119	120	125	127	128	129	129
Civic Center	*	*	8	8	8	7	8	8	9	8
Prior years unallocated *	784	778	*	*	*	*	*	*	*	*
	899	894	739	740	759	754	757	779	808	830

* - Information for years prior to 2002 are not available by function/program

CITY OF CHEYENNE, WYOMING

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Schedule 20

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Total housing units ^	24,214	24,495	24,763	25,367	25,973	26,545	26,841	27,045	27,222	**
Commercial construction permits issued ^	222	216	241	154	162	183	149	154	142	**
Residential construction permits issued ^	143	158	262	404	509	443	295	204	177	**
Public safety										
Police calls for service ^	26,413	26,683	28,056	20,462	67,245	65,528	66,008	69,631	76,264	**
Police arrests ^	**	**	4,441	5,002	2,044	2,238	2,387	2,444	2,620	**
Police traffic tickets ^	**	**	**	9,316	6,861	8,164	9,583	11,257	10,983	**
Fire total incidents ^	3,066	3,692	3,925	4,024	4,045	4,875	5,409	6,140	6,448	**
Fire rescue and EMS ^	2,109	2,593	2,730	2,829	2,800	3,533	3,971	4,787	5,034	**
Fires ^	195	195	193	187	184	187	193	177	167	**
Refuse collection										
Tons of waste collected by sanitation	**	**	**	**	**	**	**	65,990	70,043	63,268
Tons of waste accepted by landfill	**	**	**	**	**	**	100,021	102,105	108,965	65,964
Other public works										
Tons of asphalt used for street repair/renovation	**	**	**	**	7,118	8,457	8,884	10,425	7,588	9,063
Transit										
Transit total route miles ^	456,840	430,927	430,926	491,242	487,874	509,820	500,656	517,863	552,048	526,034
Transit total passengers ^	140,783	146,303	147,219	154,870	176,907	204,589	221,634	260,981	**	**
Recreation										
Adults served in recreation programs ^	**	**	**	**	**	**	9,480	9,500	5,389	**
Youth served in recreation programs ^	**	**	**	**	**	**	5,211	5,700	3,190	**
Parks										
Public users of the Community House ^	**	**	**	41,565	43,246	42,674	38,136	37,464	37,821	34,714
Public users of the shelters ^	**	**	**	28,382	25,315	22,072	22,151	**	23,344	27,251
Waterworks										
Average daily demand (mgd)	14,487	13,731	14,703	13,813	11,989	12,169	14,431	14,182	12,649	11,384
Peak day demand (mgd)	31.82	30.72	37.14	39.55	24.87	24.39	28.48	29.25	31.17	29.13
Total water delivered (acre feet*)	16,272	15,381	16,469	15,472	13,466	13,631	16,165	15,888	14,208	12,753
Sewer										
Total wastewater treated (000 gallons)	3,341,210	3,533,320	3,334,290	3,178,170	2,965,465	3,258,026	3,590,459	3,286,169	3,132,495	3,300,770
Average mgd	9.15	9.68	9.14	8.71	8.10	8.93	9.84	9.00	8.56	9.04

Sources: Various City Departments
* Estimated water available in reservoirs for delivery to Cheyenne's water treatment plant.

This amount does not include a dead pool estimate of 7,500 acre feet. One acre foot is approximately 325,861 gallons of water.

** Information not available

^ Information provided on a calendar year basis

CITY OF CHEYENNE, WYOMING

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Schedule 21

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol cars	**	**	**	**	**	**	**	158	159	169
Fire stations	5	5	5	5	5	5	5	5	5	5
Fire trucks	14	14	14	14	14	14	14	14	14	14
Refuse collection										
Collection trucks	**	**	**	**	**	**	23	23	24	38
Other public works										
Miles of city streets maintained	326	327	331	342	346	350	351	360	367	368
Crosswalks maintained	444	444	460	464	464	484	488	488	488	490
Traffic signals maintained	**	111	114	116	116	121	122	122	122	126
City vehicles maintained	**	**	724	760	822	832	834	871	904	890
Parks and recreation										
Acres of turf mowed	**	**	**	208	208	220	226	232	230	230
Acres of park land	**	**	**	700	700	800	800	820	800	900
Playgrounds	**	**	**	23	23	24	26	30	30	30
Parks	15	15	15	15	15	15	17	17	18	19
Baseball fields	**	**	**	13	13	14	14	14	16	16
Softball fields	**	**	**	9	9	9	9	9	9	9
Soccer fields	**	**	**	14	14	14	14	14	16	16
Miles of greenway	**	**	**	11.21	13.99	15.65	19.61	21	22	25
Water										
Miles of treated water transmission mains	430	430	430	433	433	448	448	448	451	455
Miles of distribution mains	306	306	306	331	331	347	347	362	371	374
Reservoir levels at June 30 (acre feet*)	36,472	37,979	27,717	33,996	35,306	39,364	38,221	38,076	39,145	39,555
Sewer										
Miles of sewer collection mains	263	263	263	279	279	291	291	306	311	312
Water reclamation capacity	11.5 mgd	13.5 mgd	17 mgd	17 mgd	17 mgd	17 mgd				
Transit										
Vehicles available for service	**	**	**	**	**	**	**	25	25	25

Sources: Various City Departments

** Information not available

* Estimated water available in reservoirs for delivery to Cheyenne's water treatment plant. This amount does not include a dead pool estimate of 7,500 acre feet. One acre foot is approximately 325,861 gallons of water.

**SINGLE
AUDIT
SECTION**

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CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2009

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Amount Expended
U.S. Department of Agriculture			
Passed through Wyoming State Forestry Division			
Cooperative Forestry Assistance	10.664	-	\$ 226
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants	14.218	-	846,193
U.S. Department of the Interior			
Passed through Wyoming Department of State Parks and Cultural Resources			
Historic Preservation Fund Grants-In-Aid	15.904	56-07-21655.14	5,730
Historic Preservation Fund Grants-In-Aid	15.904	56-09-21856.02	2,775
Historic Preservation Fund Grants-In-Aid	15.904	56-09-21856.05	7,257
Outdoor Recreation Acquisition, Development and Planning	15.916	56-00843	2,475
Outdoor Recreation Acquisition, Development and Planning	15.916	56-00829	12,569
Total U.S. Department of the Interior			30,806
U.S. Department of Justice			
Organized Crime Drug Enforcement Task Forces	16.000	WC-WY-058	4,306
Organized Crime Drug Enforcement Task Forces	16.000	WC-WY-061	2,742
Passed through Wyoming Department of Family Services/Laramie County			
Juvenile Accountability Block Grants	16.523	-	23,871
Passed through Wyoming Division of Victim Services			
Violence Against Women Formula Grants	16.588	2008-WF-AX-0056	63,100
Passed through Wyoming Division of Criminal Investigation			
Edward Byrne Memorial Formula Grant Program	16.579	-	60,031
Bulletproof Vest Partnership Program	16.607	-	1,000
Passed through Wyoming Association of Sheriffs and Chiefs of Police			
Enforcing Underage Drinking Laws Program	16.727	-	11,615
Passed through Laramie County			
Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	2008-DJ-BX-0526	12,897
Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	2007-F2770-WY-DJ	880
Total U.S. Department of Justice			180,442

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)

Year Ended June 30, 2009

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Amount Expended
U.S. Department of Transportation			
Passed through Wyoming Department of Transportation			
Highway Planning and Construction	20.205	-	753,063
Highway Planning and Construction	20.205	STP-E-CH-6598164	200,000
Highway Planning and Construction	20.205	STP-E-CH 0.00 TL08001	144,893
Highway Planning and Construction	20.205	SRTS 0.00 B071036	188,276
Highway Planning and Construction	20.205	SRTS 0.00 B071035	191,900
State and Community Highway Safety	20.600	09-OP08	6,185
State and Community Highway Safety	20.600	09-410-01AL	5,258
State and Community Highway Safety	20.600	08-SE01G	7,538
Federal Transit Formula Grant	20.507	90-X033-00	12,225
Federal Transit Formula Grant	20.507	90-X035-00	3,195
Federal Transit Formula Grant	20.507	90-X038-00	60,104
Federal Transit Formula Grant	20.507	90-X041-00	219,016
Federal Transit Formula Grant	20.507	90-X045-00	516,536
Total U.S. Department of Transportation			<u>2,308,189</u>
National Endowment of the Arts			
Passed through Wyoming Arts Council			
Promotion of the Arts Partnership Agreements	45.025	-	2,500
Total National Endowment of the Arts			<u>2,500</u>
U.S. Environmental Protection Agency			
Passed through Wyoming State Land and Investment Board			
Capitalization Grants for Clean Water State Revolving Fund	66.458	CWSRF No. 60	12,024
Capitalization Grants for Clean Water State Revolving Fund	66.458	CWSRF No. 81	998,102
Capitalization Grants for Clean Water State Revolving Fund	66.458	CWSRF No. 84	93,863
Capitalization Grants for Drinking Water State Revolving Fund	66.468	DWSRF No. 65	3,052,132
Capitalization Grants for Drinking Water State Revolving Fund	66.468	DWSRF No. 56	13,047
Capitalization Grants for Drinking Water State Revolving Fund	66.468	DWSRF No. 74	93,863
Capitalization Grants for Drinking Water State Revolving Fund	66.468	DWSRF No. 79	40,883
Passed through Wyoming Department of Environmental Quality			
Nonpoint Source Implementation Grants	66.460	-	166,405
Congressionally Mandated Projects	66.202	-	248,976
Total U.S. Environmental Protection Agency			<u>4,719,295</u>

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
Year Ended June 30, 2009

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Grantor's Number	Amount Expended
U.S. Department of Education			
Passed through Laramie County Community Partnership Twenty First Century Community Learning Centers	84.287	-	<u>143,495</u>
U.S. Department of Health and Human Services			
Passed through Wyoming Department of Health Special Programs for the Aging, Title III, Part B Grants for Supportive Services and Senior Centers	93.044	-	47,694
Passed through Wyoming Department of Family Services Promoting Safe and Stable Families	93.556	MBC-08-003a	20,000
Child Welfare Services - State Grants	93.645	-	34,867
Total U.S. Department of Health and Human Services			<u>102,561</u>
U.S. Department of Homeland Security			
Passed through Wyoming Office of Homeland Security Pre-Disaster Mitigation Competitive Grants	97.017	PDMC-PJ-08-WY-2005-002	2,569,129
Flood Mitigation Assistance Grant Program	97.029	FMA-PJ-08-WY-2004-001	1,351,549
Homeland Security Grant Program	97.067	07-ODP-RR7-RR-HRT7	47,711
Homeland Security Grant Program	97.073	06-ODP-RR7-RR-HSG6	162
Homeland Security Grant Program	97.074	06-ODP-CHE-LP-HLE6	5,767
Homeland Security Grant Program	97.067	08-GPD-RR7-RR-HRT8	5,201
Homeland Security Grant Program	97.067	08-GPD-BT7-BM-HMB8	72,865
Homeland Security Grant Program	97.067	07-ODP-CHE-LP-HLE7	77,215
Assistance to Firefighters Grant	97.044	EMW-2007-FO-03278	157,167
Assistance to Firefighters Grant	97.044	EMW-2008-FO-01362	114,400
Total U.S. Department of Homeland Security			<u>4,401,166</u>
Total Expenditures of Federal Awards			<u>\$12,734,873</u>

Note:

The following information regarding the schedule of expenditures of Federal awards is provided to assist the reader in understanding the accounting policies regarding, and the nature of, the Federal awards.

Basis of Accounting: The schedule of expenditures of Federal awards is prepared on the modified accrual basis of accounting, the same basis used by the City in its governmental fund financial reporting. Receivables are recorded when appropriate program expenditures are made and the City has a claim for reimbursement.

The information in this schedule is presented in accordance with OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some of the amounts presented in this schedule may differ from their presentation in the financial statements.

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

The Honorable Mayor and Members of the City Council
City of Cheyenne
Cheyenne, Wyoming

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cheyenne, Wyoming (the "City") as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with accounting principles generally accepted in the United States of America such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential, will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, management, others within the entity, Federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Mc Gee, Heurne & Paiz, LLP

Cheyenne, Wyoming
December 10, 2009

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Mayor and Members of the City Council
City of Cheyenne
Cheyenne, Wyoming

Compliance

We have audited the compliance of the City of Cheyenne, Wyoming (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that are applicable to each of its major Federal programs for the year ended June 30, 2009. The City's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its major Federal programs for the year ended June 30, 2009.

Internal Control over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a Federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Honorable Mayor, Members of the City Council, management, others within the entity, Federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Mc Gee, Hearne & Paiz, LLP

Cheyenne, Wyoming
December 10, 2009

CITY OF CHEYENNE, WYOMING

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2009**

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

A. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

B. Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____ Yes X No
- Significant deficiencies identified that are not considered to be material weaknesses? _____ Yes X None reported

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

- Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? _____ Yes X No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>	<u>Expenditures</u>
14.218	Community Development Block Grants/Entitlements Event	\$846,193
66.468	Capitalization Grants for Drinking Water State Revolving Fund	3,199,925
97.017	Pre-Disaster Mitigation Competitive Grants	2,569,129
97.029	Flood Mitigation Assistance Grant Program	1,351,549

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 382,046
- Auditee qualified as low-risk auditee? _____ Yes X No

CITY OF CHEYENNE, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2009

**II. FINDINGS RELATING TO THE FINANCIAL STATEMENT AUDIT AS REQUIRED
TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED
GOVERNMENT AUDITING STANDARDS**

A. Significant Deficiencies in Internal Control

None

B. Compliance Findings

None

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

A. Significant Deficiencies in Internal Control

None

B. Compliance Findings

None

CITY OF CHEYENNE, WYOMING

**SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS
For the Year Ended June 30, 2009**

Finding	Status
<u>2008-03:</u> Pre-Disaster Mitigation Competitive Grants Program (CFDA #97.017)	
The Pre-Disaster Mitigation Competitive Grants Program did not have an effective system in place to determine if entities are suspended or debarred from receiving Federal funds.	The City's purchasing department added an additional item to their bid-checklist to determine if a contractor has been suspended or debarred. The bid-checklist is maintained in the bid file along with the contractor's status.
<u>2008-04:</u> Pre-Disaster Mitigation Competitive Grants Program (CFDA #97.017)	
The Pre-Disaster Mitigation Competitive Grants Program did not file the quarterly progress reports within 10 days after the end of each quarter.	The City has implemented segregation of duties associated with the preparation and approval of this progress report. The individual responsible for preparing the report and individual responsible for reviewing the report are both responsible for tracking the due date.