

**CITY OF CHEYENNE, WYOMING**  
**FINANCIAL AND COMPLIANCE REPORT**  
**JUNE 30, 2024**

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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying 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 as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Cheyenne Downtown Development Authority (the DDA), which represents 100% of the discretely presented component unit, as of June 30, 2024. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the DDA, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal-control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 14, the budgetary comparison schedules on pages 75 and 76, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios on page 77, the Schedule of the City's Proportionate Share of the Net Pension Liability on pages 78 and 79, the Schedule of the City's Contributions on pages 80 and 81, and the Notes to Required Supplementary Information on pages 82 through 86 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

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 Statements of Nonmajor Governmental Funds, the Combining Statements of Nonmajor Proprietary Funds, the Combining Statements of Fiduciary Funds, and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2024 on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

*McGee, Hearne & Paiz, LLP*

Cheyenne, Wyoming  
December 23, 2024

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

The City of Cheyenne, Wyoming (the City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities as of and for the fiscal year ended June 30, 2024. 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 basic financial statements, which begin on page 15 of this report.

**Financial Highlights**

The City's total net position (governmental and business-type combined) increased by \$65.51 million (8.41%) from 2023 to 2024. The governmental net position increased by \$46.81 million (12.33%). The business-type net position increased by \$18.70 million (4.69%).

- The General Fund, the City's primary operating fund, reported an increase in fund balance of \$10.02 million on a current financial resource basis. As of June 30, 2024, the unassigned fund balance for the General Fund was \$51.20 million or 270 days of total General Fund expenditures of \$69.16 million. The City Council has a requirement, by resolution, to maintain an unassigned fund balance of 120 days of operating expenditures in the General Fund.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (1) the government-wide financial statements, (2) the fund financial statements, and (3) the notes to the financial statements. Required supplementary information and supplementary information are 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 Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, 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 Solid Waste Fund, the Civic Center, and the Ice and Events Center.

**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.



**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

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 and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets and deferred outflows, liabilities and deferred inflows, etc.) for that fund type (i.e., governmental or enterprise funds), and (2) total assets and deferred outflows, liabilities and deferred inflows, 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 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 22 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Miscellaneous Federal Grants Fund, the One-Percent Sales Tax Fund, and the Specific-Purpose Option Tax Fund, all of which are considered to be major funds. Data from the other 18 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. Budgetary comparison schedules have been provided for the General Fund and the Miscellaneous Federal Grants Fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 19 through 22 of this report, with combining statements found on pages 89 through 94 of this report.

*Proprietary funds:* The City maintains two types of proprietary funds. 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, Solid Waste Fund, Civic Center, and Ice and Events Center. The Internal Service Fund is used to account for activities of the City's Fleet Maintenance Center. Fleet maintenance is allocated based on other funds' usage on the proprietary fund Statement of Net Position and proprietary fund Statement of Activities.

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

The proprietary fund financial statements 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, Sewer, and Solid Waste Funds as they are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 23 through 27 of this report, with combining statements found on pages 96 through 98.

*Fiduciary funds:* The fiduciary funds are used to account for resources held for the benefit of parties outside the government. The fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for the fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 28 and 29 of this report, with combining statements found on pages 100 and 101.

**Notes to the financial statements:** The notes to the financial statements 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 30 through 74 of this report.

**Other information:** Required supplementary information regarding the budgetary comparisons, the total postemployment benefits other than pensions liability, and the net pension liability is included on pages 75 through 86 of this report. The combining statements referred to earlier, in connection with nonmajor governmental funds, nonmajor proprietary funds and fiduciary funds, are presented immediately following the required supplementary information. Combining and individual fund statements can be found on pages 87 through 101.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City's net position, just over 76% reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding and any accounts or retainage payable related to those assets. 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 capital assets is reported net of related debt and accounts or retainage payable, 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.

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

The following table reflects the condensed Statement of Net Position at June 30:

**Statement of Net Position**  
(Amounts expressed in thousands; totals may not add due to rounding)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current assets	\$ 185,614	\$ 167,101	\$ 119,656	\$ 99,237	\$ 305,270	\$ 266,338
Noncurrent assets	322,542	300,514	375,548	375,421	698,090	675,935
<b>Total assets</b>	<b>508,156</b>	<b>467,615</b>	<b>495,204</b>	<b>474,658</b>	<b>1,003,360</b>	<b>942,273</b>
Deferred outflows of resources	11,365	21,416	1,595	3,194	12,960	24,610
Current liabilities	23,989	21,265	18,886	12,540	42,875	33,805
Noncurrent liabilities	44,114	68,825	59,126	65,828	103,240	134,653
<b>Total liabilities</b>	<b>68,103</b>	<b>90,090</b>	<b>78,012</b>	<b>78,368</b>	<b>146,115</b>	<b>168,458</b>
Deferred inflows of resources	24,960	19,296	1,139	541	26,099	19,837
Net position:						
Net investment in capital assets	312,062	285,574	332,204	329,754	644,266	615,328
Restricted	92,576	85,890	500	500	93,076	86,390
Unrestricted	21,819	8,182	84,944	68,691	106,763	76,873
<b>Total net position</b>	<b>\$ 426,457</b>	<b>\$ 379,646</b>	<b>\$ 417,648</b>	<b>\$ 398,945</b>	<b>\$ 844,105</b>	<b>\$ 778,591</b>

A portion of the City's net position, 11.03%, represents resources that are subject to external restrictions on how they may be used. Currently in a surplus position, the remaining balance of unrestricted net position, \$107.87 million, is intended to be utilized to meet the government's ongoing obligations to citizens and creditors subject to the City's fund designations and fiscal policies.

Net position in the City's governmental activities increased by \$46.81 million during fiscal year 2024, compared to an increase of \$56.17 million in the prior year. Net position in the City's business-type activities increased by \$18.70 million during fiscal year 2024, compared to an increase of \$21.11 million in the prior year.

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

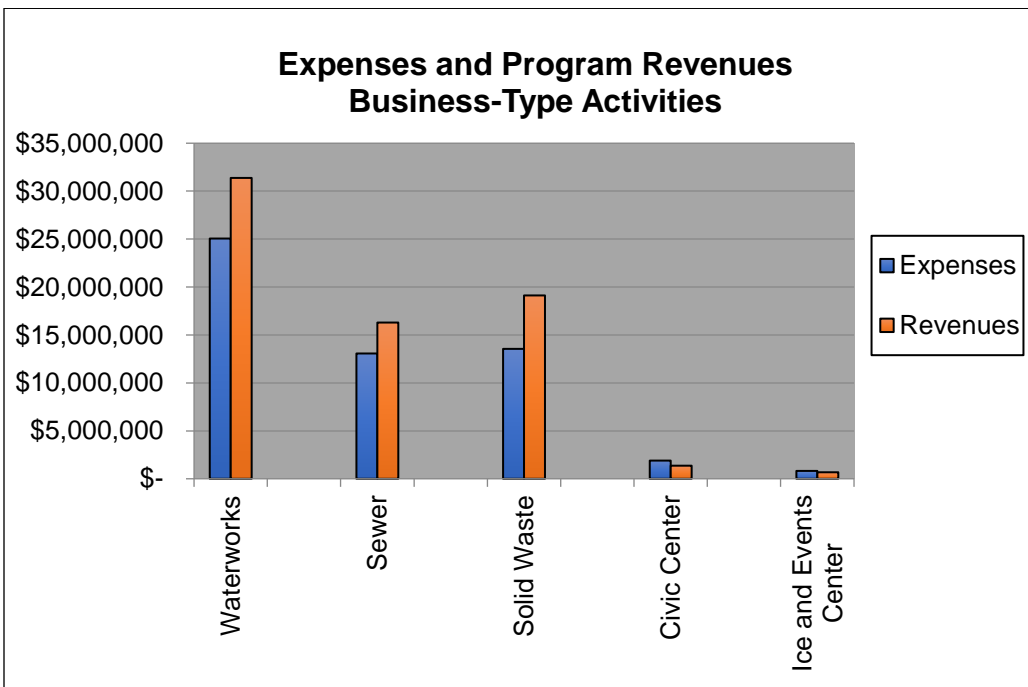
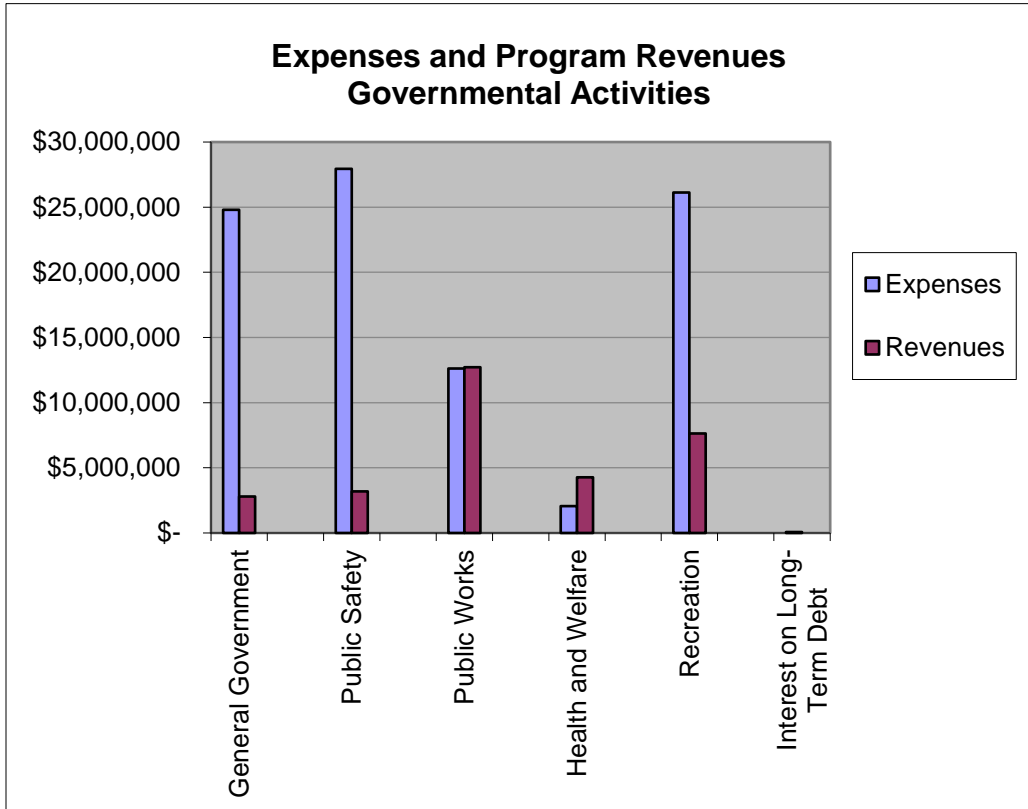
**June 30, 2024**

The following table reflects a condensed summary of activities and changes in net position for the years ended June 30:

<b>Changes in Net Position</b>							
(Amounts expressed in thousands; totals may not add due to rounding)							
	Governmental Activities		Business-Type Activities		Total		
	2024	2023	2024	2023	2024	2023	
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 18,164	\$ 10,301	\$ 57,017	\$ 56,203	\$ 75,181	\$ 66,504	
Operating grants and contributions	8,543	6,884	4,748	7,748	13,291	14,632	
Capital grants and contributions	3,909	4,683	7,076	8,506	10,985	13,189	
General revenues:							
Property taxes and other taxes	18,893	18,429	-	-	18,893	18,429	
Sales taxes	72,774	73,774	-	-	72,774	73,774	
Intergovernmental	7,967	7,463	-	-	7,967	7,463	
Other	10,403	5,874	4,036	1,648	14,439	7,522	
<b>Total revenues</b>	<b>140,653</b>	<b>127,408</b>	<b>72,877</b>	<b>74,105</b>	<b>213,530</b>	<b>201,513</b>	
<b>Expenses:</b>							
Civic Center	-	-	1,898	2,041	1,898	2,041	
General government	24,803	20,430	-	-	24,803	20,430	
Health and welfare	2,063	2,354	-	-	2,063	2,354	
Interest on long-term debt	70	84	-	-	70	84	
Public safety	27,934	17,662	-	-	27,934	17,662	
Public works	12,614	5,251	-	-	12,614	5,251	
Recreation	26,138	25,522	-	-	26,138	25,522	
Sewer	-	-	13,068	12,964	13,068	12,964	
Solid Waste	-	-	13,550	12,397	13,550	12,397	
Waterworks	-	-	25,057	24,754	25,057	24,754	
Ice and Events Center	-	-	821	770	821	770	
<b>Total expenses</b>	<b>93,622</b>	<b>71,303</b>	<b>54,394</b>	<b>52,926</b>	<b>148,016</b>	<b>124,229</b>	
<b>Increase in net position before transfers</b>	<b>47,031</b>	<b>56,105</b>	<b>18,483</b>	<b>21,179</b>	<b>65,514</b>	<b>77,284</b>	
Transfers	(220)	64	220	(64)	-	-	
<b>Change in net position</b>	<b>46,811</b>	<b>56,169</b>	<b>18,703</b>	<b>21,115</b>	<b>65,514</b>	<b>77,284</b>	
Net position, beginning of year	379,646	325,367	398,945	378,078	778,591	703,445	
Prior-period restatement	-	(1,890)	-	(248)	-	(2,138)	
Net position, beginning of year, as restated	379,646	323,477	398,945	377,830	778,591	701,307	
Net position, end of year	<b>\$ 426,457</b>	<b>\$ 379,646</b>	<b>\$ 417,648</b>	<b>\$ 398,945</b>	<b>\$ 844,105</b>	<b>\$ 778,591</b>	

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**



**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

**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.

**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, the unassigned 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 \$156,771,571. Approximately 32% of this total amount, \$49,869,529, constitutes the unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is nonspendable, restricted, committed, or assigned 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 or pay debt service, or has been dedicated to other uses.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$51,202,700, while the total fund balance reached \$55,807,334. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to the total fund expenditures. The unassigned fund balance represents 74.03% of the total General Fund expenditures, while the total fund balance represents 80.69% of that same amount. This compares to 70.85% and 78.69%, respectively, in the prior year.

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

The unrestricted net position of the Waterworks Fund and the Sewer Fund at the end of the year amounted to \$58,823,358, the Solid Waste Fund was \$25,563,487, and the Civic Center Fund and the Ice and Events Center Fund amounted to (\$39,363). Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

**General Fund Budgetary Highlights**

Differences between the original and final amended budgeted expenditures were \$9,441,040. The major expenditure increases follow:

- \$212,965 in carryover projects.
- \$606,918 in encumbrances.
- \$16,023 for increases to the City's janitorial contract.
- \$22,327 for increases to the City's HVAC contract.
- \$107,115 for contract with law firm for real property litigation.
- \$469,270 to increase the General Fund subsidy of the Civic Center and Ice and Events Center enterprise funds using reversions of the Community Recreation and Events Department budget.
- \$95,550 for additional expenses to move donated rail cars.
- \$525,750 to provide a 3% cost-of-living adjustment to all eligible full-time employees starting on January 1, 2024.
- \$159,551 for compensation plan salary adjustments for eligible full-time employees.
- \$100,000 for a targeting system at the Police Department's Shooting Range.
- \$101,646 for a roof replacement at the Kiwanis Community House.
- \$27,190 for an additional allocation to the Laramie County Emergency Management Agency because of reduced grant funding.

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

- \$45,000 for repairs to allow Animal Control to move into the Activity Center.
- \$15,500 for Spiker Parking Structure security.
- \$350,000 for drainage improvements to Child's Draw.
- \$249,500 for the Cheyenne National Cemetery Road Improvements Project.
- \$4,263,575 for the purchase of the BEAST Facility.
- \$602 to add a Bike to Work Day event donation.
- \$60,000 for Environmental Protection Agency (EPA) Climate Pollution Reduction Grants (CPRG) application assistance.
- \$160,160 for Axon body worn video cameras annual payment for the Police Department.
- \$240,292 for a new boiler system at the Municipal Building.
- \$76,420 for higher facility maintenance costs.
- \$760,719 to pay for GASB Statement No. 96 Subscription-Based IT Arrangement (SBITA) expenditures.
- \$100,702 to purchase new vehicles for the Compliance Department.
- \$16,529 for investment advisory service costs.
- \$280,973 for unbudgeted terminated employee vacation and sick leave accrual payouts.
- \$205,798 for higher fleet fuel, labor and parts costs.
- \$49,455 for unbudgeted deductible and non-insured loss expenditures.
- \$34,639 for higher electric and natural gas utility costs.
- \$86,871 for unbudgeted vandalism and theft expenditures.

Of this increase, \$8,663,190 was budgeted from the available fund balance. Expenditures were less than budgetary estimates, thus eliminating the need to further draw upon the existing fund balance for operations.

**Capital Asset and Debt Administration**

**Capital assets:** The City's investment in capital assets for its governmental and business-type activities amounted to \$644,266,472 (net of accumulated depreciation and related debt) as of June 30, 2024. This investment in capital assets included land, buildings, utility plant in service, 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 4.52%.

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

- Replacement of public safety, public works and recreation vehicles and equipment.
- Development of various recreation and quality-of-life projects, including improvements to the Kiwanis Park, purchase of the BEAST facility, installation of updated lighting at CJL Ballfield, construction of a new gymnastics facility, construction of pickleball courts in Lions Park, upgrading lighting at the Cheyenne Civic Center, and construction of the Sun Valley Open Space to Kiwanis Greenway Connector.
- Construction of three new fire stations and installation of vehicle exhaust systems at each facility.
- Implementation of the OpenGov Enterprise Resource Planning system.
- Updating the irrigation system at the City's Cemetery Complex.
- Remodeling of Spiker Parking Facility restrooms.
- Buildout of the third floor in the Public Safety Center.
- Land purchase for the Reed Avenue Corridor economic development project.

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

- A variety of drainage and street construction projects, including the Dell Range and Van Buren project, the Christensen Road Overpass Phase II project, the Powderhouse and Carlson Road project, the Fifth Street bridge over Crow Creek project, Charles Street drainage improvements, 7th Street drainage and improvements, Paul Smith drainage improvements, Yellowstone and Central Avenue intersection improvements, U.S. Highway 30 reconstruction, the Storey Boulevard extension, Child's Draw drainage improvements, the HAWK Crosswalk Systems at both Pershing/McCann and Western Hills Boulevard, and various traffic signal upgrades.
- Re-roofing the Kiwanis Community House, Fire Station #1 and the Transfer Station.
- Installation of a lift station at the Transfer Station.
- Various building and system additions and improvements for the Board of Public Utilities.

**Capital Assets, Net of Depreciation**

(Amounts expressed in thousands; totals may not add due to rounding)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and water rights	\$ 19,307	\$ 17,383	\$ 14,028	\$ 14,028	\$ 33,335	\$ 31,411
Construction in progress	13,612	23,337	9,161	16,482	22,773	39,819
Buildings and improvements	180,463	147,299	47,213	46,282	227,676	193,581
Utility plant in service	-	-	630,150	609,897	630,150	609,897
Machinery and equipment	55,387	48,631	29,394	27,979	84,781	76,610
Infrastructure	270,966	268,332	-	-	270,966	268,332
Less accumulated depreciation	(218,186)	(206,443)	(354,907)	(339,497)	(573,093)	(545,940)
<b>Total</b>	<b>\$ 321,549</b>	<b>\$ 298,539</b>	<b>\$ 375,039</b>	<b>\$ 375,171</b>	<b>\$ 696,588</b>	<b>\$ 673,710</b>

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

**Long-term debt:** 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	
	2024	2023	2024	2023	2024	2023
Loans and finance/lease-purchases payable	\$ 4,376,471	\$ 6,664,789	\$ 40,069,946	\$ 42,221,649	\$ 44,446,417	\$ 48,886,438
Revenue bonds	3,685,000	4,295,000	1,423,551	2,358,551	5,108,551	6,653,551
<b>Total</b>	<b>\$ 8,061,471</b>	<b>\$ 10,959,789</b>	<b>\$ 41,493,497</b>	<b>\$ 44,580,200</b>	<b>\$ 49,554,968</b>	<b>\$ 55,539,989</b>

The City's total debt decreased by \$5,985,021 or 10.78% during the current fiscal year.

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

Additional information on the City's long-term debt can be found in Notes 6 and 7 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The City's original approved fiscal year 2024 budget for the General Fund totaled \$66,215,278, compared to an original budget of \$60,058,526 in fiscal year 2023. This represented a 10.25% increase.



**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

In fiscal year 2024, actual revenues received were much higher than the City's conservative revenue forecasts. The City received a total of \$80,502,583 in revenue, which was \$14,048,021 higher than the final approved budgeted revenue and \$13,073,029 higher than what was received in fiscal year 2023.

Largely driven by revenue growth, the City of Cheyenne experienced a fiscally positive fiscal year 2024. Revenues were higher in many categories. The most significant revenue increase is attributed to a greater uptick in large data center building permits, which caused building permit revenue to soar by \$6,804,791 more compared to the previous fiscal year.

Notably, sales and use tax revenues, the City's largest revenue source, increased \$949,435 compared to fiscal year 2023, driven by elevated oil and gas activities for most of the year as well as economic growth across many major sectors, including increased online sales, and a rise in taxable sales of retail goods.

Interest revenue saw substantial growth in fiscal year 2024, with an increase of \$1,652,670 compared to fiscal year 2023. This significant rise can be attributed to three key factors, including increased city investments, higher prevailing interest rates and enhanced cash management strategies to allow for better utilization of higher-yielding accounts, in accordance with the City's Investment Policy. These combined efforts resulted in maximizing returns on the City's financial assets.

Property taxes have also seen continued increases over the past few years. The City collected \$1,002,384 more in property taxes compared to the previous fiscal year. Property tax revenue continues to climb each year because of the sharp increase in property values.

Historic horse racing revenues increased by \$457,667 in fiscal year 2024 compared to fiscal year 2023. This growth can be attributed to a greater utilization of existing off-track betting facilities, along with the launch of a new facility in fiscal year 2024.

The City obtained a one-time supplemental increase of \$2,320,395 in its direct distribution from the State of Wyoming for fiscal year 2024. Following the City's policy of allocating one-time revenues to one-time expenditures, Mayor Collins proposed using these funds for various capital projects and other non-recurring expenses in his fiscal year 2024 budget. The Governing Body approved this request.

When preparing its annual budget, the City utilizes economic forecasts obtained from the Consensus Revenue Estimating Group; economic data from the State of Wyoming Economic Analysis Division; and a review of historical revenues and estimates from City departments, as well as national, state and local agencies, to facilitate decisions on projecting sales and use tax collections and other revenues.

The City's total General Fund budget expenditures were \$70,193,119, which were \$5,463,199 less than the \$75,656,318 final approved budget. This is due to a combination of factors, but primarily was the result of various budgeted positions that were vacant. In comparison, during fiscal year 2023, the City had \$58,607,406 in General Fund expenditures. Therefore, in fiscal year 2024, the City expended \$11,585,713 more compared to fiscal year 2023.

With the City's continued growth, efforts must be made to regularly analyze the staffing required to meet the needs of its increasing population and the Governing Body's priorities. As a result of this population growth, a continual decrease of staff per capita has occurred. To address this, the Governing Body approved adding 14.2 full-time-equivalent positions in fiscal year 2024.

**CITY OF CHEYENNE, WYOMING**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**June 30, 2024**

The City's Governing Body is committed to increasing employee wages to assist with attracting and retaining quality staff. To accomplish this, in January 2024, the Governing Body approved a 3% cost-of-living wage increase for all permanent full-time and part-time employees, excluding elected officials.

The City created a new pay structure in fiscal year 2024, with consideration given to employees based on an appropriate combination of merit, experience and regional competitiveness. A 2023 market study was used to create salary ranges for all non-uniformed positions. However, these new ranges created compression issues in various positions, sometimes causing tenured employees to earn the same or less compared to less tenured employees in the same or even higher-level positions. To address this disparity, a wage matrix tool was created that evaluated each employee's placement in their position's salary range based on a point system that focuses on the total number of years an employee has been with the City, with more points given for the number of years the employee has served in their current position. In November 2023, the Governing Body approved salary adjustments for 127 non-uniformed employees identified under this new pay structure.

In March 2024, the Mayor implemented the final step of the new pay structure, which included evaluating outside work experience for all full-time employees. Salary increases were given based on this evaluation.

The original adopted General Fund fiscal year 2024 budget included \$538,566 to be used from fund balance to pay for various expenditures, including one-time building permit fees of approximately \$1.43 million from the new Microsoft data center in fiscal year 2021. Mayor Collins assigned a portion of these funds to pay for three new compliance employees at that time, including two inspectors and one plans reviewer, for fiscal years 2022, 2023 and 2024. Therefore, \$295,428 was budgeted to be used from the assigned fund balance in fiscal year 2024 for these employees. Additionally, in 2021, Mayor Collins assigned \$2 million of fund balance to make Paid Firemen's Pension Plan A's annual payments of \$243,238 for eight years.

**Requests for Information**

The financial report is designed to provide a general overview of the City'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 Avenue, Room 309, Cheyenne, Wyoming 82001.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF NET POSITION  
June 30, 2024**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Cheyenne Downtown Development Authority
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 4,783,243	\$ 9,285,392	\$ 14,068,635	\$ 287,816
Investments, at fair value	63,465,757	96,767,092	160,232,849	1,158,038
Restricted assets:				
Cash and cash equivalents	6,307,014	1,443,100	7,750,114	-
Investments, at fair value	82,787,509	-	82,787,509	-
Due from other governments	1,175	1,810,115	1,811,290	-
Receivables:				
Accrued interest	264,097	84,204	348,301	-
Accounts, customers, net	1,932,704	2,515,137	4,447,841	-
Estimated unbilled usage	-	3,431,737	3,431,737	-
Sanitation receivable and unbilled usage	-	2,154,297	2,154,297	-
Property tax receivable	8,802,314	-	8,802,314	-
Internal balances	139,645	(139,645)	-	-
Intergovernmental receivable	15,850,714	-	15,850,714	6,782
Prepaid expenses	1,068,398	722,030	1,790,428	40,720
Inventories	115,820	1,516,427	1,632,247	-
Current portion of lease receivable	95,130	66,252	161,382	-
<b>Total current assets</b>	<b>185,613,520</b>	<b>119,656,138</b>	<b>305,269,658</b>	<b>1,493,356</b>
Noncurrent Assets				
Capital assets not being depreciated:				
Land	19,307,409	12,230,233	31,537,642	-
Construction in progress	13,611,974	9,160,653	22,772,627	-
Water rights	-	1,797,968	1,797,968	-
Capital assets being depreciated:				
Utility plant in service	-	630,150,428	630,150,428	-
Machinery and equipment	19,369,982	9,798,411	29,168,393	-
Transportation equipment	30,727,862	17,200,811	47,928,673	-
Buildings and improvements	180,462,882	47,212,800	227,675,682	-
Office furniture and equipment	5,289,558	2,394,548	7,684,106	-
Infrastructure	270,965,483	-	270,965,483	-
Accumulated depreciation	(218,185,907)	(354,906,831)	(573,092,738)	-
Lease receivable, less current portion	992,669	508,672	1,501,341	-
<b>Total noncurrent assets</b>	<b>322,541,912</b>	<b>375,547,693</b>	<b>698,089,605</b>	<b>-</b>
<b>Total assets</b>	<b>508,155,432</b>	<b>495,203,831</b>	<b>1,003,359,263</b>	<b>1,493,356</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	11,365,281	1,595,307	12,960,588	-

*Continued*

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF NET POSITION, *Continued***  
**June 30, 2024**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Cheyenne Downtown Development Authority
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	\$ 10,188,180	\$ 3,442,158	\$ 13,630,338	\$ 18,895
Retainage payable	1,549,805	24,111	1,573,916	-
Accrued interest	16,828	249,152	265,980	-
Accrued salaries, including compensated absences and early retirement	3,850,831	1,130,183	4,981,014	-
Unearned fees and deposits	-	7,168,335	7,168,335	-
Unearned revenue	7,479,817	42,420	7,522,237	-
Current portion of bonds and loans payable	903,137	6,830,071	7,733,208	25,000
<b>Total current liabilities</b>	<b>23,988,598</b>	<b>18,886,430</b>	<b>42,875,028</b>	<b>43,895</b>
Noncurrent Liabilities				
Landfill closure and post-closure costs	-	9,725,560	9,725,560	-
Net pension liability	30,285,092	13,644,062	43,929,154	-
Total OPEB liability	5,087,591	-	5,087,591	-
Accrued compensated absences	1,583,229	1,092,670	2,675,899	-
Bonds and loans payable, less current portion	7,158,334	34,663,426	41,821,760	-
<b>Total noncurrent liabilities</b>	<b>44,114,246</b>	<b>59,125,718</b>	<b>103,239,964</b>	<b>-</b>
<b>Total liabilities</b>	<b>68,102,844</b>	<b>78,012,148</b>	<b>146,114,992</b>	<b>43,895</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>24,960,138</b>	<b>1,139,217</b>	<b>26,099,355</b>	<b>-</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	312,062,377	332,204,095	644,266,472	-
Restricted for:				
Debt service and capital improvements	967,888	500,000	1,467,888	-
Legal restrictions	2,318,273	-	2,318,273	-
Voter-approved tax projects	89,289,852	-	89,289,852	-
Unrestricted	21,819,341	84,943,678	106,763,019	1,449,461
<b>Total net position</b>	<b>\$ 426,457,731</b>	<b>\$ 417,647,773</b>	<b>\$ 844,105,504</b>	<b>\$ 1,449,461</b>

See Notes to Financial Statements.

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF ACTIVITIES  
Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 24,802,565	\$ 1,731,517	\$ 1,038,000	\$ 28,392
Public safety	27,933,550	607,575	2,428,535	166,131
Public works	12,614,333	10,435,174	879,065	1,413,721
Health and welfare	2,062,924	2,420	3,907,172	351,344
Recreation	26,138,110	5,387,493	290,431	1,949,650
Interest on long-term debt	69,787	-	-	-
<b>Total governmental activities</b>	<b>93,621,269</b>	<b>18,164,179</b>	<b>8,543,203</b>	<b>3,909,238</b>
Business-type activities:				
Waterworks	25,057,454	21,796,998	3,822,827	5,758,371
Sewer	13,068,366	14,523,752	925,135	845,742
Solid Waste	13,549,657	19,039,620	-	83,129
Civic Center	1,897,461	1,063,829	-	301,735
Ice and Events Center	820,951	592,821	-	86,926
<b>Total business-type activities</b>	<b>54,393,889</b>	<b>57,017,020</b>	<b>4,747,962</b>	<b>7,075,903</b>
<b>Total primary government</b>	<b>\$ 148,015,158</b>	<b>\$ 75,181,199</b>	<b>\$ 13,291,165</b>	<b>\$ 10,985,141</b>
Governmental component unit:				
Downtown Development Authority	\$ 364,963	\$ -	\$ 41,000	\$ -
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				
Insurance proceeds				
(Loss) gain on sale of capital assets				
Miscellaneous revenue				
Transfers				
<b>Total general revenues and transfers</b>				
<b>Change in net position</b>				
Net Position, beginning of year				
Net Position, end of year				

See Notes to Financial Statements.

Net (Expenses) Revenues and Changes in Net Position			Component Unit
Primary Government			Cheyenne Downtown Development Authority
Governmental Activities	Business-Type Activities	Total	
\$ (22,004,656)	\$ -	\$ (22,004,656)	\$ -
(24,731,309)	-	(24,731,309)	-
113,627	-	113,627	-
2,198,012	-	2,198,012	-
(18,510,536)	-	(18,510,536)	-
(69,787)	-	(69,787)	-
(63,004,649)	-	(63,004,649)	-
-	6,320,742	6,320,742	-
-	3,226,263	3,226,263	-
-	5,573,092	5,573,092	-
-	(531,897)	(531,897)	-
-	(141,204)	(141,204)	-
-	14,446,996	14,446,996	-
(63,004,649)	14,446,996	(48,557,653)	-
-	-	-	(323,963)
11,698,159	-	11,698,159	464,291
72,774,229	-	72,774,229	-
5,517,249	-	5,517,249	-
1,677,466	-	1,677,466	-
7,966,523	-	7,966,523	-
6,731,338	3,990,586	10,721,924	51,056
37,683	-	37,683	-
(31,621)	44,974	13,353	-
3,665,621	-	3,665,621	1,074
(220,051)	220,051	-	-
109,816,596	4,255,611	114,072,207	516,421
46,811,947	18,702,607	65,514,554	192,458
379,645,784	398,945,166	778,590,950	1,257,003
\$ 426,457,731	\$ 417,647,773	\$ 844,105,504	\$ 1,449,461

**CITY OF CHEYENNE, WYOMING**

**BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2024**

	General Fund	Miscellaneous Federal Grants Fund	One-Percent Sales Tax Fund	Specific- Purpose Option Tax Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 2,259,990	\$ 197,185	\$ -	\$ -	\$ 2,040,698	\$ 4,497,873
Investments, at fair value	51,402,298	2,201,269	-	-	9,819,724	63,423,291
Cash and Cash Equivalents, restricted	28,708	-	3,950,877	1,888,411	439,018	6,307,014
Investments, at fair value, restricted	520,160	-	65,897,476	15,828,919	540,954	82,787,509
Receivables						
Accrued interest	100,359	-	136,516	21,963	5,259	264,097
Property tax	8,802,314	-	-	-	-	8,802,314
Customers	1,608,669	-	15,490	-	308,545	1,932,704
Lease receivable	1,087,799	-	-	-	-	1,087,799
Due From Other Funds	579,208	-	942,678	-	-	1,521,886
Due From Other Governments	6,796,667	1,031,749	4,115,474	3,050,944	842,844	15,837,678
Prepaid Expenditures	447,384	555,343	12,592	13,989	31,835	1,061,143
<b>Total assets</b>	<b>\$ 73,633,556</b>	<b>\$ 3,985,546</b>	<b>\$ 75,071,103</b>	<b>\$ 20,804,226</b>	<b>\$ 14,028,877</b>	<b>\$ 187,523,308</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 3,114,002	\$ 1,631,905	\$ 2,675,946	\$ 2,333,239	\$ 361,989	\$ 10,117,081
Retainage payable	4,871	4,079	445,504	1,095,351	-	1,549,805
Accrued interest	8,236	-	8,592	-	-	16,828
Accrued salaries, including vacation and sick leave	137,851	-	-	7,739	52,777	198,367
Due to other funds	-	-	700	942,678	431,000	1,374,378
Unearned revenue	4,639,452	2,185,664	-	-	748,352	7,573,468
<b>Total liabilities</b>	<b>7,904,412</b>	<b>3,821,648</b>	<b>3,130,742</b>	<b>4,379,007</b>	<b>1,594,118</b>	<b>20,829,927</b>
<b>Deferred Inflows of Resources</b>						
Lease revenue	1,065,053	-	-	-	-	1,065,053
Unavailable revenues	170,000	-	-	-	-	170,000
Unavailable property tax revenue	8,686,757	-	-	-	-	8,686,757
<b>Total deferred inflows of resources</b>	<b>9,921,810</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,921,810</b>
<b>Fund Balances</b>						
Nonspendable	450,965	555,343	12,592	13,989	31,835	1,064,724
Restricted	967,888	779,604	71,927,769	16,411,230	2,489,522	92,576,013
Committed	1,093,667	-	-	-	9,636,600	10,730,267
Assigned	2,092,114	-	-	-	438,924	2,531,038
Unassigned	51,202,700	(1,171,049)	-	-	(162,122)	49,869,529
<b>Total fund balances</b>	<b>55,807,334</b>	<b>163,898</b>	<b>71,940,361</b>	<b>16,425,219</b>	<b>12,434,759</b>	<b>156,771,571</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 73,633,556</b>	<b>\$ 3,985,546</b>	<b>\$ 75,071,103</b>	<b>\$ 20,804,226</b>	<b>\$ 14,028,877</b>	<b>\$ 187,523,308</b>

See Notes to Financial Statements.



**CITY OF CHEYENNE, WYOMING**

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

**June 30, 2024**

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Total fund balances - governmental funds	\$ 156,771,571
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	321,549,243
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	370,118
Long-term liabilities for compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(5,235,693)
Pension and OPEB plan accounts, such as deferred inflows/outflows of resources, the net pension liability, and the total OPEB liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.	
Net pension liability	(30,285,092)
Total OPEB liability	(5,087,591)
Deferred outflows of resources	11,365,281
Deferred inflows of resources	(14,916,409)
Long-term liabilities, including loans and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(3,685,000)
Paid Firemen's Pension Plan A loan	(4,376,471)
Deferred inflows of resources related to the public-public partnership are not reported in the funds.	(398,386)
An Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The assets and liabilities of this Internal Service Fund are allocated 37% to governmental activities based on usage in the Statement of Net Position.	386,160
	<hr/>
<b>Net position of governmental activities</b>	<b>\$ 426,457,731</b>
	<hr/> <hr/>

See Notes to Financial Statements.

**CITY OF CHEYENNE, WYOMING**

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

**Year Ended June 30, 2024**

	General Fund	Miscellaneous Federal Grants Fund	One-Percent Sales Tax Fund	Specific- Purpose Option Tax Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes and special assessments	\$ 16,368,134	\$ -	\$ -	\$ -	\$ -	\$ 16,368,134
Licenses and permits	10,557,229	-	-	-	-	10,557,229
Intergovernmental	44,842,427	5,577,663	22,439,527	16,653,906	5,856,391	95,369,914
Charges for services	2,232,812	-	-	-	4,657,436	6,890,248
Fines and forfeitures	730,212	-	-	-	-	730,212
Investment income	2,366,903	154,019	2,980,925	754,072	475,419	6,731,338
Miscellaneous	2,748,436	-	-	-	2,150,906	4,899,342
<b>Total revenues</b>	<b>79,846,153</b>	<b>5,731,682</b>	<b>25,420,452</b>	<b>17,407,978</b>	<b>13,140,152</b>	<b>141,546,417</b>
<b>Expenditures</b>						
Current:						
General government	17,872,650	4,943,816	408,904	14,486	161,010	23,400,866
Public safety	29,891,566	391,832	672,317	-	1,315,104	32,270,819
Public works	4,978,311	-	2,215,129	-	3,581,455	10,774,895
Health and welfare	-	-	905,083	-	1,180,288	2,085,371
Recreation	9,162,804	-	239,966	10,420,652	3,454,713	23,278,135
Capital outlay	6,370,344	150,740	16,469,452	7,781,253	621,169	31,392,958
Debt service:						
Principal retirements	853,137	-	98,333	-	1,712,945	2,664,415
Interest payments	35,324	-	10,239	14,490	9,734	69,787
<b>Total expenditures</b>	<b>69,164,136</b>	<b>5,486,388</b>	<b>21,019,423</b>	<b>18,230,881</b>	<b>12,036,418</b>	<b>125,937,246</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>10,682,017</b>	<b>245,294</b>	<b>4,401,029</b>	<b>(822,903)</b>	<b>1,103,734</b>	<b>15,609,171</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	880,824	-	-	-	552,371	1,433,195
Transfers out	(1,581,958)	-	(44,683)	-	(26,605)	(1,653,246)
Insurance proceeds	37,683	-	-	-	-	37,683
Proceeds from sales of assets	1,793	-	-	-	18,677	20,470
<b>Total other financing sources (uses)</b>	<b>(661,658)</b>	<b>-</b>	<b>(44,683)</b>	<b>-</b>	<b>544,443</b>	<b>(161,898)</b>
<b>Net change in fund balances</b>	<b>10,020,359</b>	<b>245,294</b>	<b>4,356,346</b>	<b>(822,903)</b>	<b>1,648,177</b>	<b>15,447,273</b>
Fund Balances, beginning of year	45,786,975	(81,396)	67,584,015	17,248,122	10,786,582	141,324,298
Fund Balances, end of year	\$ 55,807,334	\$ 163,898	\$ 71,940,361	\$ 16,425,219	\$ 12,434,759	\$ 156,771,571

See Notes to Financial Statements.

**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, 2024**

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Net change in fund balances - total governmental funds	\$ 15,447,273
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 these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases and contributions exceeded depreciation and disposals in the current period.	
Donated assets	413,400
Capital outlay	36,367,129
Depreciation expense	(13,717,702)
Disposal of assets	(52,141)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(60,564)
Expenses for accrued compensated 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.	(491,431)
The change in the net pension and total OPEB liability and pension- and OPEB-related outflows and inflows are not reported in the governmental funds. This is the net effect of the change in these balances in the Statement of Net Position.	7,321,585
The issuance of long-term debt (e.g., bonds, finance purchases, loans) provides current financial resources to governmental funds, while the repayment of debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are 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.	2,898,349
Receipts related to the finance/lease-sale receivable provide current financial resources to governmental funds. However, these receipts do not have an effect on net position.	(1,572,079)
Revenue related to the public-public partnership does not provide current financial resources and, therefore, is not included in the governmental funds.	44,635
The Internal Service Fund is accounted for as a proprietary fund and, therefore, is not included in the governmental funds.	213,493
	<hr/>
<b>Change in net position of governmental activities</b>	<b>\$ 46,811,947</b>
	<hr/>

See Notes to Financial Statements.

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
June 30, 2024**

	Business-Type Activities					
	Enterprise Funds					Internal Service Fund
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals	
<b>ASSETS</b>						
Current Assets						
Cash and cash equivalents	\$ 6,727,395	\$ 139,892	\$ 1,776,096	\$ 156,109	\$ 8,799,492	\$ 771,270
Investments, at fair value	47,214,344	15,832,785	33,606,997	40,660	96,694,786	114,772
Restricted assets:						
Cash and cash equivalents	1,443,100	-	-	-	1,443,100	-
Due from other governments	1,808,113	-	-	-	1,808,113	3,177
City sanitation account	2,154,297	-	-	-	2,154,297	-
Receivables:						
Accrued interest	-	-	84,204	-	84,204	-
Accounts, customers, net	1,522,156	889,699	98,814	4,468	2,515,137	-
Estimated unbilled usage	2,423,337	1,008,400	-	-	3,431,737	-
Current portion of lease receivable	47,678	-	18,574	-	66,252	-
Due from other funds	-	-	3,499,947	-	3,499,947	13,980
Inventories	1,270,909	48,310	-	-	1,319,219	313,028
Prepaid expenses	515,287	172,562	3,529	18,300	709,678	19,607
<b>Total current assets</b>	<b>65,126,616</b>	<b>18,091,648</b>	<b>39,088,161</b>	<b>219,537</b>	<b>122,525,962</b>	<b>1,235,834</b>
Noncurrent Assets						
Capital assets:						
Land	4,629,495	545,002	6,512,000	346,861	12,033,358	312,500
Utility plant in service	451,428,138	177,244,934	1,477,356	-	630,150,428	-
Water rights	1,797,968	-	-	-	1,797,968	-
Machinery and equipment	549,621	150,647	7,470,486	1,303,366	9,474,120	514,748
Transportation equipment	2,717,691	1,284,119	12,893,503	12,872	16,908,185	464,486
Buildings and improvements	6,510,065	2,186,244	30,120,490	7,572,350	46,389,149	1,307,383
Office furniture and equipment	1,531,574	516,524	21,519	321,208	2,390,825	5,909
Construction in progress	8,945,563	31,263	183,827	-	9,160,653	-
Accumulated depreciation	(240,444,332)	(87,107,635)	(19,922,342)	(6,310,329)	(353,784,638)	(1,781,258)
<b>Total capital assets</b>	<b>237,665,783</b>	<b>94,851,098</b>	<b>38,756,839</b>	<b>3,246,328</b>	<b>374,520,048</b>	<b>823,768</b>
Lease receivable, less current portion	508,672	-	-	-	508,672	-
<b>Total noncurrent assets</b>	<b>238,174,455</b>	<b>94,851,098</b>	<b>38,756,839</b>	<b>3,246,328</b>	<b>375,028,720</b>	<b>823,768</b>
<b>Total assets</b>	<b>303,301,071</b>	<b>112,942,746</b>	<b>77,845,000</b>	<b>3,465,865</b>	<b>497,554,682</b>	<b>2,059,602</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<b>899,996</b>	<b>275,247</b>	<b>420,064</b>	<b>-</b>	<b>1,595,307</b>	<b>-</b>

*Continued*

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET POSITION - PROPRIETARY FUNDS, *Continued*  
 June 30, 2024

	Business-Type Activities					
	Enterprise Funds				Totals	Internal Service Fund
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds		
<b>LIABILITIES</b>						
Current Liabilities						
Accounts payable	\$ 2,584,578	\$ 336,506	\$ 327,393	\$ 72,620	\$ 3,321,097	\$ 192,160
Retainage payable	-	-	24,111	-	24,111	-
Accrued interest	121,892	127,260	-	-	249,152	-
Unearned revenue	-	-	-	42,420	42,420	-
Due to other funds	3,597,399	-	-	51,000	3,648,399	-
Unearned fees and deposits	6,590,488	577,847	-	-	7,168,335	-
Accrued salaries, including vacation and sick leave	421,257	283,863	318,447	67,764	1,091,331	61,670
Current portion of general obligation and loan debt	3,579,934	3,250,137	-	-	6,830,071	-
<b>Total current liabilities</b>	<b>16,895,548</b>	<b>4,575,613</b>	<b>669,951</b>	<b>233,804</b>	<b>22,374,916</b>	<b>253,830</b>
Noncurrent Liabilities						
Accrued compensated absences	584,002	391,695	69,412	25,096	1,070,205	35,659
Landfill closure and post-closure costs	-	-	9,725,560	-	9,725,560	-
Net pension liability	7,666,130	2,555,377	3,422,555	-	13,644,062	-
General obligation and loan debt, unamortized bond premium, net of current portion	20,072,745	14,590,681	-	-	34,663,426	-
<b>Total noncurrent liabilities</b>	<b>28,322,877</b>	<b>17,537,753</b>	<b>13,217,527</b>	<b>25,096</b>	<b>59,103,253</b>	<b>35,659</b>
<b>Total liabilities</b>	<b>45,218,425</b>	<b>22,113,366</b>	<b>13,887,478</b>	<b>258,900</b>	<b>81,478,169</b>	<b>289,489</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Lease Revenue	578,026	-	17,945	-	595,971	-
Pension Contributions	305,231	101,744	136,271	-	543,246	-
<b>Total deferred inflows of resources</b>	<b>883,257</b>	<b>101,744</b>	<b>154,216</b>	<b>-</b>	<b>1,139,217</b>	<b>-</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	212,791,856	76,987,054	38,659,883	3,246,328	331,685,121	823,768
Restricted for Capital Improvements	500,000	-	-	-	500,000	-
Unrestricted	44,807,529	14,015,829	25,563,487	(39,363)	84,347,482	946,345
<b>Total net position</b>	<b>\$ 258,099,385</b>	<b>\$ 91,002,883</b>	<b>\$ 64,223,370</b>	<b>\$ 3,206,965</b>	<b>416,532,603</b>	<b>\$ 1,770,113</b>
Adjustment to report the portion of the internal balance for the net effect of the activity between the Internal Service Fund and the enterprise funds over time					1,115,170	
<b>Net position of business-type activities</b>					<b>\$ 417,647,773</b>	

See Notes to Financial Statements.

**CITY OF CHEYENNE, WYOMING**

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

**Year Ended June 30, 2024**

	Business-Type Activities					Internal Service Fund
	Enterprise Funds				Totals	
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds		
Operating Revenues						
Sales and charges for services	\$ 21,354,503	\$ 13,908,798	\$ 18,783,800	\$ 1,572,596	\$ 55,619,697	\$ 5,400,778
Fees and miscellaneous	442,495	614,954	255,820	84,054	1,397,323	1,306
<b>Total operating revenues</b>	<b>21,796,998</b>	<b>14,523,752</b>	<b>19,039,620</b>	<b>1,656,650</b>	<b>57,017,020</b>	<b>5,402,084</b>
Operating Expenses						
Waterworks	15,003,228	-	-	-	15,003,228	-
Sewer	-	8,232,980	-	-	8,232,980	-
Sanitation collection	-	-	6,831,743	-	6,831,743	-
Recycling/compost	-	-	1,000,213	-	1,000,213	-
Landfill	-	-	2,903,420	-	2,903,420	-
Belvoir Ranch	-	-	174,102	-	174,102	-
Fleet maintenance	-	-	-	-	-	4,839,011
Culture and recreation	-	-	-	2,448,785	2,448,785	-
Depreciation	9,723,773	4,465,373	2,964,992	269,627	17,423,765	57,917
<b>Total operating expenses</b>	<b>24,727,001</b>	<b>12,698,353</b>	<b>13,874,470</b>	<b>2,718,412</b>	<b>54,018,236</b>	<b>4,896,928</b>
<b>Operating (loss) income</b>	<b>(2,930,003)</b>	<b>1,825,399</b>	<b>5,165,150</b>	<b>(1,061,762)</b>	<b>2,998,784</b>	<b>505,156</b>
Nonoperating (Expenses) Income						
(Loss) gain on sale of assets	(46,379)	90,653	700	-	44,974	3,568
System development fees	3,822,827	925,135	-	-	4,747,962	-
Investment income (loss):						
Interest income	2,466,986	852,617	1,303,168	856	4,623,627	6,302
Net (decrease) increase in fair value of investments	(606,857)	(77,675)	51,491	-	(633,041)	551
Interest expense	(330,453)	(370,013)	-	-	(700,466)	-
<b>Total nonoperating income</b>	<b>5,306,124</b>	<b>1,420,717</b>	<b>1,355,359</b>	<b>856</b>	<b>8,083,056</b>	<b>10,421</b>
<b>Income (loss) before contributions and transfers</b>	<b>2,376,121</b>	<b>3,246,116</b>	<b>6,520,509</b>	<b>(1,060,906)</b>	<b>11,081,840</b>	<b>515,577</b>
Capital Grants	4,665,905	-	-	-	4,665,905	-
Donated Utilities and Other Assets	1,092,466	845,742	83,129	388,661	2,409,998	-
Transfers In	-	-	-	1,074,270	1,074,270	-
Transfers Out	-	-	(854,219)	-	(854,219)	-
<b>Change in net position</b>	<b>8,134,492</b>	<b>4,091,858</b>	<b>5,749,419</b>	<b>402,025</b>	<b>18,377,794</b>	<b>515,577</b>
Net Position, beginning of year	249,964,893	86,911,025	58,473,951	2,804,940		1,254,536
Net Position, end of year	\$ 258,099,385	\$ 91,002,883	\$ 64,223,370	\$ 3,206,965		\$ 1,770,113
Adjustment to report the portion of the internal balance for the net effect of the activity between the Internal Service Fund and the enterprise funds over time					324,813	
<b>Change in net position of business-type activities</b>					<b>\$ 18,702,607</b>	

See Notes to Financial Statements.

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
Year Ended June 30, 2024**

	Business-Type Activities					
	Enterprise Funds					Internal Service Fund
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals	
<b>Cash Flows From Operating Activities</b>						
Cash received from customers	\$ 20,208,406	\$ 14,356,535	\$ 19,040,538	\$ 1,679,443	\$ 55,284,922	\$ -
Cash received from interfund charges	-	-	-	-	-	5,400,546
Cash payments to suppliers	(4,940,965)	(2,804,650)	(5,018,848)	(1,388,379)	(14,152,842)	(3,807,543)
Cash payments to employees	(9,504,928)	(5,327,343)	(6,008,145)	(1,034,440)	(21,874,856)	(1,105,566)
Change in City sanitation account	921,036	-	-	-	921,036	-
<b>Net cash provided by (used in) operating activities</b>	<b>6,683,549</b>	<b>6,224,542</b>	<b>8,013,545</b>	<b>(743,376)</b>	<b>20,178,260</b>	<b>487,437</b>
<b>Cash Flows From Noncapital Financing Activities</b>						
(Payments on) amounts due from other funds	-	-	(163,183)	(41,000)	(204,183)	(13,980)
Transfers to other funds	-	-	(854,219)	-	(854,219)	-
Transfers from other funds	-	-	-	1,074,270	1,074,270	-
<b>Net cash (used in) provided by noncapital financing activities</b>	<b>-</b>	<b>-</b>	<b>(1,017,402)</b>	<b>1,033,270</b>	<b>15,868</b>	<b>(13,980)</b>
<b>Cash Flows From Capital and Related Financing Activities</b>						
System development fees	7,552,866	885,120	-	-	8,437,986	-
Proceeds from issuance of debt	931,791	-	-	-	931,791	-
Acquisition and construction of capital assets	(9,280,804)	(4,478,448)	(687,704)	(106,157)	(14,553,113)	-
Principal paid on revenue bonds and loan debt maturities	(2,434,592)	(3,137,788)	-	-	(5,572,380)	-
Capital grants	4,665,905	-	-	-	4,665,905	-
Proceeds from sale of capital assets	(46,379)	90,653	700	-	44,974	3,568
Interest paid on debt	(307,760)	(448,444)	-	-	(756,204)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>1,081,027</b>	<b>(7,088,907)</b>	<b>(687,004)</b>	<b>(106,157)</b>	<b>(6,801,041)</b>	<b>3,568</b>
<b>Cash Flows From Investing Activities</b>						
Interest on cash accounts and investments	1,860,129	774,942	1,135,112	856	3,771,039	6,853
Purchase of investments	(6,772,127)	(362,943)	(6,891,233)	(40,660)	(14,066,963)	(11,294)
<b>Net cash (used in) provided by investing activities</b>	<b>(4,911,998)</b>	<b>411,999</b>	<b>(5,756,121)</b>	<b>(39,804)</b>	<b>(10,295,924)</b>	<b>(4,441)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,852,578</b>	<b>(452,366)</b>	<b>553,018</b>	<b>143,933</b>	<b>3,097,163</b>	<b>472,584</b>
Cash and Cash Equivalents, beginning of year	5,317,917	592,258	1,223,078	12,176	7,145,429	298,686
Cash and Cash Equivalents, end of year	\$ 8,170,495	\$ 139,892	\$ 1,776,096	\$ 156,109	\$ 10,242,592	\$ 771,270

*Continued*

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS, *Continued***  
**Year Ended June 30, 2024**

	Business-Type Activities						Internal Service Fund
	Enterprise Funds				Totals		
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds			
Reconciliation of Operating (Loss) Income to Net Cash							
Provided by (Used in) Operating Activities							
Operating (loss) income	\$ (2,930,003)	\$ 1,825,399	\$ 5,165,150	\$ (1,061,762)	\$ 2,998,784	\$ 505,156	
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities:							
Depreciation	9,723,773	4,465,373	2,964,992	269,627	17,423,765	57,917	
Pension liability	(1,392,171)	(464,057)	(848,042)	-	(2,704,270)	-	
Deferred outflows - pension	863,928	287,976	399,116	-	1,551,020	-	
Deferred inflows - pension	217,898	72,633	47,209	-	337,740	-	
Deferred inflows - leases	296,826	-	(35,892)	-	260,934	-	
(Decrease) increase in cash and cash equivalents resulting from changes in operating assets and liabilities:							
Receivables	(1,885,418)	(167,217)	36,810	(238)	(2,016,063)	(1,538)	
Inventories	48,285	4,026	-	-	52,311	(95,662)	
Prepaid expenses	(107,019)	(35,673)	31,330	(2,739)	(114,101)	(4,474)	
Accounts payable	847,518	183,486	(143,866)	14,339	901,477	21,781	
Landfill closure and post-closure costs	-	-	383,792	-	383,792	-	
City sanitation account	921,036	-	-	-	921,036	-	
Accrued salaries, including vacation and sick leave	78,896	52,596	12,946	14,366	158,804	4,257	
Unearned revenue	-	-	-	23,031	23,031	-	
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 6,683,549</b>	<b>\$ 6,224,542</b>	<b>\$ 8,013,545</b>	<b>\$ (743,376)</b>	<b>\$ 20,178,260</b>	<b>\$ 487,437</b>	
Noncash Investing, Capital and Noncapital Financing Activities							
Amortization of deferred refunding loss and debt premiums	\$ (48,035)	\$ -	\$ -	\$ -	\$ (48,035)	\$ -	
Donated asset acquisitions	1,092,466	845,742	83,129	388,661	2,409,998	-	
Change in fair value of investments	(606,857)	(77,675)	51,491	-	(633,041)	551	
Purchase of capital assets in accounts payable	1,295,504	23,226	96,956	-	1,415,686	-	
Trade-in value received on disposal of capital assets	-	-	3,100	-	3,100	-	

See Notes to Financial Statements.



**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2024**

	Other Employee Benefit Trust Fund	Custodial Funds
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ -	\$ 188,936
Investments, at fair value	-	35,578
Cash and Cash Equivalents, restricted	396,071	-
Investments, at fair value, restricted	4,862,165	-
Due From Other Governments	-	4,911
Receivables		
Accounts, customers	138,220	16,798
Stop loss	4,402	-
Prepaid expenditures	93,024	-
<b>Total assets</b>	<b>5,493,882</b>	<b>246,223</b>
<b>LIABILITIES</b>		
Accounts Payable	394,464	2,528
Accrued Liabilities	731,200	-
Unearned Revenue	819,139	-
<b>Total liabilities</b>	<b>1,944,803</b>	<b>2,528</b>
<b>NET POSITION</b>		
Restricted for		
Organizations	-	243,695
Health benefits	3,549,079	-
<b>Total net position</b>	<b>\$ 3,549,079</b>	<b>\$ 243,695</b>

See Notes to Financial Statements.

**CITY OF CHEYENNE, WYOMING**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
Year Ended June 30, 2024**

	Other Employee Benefit Trust Fund	Custodial Funds
<hr/>		
Additions		
Contributions	\$ 11,153,271	\$ -
Miscellaneous	4,726	178,265
Property taxes	-	41,779
Earnings on investments	208,841	727
<b>Total additions</b>	<hr/> 11,366,838	<hr/> 220,771
Deductions		
Distributions to organizations	-	16,271
Benefits to plan members	10,248,147	-
Professional services	100,691	-
<b>Total deductions</b>	<hr/> 10,348,838	<hr/> 16,271
<b>Change in net position</b>	1,018,000	204,500
Net Position, beginning of year	<hr/> 2,531,079	<hr/> 39,195
Net Position, end of year	<hr/> <hr/> \$ 3,549,079	<hr/> <hr/> \$ 243,695

See Notes to Financial Statements.

## **NOTES TO FINANCIAL STATEMENTS**

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies

**Reporting entity:** The City of Cheyenne, Wyoming (the City or the City of Cheyenne) is a municipal corporation governed by an elected mayor and nine elected City Council members. The accompanying financial statements present the government and its component unit. As required by accounting principles generally accepted in the United States of America, these financial statements include all of the governmental 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's 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. The Board's finances are overseen by a finance department separate from the management of the City's other funds. The Board also issues stand-alone audited financial statements for the Waterworks and Sewer Funds. Additional inquiries regarding the Board or its stand-alone audited financial statements may be directed to the Board of Public Utilities, Administration Manager, 2416 Snyder Avenue, Cheyenne, Wyoming 82001.

**Discretely presented component unit:** The Cheyenne Downtown Development Authority (the DDA) was established to account for all revenues and those expenditures associated with the activities of developing the City's downtown area. The DDA primarily serves the citizens and businesses of the City of Cheyenne, and has historically been dependent upon revenue from property tax assessments and funding from 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 incomplete or misleading. Additional inquiries regarding the DDA may be directed to the Cheyenne Downtown Development Authority, 2101 O'Neil Avenue, Cheyenne, Wyoming 82001.

**Nature of operations:** The City, excluding the Board, provides the following services, as authorized by Wyoming State Statutes: general administrative services, public safety, highways, roads, and street maintenance, health and human services, culture and recreation, planning and zoning, and solid waste disposal.

The Board provides all water and sewer services for the City, F.E. 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.

The DDA engages in activities in support of business recruitment and development for downtown Cheyenne, Wyoming.

**Government-wide and fund financial statements:** The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities that rely, to a significant extent, on fees and charges for support.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies, *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 in program revenues are instead reported as general revenues.

Separate fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental funds, major individual enterprise funds, and Internal Service 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 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. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period they are earned, while expenses are recognized in the period the liability is incurred.

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 collectable 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 are generally 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.

Property, cigarette, and sales taxes; various grants; interest revenue; and charges for services associated with the current fiscal period are all susceptible to accrual and have been recognized as revenues in the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

- *General Fund:* 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.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

- *Miscellaneous Federal Grants Fund:* The Miscellaneous Federal Grants Fund accounts for proceeds of Federal grant revenue sources that are restricted externally by the respective awarding agencies in order to administer Federal programs.
- *One-Percent Sales Tax 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.
- *Specific-Purpose Option Tax Fund:* The Specific-Purpose Option Tax Fund accounts for the City's share of revenue received and expenditures made with the specific-purpose option sales tax approved by the voters for specific capital projects.

The City reports the following major proprietary funds:

- *Waterworks Fund:* 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.
- *Sewer Fund:* The Sewer Fund accounts for the operation of the water reclamation plant, sewage pumping stations, and the collection systems.
- *Solid Waste Fund:* The Solid Waste Fund accounts for the operation of all solid waste activities, including collection and disposal, as mandated by Federal and state regulations, and accumulates funds for the closure and post-closure costs of the landfill.

Additionally, the government reports the following fund types:

- *Special Revenue Funds:* The Special Revenue Funds are used to account for, and report the proceeds of, specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
- *Capital Projects Funds:* The Capital Projects Funds are used to account for and report financial resources that are restricted or committed to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.
- *Permanent Fund:* The Permanent Fund is used to account for resources legally restricted for use in the care and maintenance of the City's cemetery.
- *Other Proprietary Funds:* The Other Proprietary Funds are used to account for the operations of the Civic Center and the Ice and Events Center.
- *Internal Service Fund:* The Internal Service Fund accounts for fleet maintenance and management services provided to other departments, or to other governments, on a cost-reimbursement basis. Based on the usage of the Fleet Maintenance Center Fund, its activity is allocated 37% to governmental activities and 63% to business-type activities in the Statement of Net Position and the Statement of Activities.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

- *Fiduciary Funds:*
  - Other Employee Benefit Trust Fund: The Other Employee Benefit Trust Fund (Self-Insurance Fund) accounts for assets held by the City, as trustee, for the Cheyenne Healthcare Plan. The Self-Insurance Fund is accounted for using the accrual basis of accounting.
  - Custodial Funds: The Custodial Funds account for the assets the City holds on behalf of others as an agent. The City does not have administrative or direct financial involvement. The Custodial Funds are accounted for using the accrual basis of accounting.

As a general rule, the effect of interfund 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. The elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

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 program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 Waterworks, Sewer, Solid Waste, Civic Center, and Ice and Events Center enterprise funds, and the Fleet Maintenance Center Fund 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 the enterprise funds and the Fleet Maintenance Center Fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**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 end of the fiscal year. For purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Interest earned is allocated among the various funds based on the ending monthly outstanding balance in the consolidated bank account. Accrued interest is shown separately on the Statement of Net Position and 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 interfund payable between the fund showing the deficit and the fund showing the related asset.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

Investments, which consist of negotiable certificates of deposit, money market certificates, mortgage-backed securities, government securities and the Wyoming State Treasurer's Investment Pools (WYO-STAR I and WYO-STAR II) (collectively, WYO-STAR) are reported at fair value at June 30, 2024. The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. As of June 30, 2024, the City had recurring fair value measurements of mortgage-backed securities and government securities in the amount of \$52,291,111, which are valued using a matrix pricing model and the market approach (Level 2 inputs). The City also had recurring fair value measurements of negotiable certificates of deposit in the amount of \$5,700,756, which are valued using a matrix pricing model and the market approach (Level 2 inputs). The City also has investments in the Wyoming Government Investment Fund (WGIF) and the Wyoming Cooperative Liquid Assets Securities System (Wyoming CLASS). These investments are reported at net asset value, which approximates fair value.

A portion of the City's investment activity, except for funds that are required to maintain their investments separately, is conducted in the WYO-STAR pooled investment accounts within the Wyoming State Treasurer's Office. WYO-STAR operates in accordance with appropriate state laws and regulations. The City considers fair value measurements as of June 30, 2024 for WYO-STAR to be completed by the pool using the matrix pricing model and the market approach (Level 2 inputs).

**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 interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts receivable customers are shown on the Statement of Net Position, net of allowances for doubtful accounts of \$524,007 at June 30, 2024.

Property is annually valued and assessed on January 1. Taxes are levied on or about August 1 and 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; an enforceable lien is attached to the property on May 11. Laramie County bills and collects property taxes for all municipalities and political subdivisions within Laramie County, including the City of Cheyenne and the DDA.

The City is permitted by Wyoming State Statutes to levy up to eight 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, 2024 was eight mills, which means that the City has no available tax margin and, accordingly, cannot raise any additional property taxes.



# CITY OF CHEYENNE, WYOMING

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

The estimated unbilled 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 net realizable value. 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 cash equivalents, 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 City in a bond reserve fund are deemed restricted. Assets held by the Board for the City's 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 are deemed restricted.

**Capital assets:** Capital assets of governmental funds and the Solid Waste, Civic Center, Ice and Events Center, and Fleet Maintenance Center proprietary funds, 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 Position. Capital assets are defined by the City as assets with an initial individual cost of more than \$7,500 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or the estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value on the date of donation.

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

Property, plant, and equipment of governmental funds and the Solid Waste, Civic Center, Ice and Events Center, and Fleet Maintenance Center activities 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 Position. 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. Assets such as land, buildings and improvements, equipment, and utility plant in service are reported at the estimated historical cost, as determined by an independent study as of June 30, 1973, plus additions since that time that have been recorded at historical cost. Property and equipment donated by developers are recorded at their acquisition values on the date of donation.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Reporting Entity and Significant Accounting Policies, *Continued***

Depreciation for the Waterworks and Sewer capital assets has been provided for 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
Buildings and improvements	40 years
Office furniture and equipment	3-5 years

**Impairment:** The City evaluates prominent events or changes in circumstances that affect capital assets to determine whether impairment of a capital asset has occurred. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, the enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of use of a capital asset, and construction stoppage. The City will consider an asset impaired if both the decline in service utility of the capital asset is large in magnitude and the event or change in circumstance is outside the normal life cycle of the capital asset. The City will recognize the impairment loss when it considers a capital asset impaired and will recognize the capital asset at the lower of the carrying value or fair value.

**Compensated absences:** City employees, other than employees of the Board, earn vacation leave at the following rates:

Months of Service	Vacation Hours Accrued per Month
0-60	8.67
61-120	10.67
121-180	12.67
181-240	14.67
Over 240	16.67

Employees may accumulate up to 240 hours of vacation. At the end of each calendar year, employees may roll over 240 hours of vacation to the beginning of the next calendar year. Accumulated vacation leave in excess of 240 hours shall be deemed forfeited at the end of the January pay period. Sick leave accrues at a rate of 10 hours per month, and employees may accumulate unlimited hours of sick leave (unless hired after July 1, 2015 and, therefore, are entitled to accumulate 520 hours of sick leave) but, upon termination, are only paid up to one-half of the accrued sick leave, not to exceed 240 hours of sick leave. Non-exempt full-time employees of the City may earn up to 80 hours of compensatory time in lieu of overtime wages. Compensatory time is earned at 1½ hours for time worked in excess of 40 hours in a workweek. Upon termination, an employee is paid for his or her accrued unused compensatory time. Payment is calculated using the rate of pay at the time of termination.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 1. Reporting Entity and Significant Accounting Policies, *Continued***

Non-exempt 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 callback wages. Compensatory time is earned at 1½ hours for time worked in excess of 40 hours in a workweek and for callback 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 Board earn vacation leave at the following rates:

<u>Months of Service</u>	<u>Vacation Hours Accrued per Month</u>
0-48	8.0
49-96	10.0
97-144	12.0
145-192	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.

Employees of the Board accrue sick leave up to a maximum of 480 hours for full-time employees and 240 hours for part-time employees 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
120-159	7.5
80-119	5.0
40-79	2.5
39 or less	No accrual

Vacation and sick leave shall be granted to permanent employees only. Unused vacation and sick leave 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 the 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.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

**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 funds in the Statement of Net Position. Bond premiums and discounts 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 (if any).

In the fund financial statements, governmental funds 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 (if any). Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Bond issuance costs:** Bond issuance costs are expensed in the period incurred.

**Fund balances:** The City reports the fund balances in the governmental fund financial statements in one of the following five categories.

1. *Nonspendable fund balance:* This classification reflects the portion of net resources that is inherently nonspendable because of its form or because it must be maintained intact, which, for the City, includes prepaid items, inventories, and the long-term portion of annexation loans in the General Fund.
2. *Restricted fund balance:* The portion of fund balance for which there are legally enforceable restrictions on use, either by limitations imposed (1) by creditors, grantors, contributors, or laws and regulations of other governments; or (2) by laws representing amounts constrained to a specific purpose by their providers, through constitutional provisions, or by enabling legislation.
3. *Committed fund balance:* The portion of net resources for which there are self-imposed limitations enacted by the City Council that (1) require formal action at the same level to remove and (2) are set in place prior to the end of the period. Commitments may be established, modified, or rescinded through motion action enacted by the City Council.
4. *Assigned fund balance:* This classification reflects the portion of fund balance for which there are limitations that result from intended use established by the City Council or the Mayor. The City's policy delegates to the City Treasurer the authority to assign unrestricted fund balance amounts.
5. *Unassigned fund balance:* The portion of net resources that is residual after nonspendable, restricted, committed, and assigned amounts have been determined.

The City's policy on the order in which unrestricted (committed, assigned, or unassigned) resources are to be used when any of these amounts are available for expenditure is to first apply the committed fund balance, then the assigned fund balance, and finally the unassigned fund balance.

# CITY OF CHEYENNE, WYOMING

## NOTES TO FINANCIAL STATEMENTS

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### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

**Net position:** Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets and any related accounts payable balances. Net position is reported as restricted when there are limitations imposed on its use through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

**Unearned fees and deposits:** The Board charges new customers a tap fee for water and sewer services. In addition, the Board assesses a system development fee for each service. These fees are paid in advance and recorded as unearned before the service is active. Once the new connections are inspected and service begins, the tap and system development fees become earned and recognized.

**Estimates:** The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources; the 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 do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. Encumbrances are reflected as a restricted, committed, or assigned portion of the fund balance. The City's encumbrances have been included within the fund balance, as follows:

General Fund:		
Assigned	\$	1,340,686
One-Percent Sales Tax Fund:		
Restricted		16,169,149
Specific-Purpose Option Tax Fund:		
Restricted		8,274,340
Miscellaneous Federal Grants Fund:		
Restricted		779,604
Other governmental funds:		
Restricted		893,355
Committed		281,940
		<hr/>
<b>Total encumbrances</b>	<b>\$</b>	<b>27,739,074</b>

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 1. Reporting Entity and Significant Accounting Policies, *Continued*

**Deferred outflows/inflows of resources:** In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balances that applies to a future period and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has recognized deferred outflows of resources in the government-wide financial statements in accordance with the presentation requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, as amended, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, as amended. The Board also recognizes a deferred outflow of resources for the loss on refunding, which is amortized over the life of the related debt.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balances that applies to a future period and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The City has recognized deferred inflows of resources in the government-wide financial statements in accordance with the presentation requirements of GASB Statement No. 68, GASB Statement No. 75, and GASB Statement No. 87, as well as unavailable property taxes. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**Pensions:** The City and the Board participate in several pension plans, all of which are cost-sharing, multiple-employer defined benefit pension plans administered by the Wyoming Retirement System (WRS). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Postemployment benefits other than pensions (OPEB):** The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense associated with the City of Cheyenne Retiree Health Care Plan (the Plan) have been actuarially determined. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2. Stewardship, Compliance, and Accountability**

**Fund balance specific-purpose details:** The following table outlines the specific-purpose details for governmental fund balances of the City:

	General	Special Revenue	Capital Projects	Permanent	Total
Fund balances:					
Nonspendable:					
Prepaid expenditures	\$ 447,384	\$ 571,440	\$ 42,319	\$ -	\$ 1,061,143
Long-term notes receivable	3,581	-	-	-	3,581
Restricted:					
Bond ordinances	967,888	-	-	-	967,888
Weed and pest programs	-	950,853	-	-	950,853
Capital projects	-	-	88,338,999	-	88,338,999
Cemetery projects	-	-	-	847,062	847,062
Grants	-	1,256,663	-	-	1,256,663
Housing programs	-	214,548	-	-	214,548
Youth programs	-	-	-	-	-
Committed:					
Capital projects	1,093,667	621,603	4,989,360	-	6,704,630
Annexation improvements	-	250,000	-	-	250,000
Youth and recreation programs	-	3,775,637	-	-	3,775,637
Assigned:					
Future expenditures	325,139	-	-	-	325,139
Agency accounts	253,251	-	-	-	253,251
Paid Firemen's Pension					
Plan A (Plan A)	1,513,724	-	-	-	1,513,724
Data Center	-	-	-	-	-
Annexation improvements	-	41,430	-	-	41,430
Juvenile justice programs	-	252,705	-	-	252,705
Youth programs	-	125,836	18,953	-	144,789
Unassigned	51,202,700	(1,333,171)	-	-	49,869,529
<b>Total</b>	<b>\$ 55,807,334</b>	<b>\$ 6,727,544</b>	<b>\$ 93,389,631</b>	<b>\$ 847,062</b>	<b>\$ 156,771,571</b>

**Note 3. Cash and Cash Equivalents, and Investments**

**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 Wyoming State Statutes, which generally allow the City to invest in U.S., state, and local government securities and accounts of any bank or savings association that is 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.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 3. Cash and Cash Equivalents, and Investments, *Continued*

**Custodial credit risk:** Custodial credit risk for deposits and non-negotiable certificates of deposit 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 its collateral securities that are in the possession of an outside party. Wyoming State Statutes require that the City's and the Board's deposits in excess of Federal depository insurance must be collateralized. In addition to the applicable Wyoming State Statutes, the City's and the Board's policies require all deposits to be collateralized at 105% of the amount invested, including accrued interest, to further reduce their exposure to custodial credit risk. As of June 30, 2024, the deposits of the City and the Board were fully insured and collateralized, as required by Wyoming State Statutes and the City's and the Board's policies.

For investments, this is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City and the Board will not be able to recover the value of their investments or their collateral securities that are in the possession of an outside party. Wyoming State Statutes limit the type of investments the City and the Board can use. Wyoming State Statutes limit investments primarily to U.S., state, and local government securities and accounts of any bank or savings association that is Federally insured or secured by a pledge of assets, including bonds, debentures, and other securities in which the Wyoming State Treasurer may, by law, invest, thereby reducing the City's and the Board's exposure to custodial credit risk for their investments. As of June 30, 2024, all investment securities were held by the City's and the Board's custodians and registered in the City's or the Board's name.

**Concentration of credit risk:** The City's investment policy states that, with the exception of U.S. Treasury securities, obligations, and securities issued or guaranteed by any Federal government agency or instrumentality, certificates of deposit, or authorized pools, no more than 5% of the City's total investment portfolio will be invested in any one single obligor. The City met this limitation as of June 30, 2024. The City held \$11,450,781 or 5.44% of its portfolio in Federal National Mortgage Association (FNMA) Pools and \$280,831 or 0.15% of its portfolio in FNMA as of June 30, 2024. The Board's policy does not allow more than 50% of the total investment portfolio to be invested in any one single security type or more than 5% in any one single obligor, with the exception of funds held in WYO-STAR. Therefore, no further disclosure regarding concentration of credit risk is required.

**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 external pooled investment accounts, bank certificates of deposit, and 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 specified cash flow, the City's policy is to maintain a weighted-average life of less than seven years. The Board's investment portfolio shall have a minimum level of three months of budgeted operating expenditures in short-term investments to be maintained to provide sufficient liquidity for expected disbursements. With this investment focus, investments are expected to reach maturity with limited gains and losses. At June 30, 2024, the Board's investments met this policy.



## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

#### Note 3. Cash and Cash Equivalents, and Investments, *Continued*

The maturities and applicable interest rates of the City's and the 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	\$ 5,700,756	0.35%-5.50%	\$ 2,903,444	\$ 2,797,312	\$ -	\$ -
U.S. government securities	34,591,620	0.125%-5.125%	1,497,585	33,094,035	-	-
U.S. agencies	17,699,491	2.00%-6.50%	-	669,962	930	17,028,599
WYO-STAR:						
WYO-STARI	59,026,092	4.24%	59,026,092	-	-	-
WYO-STAR II	4,118,310	-0.42%	9,326	-	4,108,984	-
Wyoming CLASS	70,572,188	5.19%	70,572,188	-	-	-
WGIF	56,209,644	5.28%	56,209,644	-	-	-
	<u>\$ 247,918,101</u>		<u>\$ 190,218,279</u>	<u>\$ 36,561,309</u>	<u>\$ 4,109,914</u>	<u>\$ 17,028,599</u>

The City holds certain investments that are classified as "highly sensitive." These securities, because of their specific type and structure, are rate-sensitive as market conditions change. Step-up bonds are structured so that the bonds, at strategic times during their lives, will step up to a higher interest rate if they are not called. The portfolio holds \$283,413 or 0.15% of the securities in step-up structured bonds.

**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's and the Board's investment policies do not contain any specific provisions intended to limit the City's or the Board's exposure to credit risk. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. Under investment agreements with WYO-STAR, Wyoming CLASS and WGIF, the City and the Board have invested monies at a variable and fixed contract rate of interest, respectively. There is no rating available for the WYO-STAR investments; however, under Wyoming State Statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized statistical rating organizations. The WGIF and Wyoming CLASS investments received an AAA rating by Standard & Poor's. 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 (no greater than 270 days) and top ratings issued by nationally recognized statistical rating organizations (Moody's and Standard & 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. Of the investments in U.S. agencies, \$17,699,491 were not rated. The City's investments in government mutual funds were not rated.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 4. Capital Assets**

Governmental capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions and Transfers	Retirements and Transfers	Balance June 30, 2024
Capital assets not being depreciated:				
Land	\$ 17,383,170	\$ 1,924,239	\$ -	\$ 19,307,409
Construction in progress	23,336,658	-	(9,724,684)	13,611,974
<b>Total capital assets not being depreciated</b>	<b>40,719,828</b>	<b>1,924,239</b>	<b>(9,724,684)</b>	<b>32,919,383</b>
Capital assets being depreciated:				
Buildings and improvements	147,298,621	33,164,261	-	180,462,882
Machinery and equipment	18,523,072	1,162,269	(315,359)	19,369,982
Transportation equipment	25,205,771	7,200,408	(1,678,317)	30,727,862
Office furniture and equipment	4,902,089	420,664	(33,195)	5,289,558
Infrastructure	268,332,161	2,633,322	-	270,965,483
<b>Total capital assets being depreciated</b>	<b>464,261,714</b>	<b>44,580,924</b>	<b>(2,026,871)</b>	<b>506,815,767</b>
Less accumulated depreciation for:				
Buildings and improvements	54,051,591	4,863,780	-	58,915,371
Machinery and equipment	10,017,849	1,138,170	(302,227)	10,853,792
Transportation equipment	18,617,234	2,003,757	(1,650,799)	18,970,192
Office furniture and equipment	3,989,173	383,434	(21,755)	4,350,852
Infrastructure	119,767,139	5,328,561	-	125,095,700
<b>Total accumulated depreciation</b>	<b>206,442,986</b>	<b>13,717,702</b>	<b>(1,974,781)</b>	<b>218,185,907</b>
<b>Total capital assets being depreciated, net</b>	<b>257,818,728</b>	<b>30,863,222</b>	<b>(52,090)</b>	<b>288,629,860</b>
<b>Governmental activities, capital assets, net</b>	<b>\$ 298,538,556</b>	<b>\$ 32,787,461</b>	<b>\$ (9,776,774)</b>	<b>\$ 321,549,243</b>

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 4. Capital Assets, Continued**

Business-type capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions and Transfers	Retirements and Transfers	Balance June 30, 2024
Capital assets not being depreciated:				
Land	\$ 12,230,233	\$ -	\$ -	\$ 12,230,233
Water rights	1,797,968	-	-	1,797,968
Construction in progress	16,482,179	12,279,194	(19,600,720)	9,160,653
<b>Total capital assets not being depreciated</b>	<b>30,510,380</b>	<b>12,279,194</b>	<b>(19,600,720)</b>	<b>23,188,854</b>
Capital assets being depreciated:				
Buildings and improvements	46,281,599	931,201	-	47,212,800
Utility plant in service	609,897,001	21,779,648	(1,526,221)	630,150,428
Machinery and equipment	9,672,462	167,437	(41,488)	9,798,411
Transportation equipment	16,604,111	656,415	(59,715)	17,200,811
Office furniture and equipment	1,701,965	1,129,738	(437,155)	2,394,548
<b>Total capital assets being depreciated</b>	<b>684,157,138</b>	<b>24,664,439</b>	<b>(2,064,579)</b>	<b>706,756,998</b>
Less accumulated depreciation for:				
Buildings and improvements	14,099,749	1,437,970	-	15,537,719
Utility plant in service	308,477,746	13,572,401	(1,525,678)	320,524,469
Machinery and equipment	4,799,423	469,566	(37,690)	5,231,299
Transportation equipment	10,587,724	1,675,027	(59,715)	12,203,036
Office furniture and equipment	1,532,708	305,289	(427,689)	1,410,308
<b>Total accumulated depreciation</b>	<b>339,497,350</b>	<b>17,460,253</b>	<b>(2,050,772)</b>	<b>354,906,831</b>
<b>Total capital assets being depreciated, net</b>	<b>344,659,788</b>	<b>7,204,186</b>	<b>(13,807)</b>	<b>351,850,167</b>
<b>Business-type activities, capital assets, net</b>	<b>\$ 375,170,168</b>	<b>\$ 19,483,380</b>	<b>\$ (19,614,527)</b>	<b>\$ 375,039,021</b>

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

Governmental activities:	
Fleet	\$ 21,430
General government	1,500,761
Public safety	2,256,553
Public works	6,910,812
Recreation	3,028,146
<b>Total depreciation expense, governmental activities</b>	<b>\$ 13,717,702</b>

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 4. Capital Assets, *Continued***

Business-type activities:	
Waterworks	\$ 9,723,773
Sewer	4,465,373
Solid Waste	2,964,992
Civic Center	130,886
Ice and Events Center	138,741
Fleet Maintenance Center	<u>36,488</u>
<b>Total depreciation expense, business-type activities</b>	<b><u>\$ 17,460,253</u></b>

**Note 5. Interfund Receivables, Payables, and Transfers**

The composition of interfund receivables and payables as of June 30, 2024 is as follows:

	Fund-Level Financial Statements	
	Due From/to Other Funds	
	Receivable	Payable
Governmental activities:		
General	\$ 579,208	\$ -
Special Revenue Funds:		
Local and State Grants	-	85,000
Transportation Planning	-	115,000
UMTA Transit Grant	-	231,000
Capital Projects Funds:		
One-Percent Sales Tax	942,678	700
Specific-Purpose Option Sales Tax	-	942,678
Internal Service	13,980	-
Business-type activities:		
Waterworks	-	3,610,435
Solid Waste	3,499,947	-
Civic Center	-	<u>51,000</u>
	<b><u>\$ 5,035,813</u></b>	<b><u>\$ 5,035,813</u></b>

A balance of \$3,499,947 due from the Waterworks Fund to the Solid Waste Fund resulted from the Board's 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.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 5. Interfund Receivables, Payables, and Transfers, *Continued***

Transfers for the year ended June 30, 2024 were as follows:

	Transfers In	Transfers Out
Governmental activities:		
General	\$ 880,824	\$ 1,581,958
Special Revenue Funds:		
Transportation Planning	44,683	-
Law Enforcement Block Grant	122,188	-
Recreation Programs	44,500	-
UMTA Transit Grant	341,000	-
Capital Projects Fund:		
One-Percent Sales Tax	-	44,683
Permanent Fund:		
Cemetery Perpetual Care	-	26,605
<b>Total governmental activities</b>	<u>1,433,195</u>	<u>1,653,246</u>
Business-type activities:		
Solid Waste	-	854,219
Civic Center	705,000	-
Ice and Events Center	369,270	-
<b>Total business-type activities</b>	<u>1,074,270</u>	<u>854,219</u>
<b>Total primary government</b>	<u>\$ 2,507,465</u>	<u>\$ 2,507,465</u>

During the year ended June 30, 2024, transfers were used to (1) move revenues from the fund that Wyoming State Statutes or the budget require expending them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (3) transfer the City’s share of the grant match from the One-Percent Sales Tax Fund to the Transportation Planning Fund, (4) transfer funds from the Solid Waste Fund to the General Fund per City Council resolution, (5) transfer the City’s share of the grant match from the General Fund to the Law Enforcement Block Grant Fund for the Victim’s Assistance Program, and (6) transfer the City’s share of match from the General Fund to the UMTA Transit Grant Fund for the Federal Transit Administration grant.

The amounts presented in this note encompass only interfund activity between governmental funds and proprietary funds when applicable. Amounts due to and from, and transfers to and from, the fiduciary funds are not included.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 6. Finance Leases and Other Leases**

**Finance/lease-sale:** On May 2, 2014, the City entered into an agreement with the Wyoming Business Council (the Council) and Granite Peak Development (the Developer) for the funding of the Swan Ranch Rail Spur (the Rail Spur). In connection with the development of the Rail Spur, the City received a grant, with recapture, totaling \$2,000,000 and a loan totaling \$2,453,943 from the Council, for a total net investment in a finance/lease-sale receivable of \$4,453,943. After the completion of the project, the City leased the Rail Spur to the Developer. General terms of the agreement included no principal payments until November 1, 2019, followed by annual payments of principal and interest of \$661,982. Upon the end of the agreement, the ownership of the Rail Spur will be transferred to the Developer.

During the year ended June 30, 2024, the Developer paid the remaining principal and interest balance to the Council. As such, there is no remaining obligation between the City of Cheyenne and the Council, and ownership was transferred to the Developer.

**Lessor leases:** The City, acting as a lessor, leases facilities, land, rights of way, and easements that expire at various dates through 2119, inclusive of any options to renew that are expected to be exercised.

The City recognizes long-term lessor leases in accordance with GASB Statement No. 87. At the commencement of the lease term for a long-term lease (i.e., leases with lease terms greater than 12 months), the City recognizes a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term.

Total future minimum lease payments to be received under the lessor lease agreements are as follows:

	Governmental Activities		
	Principal	Interest	Total
Years ending June 30:			
2025	\$ 95,130	\$ 26,187	\$ 121,317
2026	98,105	23,212	121,317
2027	101,225	20,093	121,318
2028	77,687	17,039	94,726
2029	55,692	15,595	71,287
Thereafter	659,960	172,500	832,460
	<u>\$ 1,087,799</u>	<u>\$ 274,626</u>	<u>\$ 1,362,425</u>

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 6. Finance Leases and Other Leases, *Continued***

	Business-Type Activities		
	Principal	Interest	Total
Years ending June 30:			
2025	\$ 66,252	\$ 13,604	\$ 79,856
2026	48,883	12,224	61,107
2027	50,119	10,988	61,107
2028	51,387	9,721	61,108
2029	68,123	8,261	76,384
Thereafter	290,160	15,378	305,538
	<u>\$ 574,924</u>	<u>\$ 70,176</u>	<u>\$ 645,100</u>

**Note 7. Long-Term Debt**

The City can issue 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.

Wyoming State Statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total assessed valuation. The current debt limitation for the City is \$43,003,748.

General long-term debt currently outstanding is as follows:

	Balance June 30, 2024	Amount Due Within One Year
Governmental activities:		
Series 2021 Refunding Revenue Bonds, original amount of \$5,455,0000, due in annual installments ranging from \$560,000 to \$1,575,000, plus interest ranging from 0.3% to 1.03%, through April 2028. Secured by a pledge of Federal mineral royalties and gross parking fee revenues received.	\$ 3,685,000	\$ 660,000
Due to the Wyoming State Treasurer's office, original amount of \$4,862,745, with 0% interest, due in annual installments of \$243,137 through 2042.	4,376,471	243,137
<b>Total governmental activities</b>	<u>8,061,471</u>	<u>903,137</u>

*Continued*

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, *Continued***

	Balance June 30, 2024	Amount Due Within One Year
Business-type activities:		
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #133, advances on a \$7,400,000 loan for the construction of the Hydro-Electric Generation Project. Interest thereon is at 0.0% for a term of 20 years. Upon the completion of the project, loan shall be granted principal forgiveness in an amount not to exceed \$750,000. The payments are currently estimated at \$332,500 per year. Secured by a pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual payment.	\$ 7,400,002	\$ 1,082,500
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #143, original amount of \$875,000 for the Holliday Park Reuse Project, with interest at 0.0%. Principal amounts of \$37,500 are due annually in September through 2037. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment.	487,500	37,500
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #144, original amount of \$1,300,000 for the Southern Sewer Interceptor Main, with interest at 1.5%, due annually on December 1. Annual principal and interest payments are \$83,391 through 2039. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	1,030,325	68,155
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #177, original amount of \$5,280,000 for the design and construction of Phase III of the Southern Water Transmission Main, with interest at 1.5%, due annually on March 1. This loan is also granted principal forgiveness up to 25% of the loan, not to exceed \$1,320,000. Annual principal and interest payments are \$173,019 through 2038. Secured by pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual payment. (a)	2,169,997	140,918
<b>Balance forward</b>	11,087,824	1,329,073

*Continued*



**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, *Continued***

	Balance June 30, 2024	Amount Due Within One Year
Balance forwarded	\$ 11,087,824	\$ 1,329,073
 <i>Business-type activities, Continued:</i>		
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #065, original amount of \$5,600,000 for Phase I of the Southern Water Transmission Main, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$324,449 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. (a)	1,553,406	301,492
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #120, original amount of \$7,494,828 for the design and construction of Phase II of the Southern Water Transmission Main, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$453,769 through 2034. Secured by a pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual loan payment. (a)	4,184,710	391,872
2013 Refunding Revenue Water Note, original amount of \$8,740,000, due in annual principal installments ranging from \$215,000 to \$955,000, plus interest at 2.41%, through December 2025. Note originated to refinance the callable portion of the 2007 Refunding Revenue Water Bonds. Secured by a pledge of revenues from the City’s water system tap, user fees and system development fees, net of premiums.	1,423,551	955,000
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #159, original amount of \$9,900,000 for the Southern Sewer Interceptor Main. Interest thereon is at 1.5% for a term of 20 years. Annual principal and interest payments are \$587,761 through 2039. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	7,846,320	471,733
<b>Balance forward</b>	26,095,811	3,449,170

*Continued*

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, *Continued***

	Balance June 30, 2024	Amount Due Within One Year
Balance forwarded	\$ 26,095,811	\$ 3,449,170
 <i>Business-type activities, Continued:</i>		
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #034, original amount of \$825,000 for the funding of the City’s Water Main Rehabilitation Project for fiscal year 2004, with interest at 1.5%, due annually on December 1. Annual principal and interest payments are \$47,262 through 2025. Secured by a pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual loan payment. (a)	46,651	46,651
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #084, original amount of \$375,000 for the planning phase of the Administration Building Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$22,911 through 2032. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	171,664	20,375
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #046, original amount of \$36,450,000 for the Dry Creek and Crow Creek Rehabilitation Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$2,290,671 through 2026. Secured by a pledge and assignment of revenues generated from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	4,491,199	2,223,450
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #081, original amount of \$1,280,000 for the extension of the City’s Recycled Water System Project, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$79,004 through 2030. Secured by a pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual loan payment. (a)	450,566	72,345
<b>Balance forward</b>	31,255,891	5,811,991

*Continued*

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, *Continued***

	Balance June 30, 2024	Amount Due Within One Year
Balance forwarded	\$ 31,255,891	\$ 5,811,991
 <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 for the Western Hills Project, with interest at 1.5%, due annually on March 1. Annual principal and interest payments are \$60,130 through 2028. Secured by a pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual loan payment. (a)	231,811	56,654
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #060, original amount of \$2,900,000 for the F.E. Warren Air Force Base - Parsley Project, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$169,339 through 2029. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	810,912	157,357
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #079, original amount of \$5,130,509 for the 30” Transmission Line Replacement Project, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$312,213 through 2031. Secured by a pledge and assignment of revenues from the City’s water system user fees necessary to meet the annual loan payment. (a)	2,345,393	277,635
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #106, original amount of \$3,500,000 for the construction phase of the Administration Building Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$151,498 through 2032. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	1,135,113	134,724
<b>Balance forward</b>	35,779,120	6,438,361

*Continued*

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, *Continued***

	Balance June 30, 2024	Amount Due Within One Year
Balance forwarded	\$ 35,779,120	\$ 6,438,361
 <i>Business-type activities, Continued:</i>		
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #115, original amount of \$3,500,000 for the construction phase of the Administration Building Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$151,498 through 2032. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	1,135,113	134,724
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #133, original amount of \$5,000,000 for the Crow Creek Plant Improvements Project, with interest at 1.5%, due annually on June 15. Annual principal and interest payments are \$302,860 through 2039. Secured by a pledge and assignment of revenues from the City’s wastewater user fees necessary to meet the annual loan payment. (a)	3,051,590	256,986
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #229, original amount of \$3,960,000 for the North City Zone Improvements Project. Interest thereon is at 1.5% for a term of 20 years. Payments are currently estimated at \$230,653 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. (a)	1,527,674	-
<b>Total business-type activities</b>	41,493,497	6,830,071
<b>Total long-term debt</b>	\$ 49,554,968	\$ 7,733,208

(a) During the year ended June 30, 2024, the State of Wyoming Office of State Lands and Investments permanently reduced the interest rate on certain loans from 2.5% to 1.5%. This impacted the interest payments for the duration of the loan.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, *Continued***

The annual debt service requirements of the long-term debt and current principal maturities as of June 30, 2024 are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
Years ending June 30:				
2025	\$ 903,137	\$ 33,124	\$ 6,830,071	\$ 477,770
2026	948,137	29,164	5,702,647	389,393
2027	988,137	23,527	3,005,683	312,545
2028	1,818,137	16,223	3,043,660	274,615
2029	243,137	-	3,023,066	236,205
2030-2034	1,215,686	-	11,545,035	687,778
2035-2039	1,215,686	-	6,222,534	164,798
2040-2044	729,414	-	2,044,418	-
2045-2046	-	-	76,383	-
	<u>\$ 8,061,471</u>	<u>\$ 102,038</u>	<u>\$ 41,493,497</u>	<u>\$ 2,543,104</u>

In May 2014, the Board received approval for a \$1,206,000 grant from the Wyoming Water Development Commission for the design and construction of the Southern Water Transmission Main - Phase III Project. The grant provisions required the Board to maintain a capital additions and replacement reserve of \$500,000, which is included in restricted net position.

In May 2020, the Board received approval for an \$8,281,200 grant from the Wyoming Water Development Commission for the design, construction and operation of the Cheyenne Transmission, Pump Station and Tank 2020 Project.

The Board has pledged and assigned future water system and wastewater user fees to meet the annual debt service requirements. Proceeds from the debt have been used to improve, expand, and replace the distribution system, the source of supply, and treatment facilities. The proportion of pledged revenues to total revenues is not estimable because annual total fees fluctuate annually. Principal and interest paid for the current year totaled \$6,224,810. Net customer revenues totaled \$36,320,750 for the year. At year-end, pledged future revenues totaled \$44,036,601, which is the amount of the remaining principal and interest on outstanding debt.

The City has pledged and assigned future Federal mineral royalties and gross parking fee revenues to meet certain annual debt requirements of the Series 2021 Refunding Revenue Bonds. Proceeds from the original debt and subsequent refundings were used to construct parking facilities. The proportion of pledged revenues to total revenues is not estimable because annual total fees fluctuate annually. Principal and interest paid for the current year totaled \$646,052. Net mineral royalties totaled \$2,742,618 and gross parking fees totaled \$244,973 for the year. At year-end, pledged future revenues totaled \$3,787,038, which is the amount of the remaining principal and interest on the related outstanding debt.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### Note 7. Long-Term Debt, *Continued*

**Advance and current refunding:** On December 21, 2007, the Board issued \$12,330,000 in Refunding Revenue Water Bonds, with an average interest rate of 4.368%, 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 2007 Refunding Revenue Water Bonds, together with other available monies of the Board, 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.

On December 27, 2013, the Board entered into an agreement with Colorado State Bank and Trust to authorize an advance refunding of a portion of the 2007 Refunding Revenue Water Bonds. The Board received an \$8,740,000 Refunding Revenue Water Note, with an annual interest rate of 2.41%, with the proceeds to be deposited in a special fund and trust account to be used to refund, pay, discharge, and redeem the portion of the refunded bonds outstanding and maturing on or after December 1, 2016. The costs from the advance refunding include a deferred loss of \$525,305, which is being charged to operations through 2025 using the effective interest method. The Board completed the advance refunding to reduce its total debt service payments over the next 12 years by \$1,065,000 and obtain an economic gain (the difference between the present values of the old and new debt service payments) of \$700,000. As of June 30, 2024, the deferred loss on refunding totaled \$74,256 and is classified as a deferred outflow of resources.

On March 30, 2021, the City issued \$5,445,000 in Refunding Revenue Bonds, with an average interest rate of 0.857%, to advance refund \$5,800,000 of outstanding Series 2012 Bonds, with an average interest rate of 2.537%. The net proceeds of \$5,365,000 (after the payment of \$80,000 in underwriting fees and issuance costs) 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 to the Series 2012 Bonds that were defeased. As a result, the Series 2012 Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide Statement of Net Position. As of June 30, 2024, the outstanding in-substance defeased debt was \$3,685,000.

As discussed in Note 8, during fiscal year 2022, it was determined that Plan A was actuarially underfunded. As a result, the City has a loan with the State of Wyoming, by and through the Wyoming State Treasurer, for the City's portion of the liability. The Fire Pension Plan A Legislative Reserve Account loan had an original face value of \$4,862,745, to be repaid over 20 years, with 0% interest. As of June 30, 2024, the outstanding debt was \$4,376,471.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 7. Long-Term Debt, Continued**

The following is a summary of long-term liability transactions for the City for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Revenue bonds	\$ 4,295,000	\$ -	\$ (610,000)	\$ 3,685,000	\$ 660,000
Note payable	1,946,848	-	(1,946,848)	-	-
Loan payable - Plan A	4,619,608	-	(243,137)	4,376,471	243,137
Finance/lease-purchases payable	98,333	-	(98,333)	-	-
Compensated absences	4,743,986	4,143,473	(3,652,115)	5,235,344	3,652,115
<b>Governmental activities long-term liabilities</b>	<b>\$ 15,703,775</b>	<b>\$ 4,143,473</b>	<b>\$ (6,550,433)</b>	<b>\$ 13,296,815</b>	<b>\$ 4,555,252</b>
<b>Business-type activities:</b>					
Refunding revenue note	\$ 2,358,551	\$ -	\$ (935,000)	\$ 1,423,551	\$ 955,000
Loans payable	42,221,649	2,485,677	(4,637,380)	40,069,946	5,875,071
Landfill closure and post-closure costs	9,341,768	383,792	-	9,725,560	-
Compensated absences and early retirement	2,041,356	788,779	(638,063)	2,192,072	1,099,402
<b>Business-type activities long-term liabilities</b>	<b>\$ 55,963,324</b>	<b>\$ 3,658,248</b>	<b>\$ (6,210,443)</b>	<b>\$ 53,411,129</b>	<b>\$ 7,929,473</b>

For governmental activities, revenue bonds, the Loan Payable - Plan A, and compensated absences are generally liquidated by the General Fund. The note payable is liquidated by the Local and State Grants Fund.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 8. Retirement Commitments**

All eligible City employees are covered under one of the four following retirement plans. Below is a summary of the deferred inflows/outflows, net pension liabilities and pension expense for the defined benefit plans:

	Deferred Outflows - Pension Plans	Deferred Inflows - Pension Plans	Net Pension (Asset) Liability	Pension Expense
Pension plans:				
Public Employee Pension Plan:				
City of Cheyenne	\$ 2,800,430	\$ (908,473)	\$ (22,817,031)	\$ 834,130
Board of Public Utilities	1,100,987	(406,975)	(10,221,507)	471,767
Paid Firemen's Pension Plan A	581,774	-	(4,465,153)	(3,549,557)
Paid Firemen's Pension Plan B	2,700,120	(2,853,868)	218,276	(412,332)
Law Enforcement Pension Plan	5,006,231	(8,854,428)	(6,643,739)	410,735
<b>Total</b>	<b>\$ 12,189,542</b>	<b>\$ (13,023,744)</b>	<b>\$ (43,929,154)</b>	<b>\$ (2,245,257)</b>

**Public Employee Pension Plan:**

*Plan description:* The City and the Board participate in the WRS's statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS Board. Substantially all full-time employees of the City not covered by the Law Enforcement Pension Plan, Paid Firemen's Pension Plan A, or Paid Firemen's Pension Plan B and substantially all employees of the Board 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 seven optional methods for receiving benefits. Early retirement is allowed, provided that the employee has completed four years of service and reached age 50, but will result in a reduction of benefits based on the length of time remaining to the normal retirement age. The WRS also provides death and disability benefits. Benefits are established by Wyoming State Statutes. The WRS issues a publicly available financial report that includes audited financial statements and required supplementary information for the Public Employee Pension Plan. The report may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

*Benefits provided:* The determination of retirement benefits is dependent upon each employee's initial employment date.

Service Retirement Tier 1: If an employee made a contribution prior to September 1, 2012, the employee is in Tier 1. Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. The formula for retirement equals 2.125% times the number of years of service times the three-year highest average salary for the first 15 years and 2.25% times the number of years of service times the three-year highest average salary after 15 years.

Service Retirement Tier 2: If an employee made his or her first contribution after September 1, 2012, the employee is in Tier 2. Full retirement at age 65 or qualifies for the Rule of 85. Early retirement is permitted at age 55 or 25 years of service. The formula for retirement equals 2% times the number of years of service times the five-year highest average salary.



## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### **Note 8. Retirement Commitments, *Continued***

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, and cannot continue in the performance of his or her duties. To qualify, the member must have at least 10 years of service and be “in service” at the time of application for disability retirement. Upon retirement for a partial disability, the member receives a monthly disability retirement benefit for the period of his or her disability equal to 50% of the normal benefit payable to the member, as if the member was eligible for normal retirement benefits. Upon retirement for a total disability, the member receives a monthly disability benefit equal to 100% of his or her service retirement benefit, as if the member was eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until death.

Survivor’s benefits: Certain surviving dependents receive benefits based on the deceased member’s compensation and their relationship to the deceased, as well as the benefit option selected by the member at the date of retirement.

*Contributions:* Per Titles 9-3-412 and -413 of Wyoming State Statutes, for the year ended June 30, 2024, member and employer contributions were required to be 9.25% and 9.37% of compensation, respectively, for both the City and the Board. In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the City and the Board have elected to pay 5.25% and 6.75%, respectively, in addition to the employer’s contribution.

The City’s and the Board’s contributions to the WRS for the year ended June 30, 2024 totaled \$4,692,010, which is equal to the required contribution plus the City’s and the Board’s share of the required member contributions.

#### **Paid Firemen’s Pension Plan A:**

*Plan description:* The City formerly participated in Plan A, a statewide cost-sharing, multiple-employer defined benefit contributory retirement plan covering paid firemen who were employed prior to July 1, 1981 and elected to participate. Plan A issues a publicly available financial report that includes audited financial statements and required supplementary information. The report may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

*Benefits provided:* Plan A statutorily provides retirement, disability, and death benefits according to a percentage of a Fireman First Class salary.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, from an individual and specific act incurred while employed and cannot continue in the performance of his or her duties. There is no age or service requirement to qualify for benefits. The member receives a monthly disability retirement benefit for the period based on his or her maximum salary and years of service.

Survivor’s benefits: Certain surviving beneficiaries receive benefits based on the maximum salary and years of service. Upon death, 100% of the benefit continues to be paid to the beneficiary.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### **Note 8. Retirement Commitments, *Continued***

*Contributions:* Plan A statutorily required participants to contribute 8% of their salary to a maximum not to exceed the salary of a Fireman First Class. Employers were required to contribute 21% of the salary. Effective April 1, 1997, required contributions were suspended.

During fiscal year 2022, it was determined that Plan A was actuarially underfunded. As such, on or about March 7, 2022, the Wyoming State Legislature passed Senate File No. 39, which eliminated the annual cost-of-living percentage increase to the benefit amount and obligated \$75 million toward the stabilization of the plan; of this amount, \$55 million was obligated from the State of Wyoming. The remaining \$20 million was to be repaid by the nine legacy employers that still had employees participating in the plan. To determine the liability to each of the legacy employers, the Wyoming Retirement Board made an assessment based on the number of retired pensioners receiving benefits from each of the legacy employers as of April 1, 2022. See the further discussion of the City's portion of the liability in Note 7.

#### **Paid Firemen's Pension Plan B:**

*Plan description:* The City participates in the Wyoming Paid Firemen's Retirement Fund (the Fund), a statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS Board. Substantially all paid City firemen hired after July 1, 1981 are eligible to participate. The Fund provides retirement, disability, and death benefits according to predetermined formulas. Benefits are established by Wyoming State Statutes. The Fund issues a publicly available financial report that includes audited financial statements and required supplementary information. The report may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

*Benefits provided:* The members of the Fund qualify for a retirement allowance if they are 50 years old and have at least 48 months of credited service. The basic monthly benefit for participants is based on a formula involving each participant's years of service, highest average salary, and age at retirement. The current benefit formula equals 2.8% times the three-year final average compensation for the first 25 years of service. The benefit is capped at 70% of the highest average salary. The highest average salary is calculated by averaging the 36 highest continuous months of acceptable salary, as defined in the rules of the WRS Board.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, from an individual and specific act incurred while employed and cannot continue in the performance of his or her duties. There is no age or service requirement to qualify for benefits. The member receives a monthly disability retirement benefit equal to 50% of his or her final average salary.

Survivor's benefits: The surviving spouse or other qualified dependents receive benefits based on 50% of the member's final actual salary. Upon the death of a member, inactive member, retired member, or survivor, the excess of the accumulated member contributions over all pension payments made are payable as a death benefit to the next qualified beneficiary.

*Contributions:* Individual members participating under this Fund are required to contribute 11.245% of their compensation, and the City is required to contribute 16% of the compensation of covered members.

## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### **Note 8. Retirement Commitments, *Continued***

Legislation enacted in 1979 allows the employer to pay any or all of the member contributions. The City currently pays 1.5% of the required member contributions of 11.245%. The City's contribution to the Fund for the year ended June 30, 2024 was \$1,638,852, which is equal to the required contribution plus the City's share of the required member contributions.

#### **Law Enforcement Pension Plan (the Police Plan):**

*Plan description:* The City participates in the Police Plan, a statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS Board. Employees who are sworn law enforcement officers are eligible for full retirement benefits either after they reach age 60 with at least 48 months of contributions to the Police Plan or at any age with 20 years of service. These same employees are eligible for early retirement, with a reduced benefit, after they reach age 50 with 48 months of contributions. Benefits are established by Wyoming State Statutes. The Police Plan issues a publicly available financial report that includes audited financial statements and required supplementary information. The report may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

*Benefits provided:* Benefits are based on a formula involving each participant's 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.

Disability benefits: Partial or total disability retirement is available to any member who becomes incapacitated, mentally or physically, from an individual and specific act incurred while employed and cannot continue in the performance of his or her duties. There is no age or service requirement to qualify for duty disability retirement, and the member receives a monthly disability retirement benefit for the period of his or her disability equal to 62.5% of his or her final salary. To qualify for non-duty disability retirement, the member must have at least 10 years of service, and the member receives a monthly disability benefit for the period of his or her disability equal to 50% of his or her final salary.

Survivor's benefits: The surviving spouse receives benefits dependent on if the member was on duty at the time of death. Additional benefits are available for additional qualified dependents.

*Contributions:* The Police Plan is funded by amounts withheld from participating members' salaries and by contributions from the City. These contributions are determined by Wyoming State Statutes, and as of June 30, 2024, the percentages to be contributed on compensation were 8.60% by the members and the City.

The City's contribution to the Police Plan for the year ended June 30, 2024 was \$798,633, which is equal to the required contribution.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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Note 8. Retirement Commitments, *Continued*

**Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions:** At June 30, 2024, the City and the Board reported a total liability of \$43,929,154 for their proportionate share of the net pension liability. The breakdown between plans is as follows:

	<u>Net Pension Liability (Asset)</u>
Pension plans:	
Public Employee Pension Plan:	
City of Cheyenne	\$ 22,817,031
Board of Public Utilities	10,221,507
Paid Firemen’s Pension Plan A	4,465,153
Paid Firemen’s Pension Plan B	(218,276)
Law Enforcement Pension Plan	<u>6,643,739</u>
<b>Total net pension liability</b>	<b><u>\$ 43,929,154</u></b>

The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023.

At December 31, 2023, the City’s and the Board’s proportionate shares were as follows:

	<u>Proportion of the Net Pension Liability (Asset)</u>		
	<b>December 31, 2023</b>	December 31, 2022	Increase (Decrease)
Pension plans:			
Public Employee Pension Plan:			
City of Cheyenne	<b>1.0051</b>	0.9767	0.0284
Board of Public Utilities	<b>0.4503</b>	0.4420	0.0083
Paid Firemen’s Pension Plan A	<b>28.7744</b>	29.0116	(0.2372)
Paid Firemen’s Pension Plan B	<b>23.6567</b>	23.1454	0.5113
Law Enforcement Pension Plan	<b>4.9182</b>	5.0311	(0.1129)

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 8. Retirement Commitments, *Continued***

For the year ended June 30, 2024, the City and the Board recognized pension expense (offset) and reported deferred outflows of resources and deferred inflows of resources related to pensions as follows and from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Public Employee Pension Plan:		
Governmental activities:		
Differences between expected and actual experience	\$ 374,702	\$ (84,725)
Changes in assumptions	199,082	-
Net difference between projected and actual earnings on pension plan investments	-	(687,476)
Changes in proportionate share of contributions	924,050	-
Contributions subsequent to the measurement date	882,531	-
	<u>\$ 2,380,365</u>	<u>\$ (772,201)</u>
Business-type activities:		
City:		
Differences between expected and actual experience	\$ 66,124	\$ (14,951)
Changes in assumptions	35,132	-
Net difference between projected and actual earnings on pension plan investments	-	(121,321)
Changes in proportionate share of contributions	163,068	-
Contributions subsequent to the measurement date	155,741	-
	<u>\$ 420,065</u>	<u>\$ (136,272)</u>
Board:		
Differences between expected and actual experience	\$ 197,480	\$ (44,652)
Changes in assumptions	104,923	-
Net difference between projected and actual earnings on pension plan investments	-	(362,323)
Changes in proportionate share of contributions	359,315	-
Contributions subsequent to the measurement date	439,269	-
	<u>\$ 1,100,987</u>	<u>\$ (406,975)</u>

*Continued*

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

	Deferred Outflows of Resources	Deferred Inflows of Resources
Paid Firemen's Pension Plan A:		
Net difference between projected and actual earnings on pension plan investments	\$ 581,774	\$ -
	<u>\$ 581,774</u>	<u>\$ -</u>
Paid Firemen's Pension Plan B:		
Differences between expected and actual experience	\$ 525,841	\$ (903,489)
Changes in assumptions	1,330,748	(1,333,412)
Net difference between projected and actual earnings on pension plan investments	-	(441,659)
Changes in proportionate share of contributions	92,204	(175,308)
Contributions subsequent to the measurement date	751,327	-
	<u>\$ 2,700,120</u>	<u>\$ (2,853,868)</u>
Law Enforcement Pension Plan:		
Differences between expected and actual experience	\$ 577,869	\$ (346,854)
Changes in assumptions	3,727,304	(7,891,546)
Net difference between projected and actual earnings on pension plan investments	-	(400,624)
Changes in proportionate share of contributions	298,433	(215,404)
Contributions subsequent to the measurement date	402,625	-
	<u>\$ 5,006,231</u>	<u>\$ (8,854,428)</u>

The amount reported as deferred outflows of resources, related to pensions resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense, as follows:

	Governmental Activities					Business-Type Activities		
	Public Employee Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Law Enforcement Pension Plan	Total	Public Employee Pension Plan		
						Board	City	Total
Years ending June 30:								
2025	\$ 108,083	\$ 282,752	\$ (1,070,147)	\$ (69,353)	\$ (748,665)	\$ (4,478)	\$ 19,073	\$ 14,595
2026	157,642	413,149	(446,339)	(2,541,928)	(2,417,476)	34,992	27,819	62,811
2027	1,409,443	344,636	930,512	(1,110,426)	1,574,165	724,664	248,725	973,389
2028	(949,535)	(458,763)	(422,076)	(529,115)	(2,359,489)	(500,435)	(167,565)	(668,000)
2029	-	-	60,632	-	60,632	-	-	-
Thereafter	-	-	42,343	-	42,343	-	-	-
	<u>\$ 725,633</u>	<u>\$ 581,774</u>	<u>\$ (905,075)</u>	<u>\$ (4,250,822)</u>	<u>\$ (3,848,490)</u>	<u>\$ 254,743</u>	<u>\$ 128,052</u>	<u>\$ 382,795</u>

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 8. Retirement Commitments, *Continued***

**Actuarial assumptions:** The total pension liability in the January 1, 2023 valuation was determined using the following actuarial assumptions adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings, and applied to the December 31, 2022 measurement date:

	Public Employee Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Law Enforcement Pension Plan
Actuarial assumption:				
Inflation	2.25%	2.25%	2.25%	2.25%
Salary increases	2.50%-6.50%	4.50%	4.50%-7.50%	5.25%-9.25%
Investment rate of return	6.80%	6.80%	6.80%	6.80%
Payroll growth rate	2.50%	0.00%	2.50%	2.50%
Cost-of-living adjustment	0.00%	0.00%	0.00%	0.00%

*Post-retirement mortality:* Mortality rates were based on the PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 103% (Public Employee Pension Plan) and 100% (Law Enforcement and Paid Firemen's Pension Plans).

*Pre-retirement mortality:* Mortality rates were based on the PUB-2010 General Active Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale. Males had no setback, with a multiplier of 100%, and females had no setback, with a multiplier of 100%.

**Long-term expected rate of return:** The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in each pension plan's target asset allocation as of January 1, 2023. These best estimates are summarized in the following table:

Asset class:	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	-0.30%	-0.30%
Gold	1.50%	2.13%	0.70%
Fixed income	20.00%	3.38%	3.80%
Equity	51.50%	6.52%	8.20%
Marketable alternatives	16.00%	4.39%	5.23%
Private markets	10.50%	5.97%	7.48%
	<u>100.00%</u>		

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 8. Retirement Commitments, *Continued***

**Experience analysis:** An experience study was conducted on behalf of all WRS plans covering the five-year period ended December 31, 2020. The study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return, and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination, and disability) and proposed assumptions consistent with the findings.

**Discount rate:** The discount rate used to measure the total pension liability was 6.80% for all four pension plans. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and contributions from participating employers will be made at contractually required rates, actuarially determined. Based on these assumptions, the WRS’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City’s and the Board’s proportionate share of the net pension liability (asset) to changes in the discount rate:** The table below presents the net pension liability, calculated using the discount rate previously disclosed, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
Public Employee Pension Plan:			
City of Cheyenne	\$ 36,234,189	\$ 22,817,031	\$ 11,698,259
Board of Public Utilities	16,232,086	10,221,507	5,240,552
Paid Firemen’s Pension Plan A	7,804,193	4,465,153	1,552,870
Paid Firemen’s Pension Plan B	7,294,444	(218,276)	(6,454,679)
Law Enforcement Pension Plan	13,406,715	6,643,739	1,113,392

**Pension plan’s fiduciary net position:** Detailed information about the pension plans’ fiduciary net position is available in the separately issued WRS financial report, which may be accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

**Defined contribution plan:** City and Board employees have the option to participate in the Wyoming Deferred Compensation Program (commonly referred to as the 457 Plan) administered by the WRS. Employees are allowed to contribute the maximum amount per Internal Revenue Service guidelines. Beginning on July 1, 2008, the City and the Board elected to match each employee’s contribution up to \$25 per month. The City’s match ended on January 31, 2010. The Board continues to provide a match. The total matching contributions for the year ended June 30, 2024 were \$34,150.



## CITY OF CHEYENNE, WYOMING

### NOTES TO FINANCIAL STATEMENTS

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#### **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 based upon actuarially sound and recognized pooling practices. The pool is responsible for determining the amounts of the premiums charged to the entities and managing the pool's assets. The entities have the right to submit claims for losses incurred. The pool has the right to collect premiums and admit or terminate members for the nonpayment of premiums. 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 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.

Employees of the City are covered by the City's medical self-insurance plan. The City's costs for this plan are reflected in the funds paying the coverage, premiums and administrative costs. The Self-Insurance Fund is reported as a fiduciary fund in the accompanying financial statements. The City has a contract with a third-party administrator to process payments. The City also maintains a stop-loss policy to limit the potential for individual and aggregate claims. Management has estimated an accrual for incurred but not reported claims of \$730,000 at June 30, 2024. The Self-Insurance Fund is administered in a trust and does not issue a separate report.

The City pays into the State Worker's Compensation System (the Act). All employers within the State of Wyoming are participants in this Act unless the employer elects not to be covered under the Act. This Act requires the City to obtain liability coverage for the 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 State of Wyoming Department of Employment. These payments are based on salaries and a split rate between hazardous and nonhazardous positions.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 10. Compensated Absences**

Compensated absences have been accrued in the financial statements of the City and the Board and consist of the following at June 30, 2024:

	Vacation Leave	Sick Leave	Compensatory/ Administrative Time	Early Retirement Obligation	Total
Governmental activities	\$ 2,703,957	\$ 1,909,423	\$ 622,313	\$ -	\$ 5,235,693
Business-type activities:					
Waterworks	485,672	371,702	104,354	43,531	1,005,259
Sewer	329,167	247,801	69,570	29,020	675,558
Solid Waste	212,827	158,250	2,382	-	373,459
Fleet Maintenance Center	34,720	24,326	1,678	-	60,724
Civic Center	25,853	17,784	6,792	-	50,429
Ice and Events Center	14,816	11,111	716	-	26,643
<b>Total business-type activities</b>	<b>1,103,055</b>	<b>830,974</b>	<b>185,492</b>	<b>72,551</b>	<b>2,192,072</b>
<b>Total accrued compensated absences</b>	<b>\$ 3,807,012</b>	<b>\$ 2,740,397</b>	<b>\$ 807,805</b>	<b>\$ 72,551</b>	<b>\$ 7,427,765</b>

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

**Note 11. Closure and Post-Closure Costs 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 30 years after closure. Although closure and post-closure 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 Statement of Net Position date. The current operating costs of the landfill are accounted for within the Solid Waste Fund of the City using the accrual basis of accounting. The \$9,725,560 reported as landfill closure and post-closure costs at June 30, 2024 represents the cumulative liability estimated to date based on the use of 52.53% of the estimated capacity of the site. The City will recognize the remaining estimated costs of closure and post-closure care of \$8,787,456 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 2024. The City expects the landfill site to be at full capacity in approximately 62 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 12. Deferred Outflows/Inflows of Resources**

The City’s deferred outflows/inflows of resources as of June 30, 2024 are detailed in its Statement of Net Position as follows:

	Governmental Activities	Business-Type Activities
Deferred outflows of resources:		
Deferred loss on refunding	\$ -	\$ 74,255
Deferred outflows, pension liability	10,668,490	1,521,052
Deferred outflows, OPEB liability	696,791	-
	<hr/>	<hr/>
<b>Total deferred outflows of resources</b>	<b>\$ 11,365,281</b>	<b>\$ 1,595,307</b>
	<hr/> <hr/>	<hr/> <hr/>
Deferred inflows of resources:		
Unavailable property taxes	\$ 8,580,290	\$ -
Deferred inflows, public-public partnership	398,386	-
Deferred inflows, lease revenue	1,065,053	595,970
Deferred inflows, pension liability	12,480,497	543,247
Deferred inflows, OPEB liability	2,435,912	-
	<hr/>	<hr/>
<b>Total deferred inflows of resources</b>	<b>\$ 24,960,138</b>	<b>\$ 1,139,217</b>
	<hr/> <hr/>	<hr/> <hr/>

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

**Note 13. Commitments**

As of June 30, 2024, 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 2024, the amounts below represent the activity pertaining to the contract as a whole:

	Expended to Date at June 30, 2024	Total Contract	Commitment at June 30, 2024
Governmental activities:			
Dell Range Van Buren Improvements	\$ 3,790,445	\$ 9,287,324	\$ 5,496,879
Asphalt Preservation Surface Seal #1	265,130	1,791,141	1,526,011
Asphalt Preservation Surface Seal #2	350,307	2,074,128	1,723,821
Cheyenne Gymnastics Facility	1,765,430	5,508,475	3,743,045
Airport Parkway	1,736,711	3,601,036	1,864,325
Dell Range Concrete Repair	87,373	3,157,624	3,070,251
City Overlay	3,260,097	6,505,206	3,245,109
Miscellaneous governmental	1,023,979	9,437,730	8,413,751
<b>Total governmental activities</b>	<u>12,279,472</u>	<u>41,362,664</u>	<u>29,083,192</u>
Business-type activities:			
FY24 Sewer Rehabs	817,230	2,327,293	1,510,063
North City Zone	6,360,469	8,029,240	1,668,771
Miscellaneous water projects	1,767,863	3,418,738	1,650,875
Miscellaneous sewer projects	31,263	837,250	805,987
<b>Total business-type activities</b>	<u>8,976,825</u>	<u>14,612,521</u>	<u>5,635,696</u>
<b>Total primary government</b>	<u>\$ 21,256,297</u>	<u>\$ 55,975,185</u>	<u>\$ 34,718,888</u>

**Note 14. OPEB Commitment**

On July 1, 2017, the City implemented GASB Statement No. 75, which recognizes a long-term obligation for OPEB benefits. The accounting change was adopted to conform to the provisions of GASB Statement No. 75.

**General information about the OPEB plan:**

*Plan description:* The City participates in a single-employer defined benefit postemployment healthcare plan, the City of Cheyenne Retiree Health Care Plan (the Plan). The City Council has the authority for establishing and amending the Plan. The Plan does not issue a separate financial report and is not administered in trust.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 14. OPEB Commitment, *Continued***

*Benefits provided:* Under the Plan, the City offers retiring firefighters who were hired prior to July 1, 2013 a \$300 monthly 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 four years of service upon retirement. City employees, police officers, and firefighters not meeting the previous criteria must pay the full subsidized premium. Some current retirees have retired under differing offset provisions, and disabled firefighters are also included in current retiree costs. All benefits end at age 65.

*Funding policy:* The City finances this program on a “pay-as-you-go” basis and has no assets held in trust. The City Council has the authority for establishing and amending the funding policy.

*Employees covered by the benefit terms:* As of June 30, 2024, the following employees were covered by the benefit terms:

Inactive Plan members or beneficiaries currently receiving benefits	9
Inactive Plan members entitled to, but not yet receiving, benefits	-
Active Plan members	<u>469</u>
<b>Total Plan members</b>	<b><u><u>478</u></u></b>

**OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB:** At June 30, 2024, the City reported a total OPEB liability of \$5,087,591. The total OPEB liability was measured as of June 30, 2024 and determined by an actuarial valuation as of June 30, 2024.

*Changes in the total OPEB liability:*

Total OPEB liability:	
Service cost	\$ 238,934
Interest on total OPEB liability	215,888
Changes in benefit terms	-
Difference between expected and actual experience	(1,088,262)
Changes in assumptions	318,078
Benefit payments	<u>(141,069)</u>
<b>Net change in total OPEB liability</b>	<b>(456,431)</b>
 Total OPEB liability, beginning	 <u>5,544,022</u>
 Total OPEB liability, ending	 <b><u><u>\$ 5,087,591</u></u></b>

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 14. OPEB Commitment, *Continued***

For the year ended June 30, 2024, the City recognized OPEB expense of \$217,463. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 127,240	\$ 1,872,666
Changes in assumptions or other inputs	569,551	563,246
	<u>\$ 696,791</u>	<u>\$ 2,435,912</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the City's OPEB expense, as follows:

Years ending June 30:	
2025	\$ (237,359)
2026	(237,359)
2027	(237,359)
2028	(214,851)
2029	(227,663)
Thereafter	<u>(584,530)</u>
	<u>\$ (1,739,121)</u>

**Actuarial methods and assumptions:** The total OPEB liability was determined by an actuarial valuation as of June 30, 2024 using the following actuarial assumptions, which were applied to all periods included in the measurement unless otherwise specified:

Actuarial Valuation Date	June 30, 2024
Actuarial Cost Method	Individual entry - age normal
Discount Rate	3.97% as of June 30, 2024
Inflation	2.25%
Salary Increases	2.50%-6.50%, including wage inflation of 2.50%

**CITY OF CHEYENNE, WYOMING**

**NOTES TO FINANCIAL STATEMENTS**

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**Note 14. OPEB Commitment, *Continued***

Demographic Assumptions	This report has used the same demographic assumptions used to value the WRS defined benefit retirement plans in which the members participate in the actuarial valuation as of January 1, 2024.
Mortality	<p>City: PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale, with a multiplier of 100% for males and 103% for females.</p> <p>Fire: PUB-2010 Safety Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale, with a multiplier of 100% for males and 100% for females.</p>
Healthcare Cost Trend Rates	Initial rate of 7.10%, declining to an ultimate rate of 4.25% after 14 years.
Participation Rates	<p>75% of participants eligible to receive an explicit subsidy are assumed to elect coverage with the City. Coverage is for the employee only.</p> <p>17% of participants eligible for any explicit subsidy are assumed to elect coverage. It is assumed that 35% of participants elect two-person coverage and that, upon the participant's death, coverage will continue to the beneficiary.</p>

**Discount rate:** The discount rate increased from 3.86% as of June 30, 2023 to 3.97% as of June 30, 2024. The discount rate is based on the Fidelity 20-Year Municipal GO AA Index.

**Sensitivity of the City's total OPEB liability to changes in the discount rate:** The table below presents the City's total OPEB liability, calculated using a discount rate of 3.97%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.97%) or one percentage point higher (4.97%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB liability	\$ 5,566,951	\$ 5,087,591	\$ 4,650,016

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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**Note 14. OPEB Commitment, *Continued***

**Sensitivity of the City’s total OPEB liability to changes in the healthcare cost trend rates:** The table below presents the City’s total OPEB liability, as well as what the City’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	\$ 4,578,690	\$ 5,087,591	\$ 5,680,884

**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. Such audits could lead to reimbursement to the grantor agencies. The City’s management believes that disallowances, if any, would not be significant to the City’s financial statements.



**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND  
ACTUAL (BUDGETARY BASIS) - GENERAL FUND  
Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 16,107,500	\$ 16,107,500	\$ 16,368,134	\$ 260,634
Licenses and permits	2,575,896	2,575,895	10,557,229	7,981,334
Intergovernmental	41,733,793	41,733,793	44,842,427	3,108,634
Charges for services	1,861,000	1,861,000	2,232,812	371,812
Fines and forfeitures	756,600	756,600	730,212	(26,388)
Investment income	400,500	417,029	2,366,903	1,949,874
Miscellaneous	1,382,205	2,143,526	2,522,249	378,723
<b>Total revenues</b>	<b>64,817,494</b>	<b>65,595,343</b>	<b>79,619,966</b>	<b>14,024,623</b>
<b>Expenditures</b>				
General government:				
City Council	396,045	397,113	339,132	57,981
Mayor	3,438,787	3,519,996	3,279,320	240,676
Compliance	4,007,855	4,344,062	4,137,184	206,878
Engineering	1,503,736	1,936,702	1,414,305	522,397
Miscellaneous	7,887,196	14,477,857	11,678,716	2,799,141
City Treasurer	1,054,140	1,068,699	1,036,601	32,098
City Clerk	828,743	839,108	803,059	36,049
Planning and development	1,271,080	1,462,010	1,047,338	414,672
Public works	5,288,276	5,711,856	5,465,305	246,551
Public safety:				
Fire	13,737,138	14,009,140	13,729,764	279,376
Police	17,345,385	18,145,740	16,517,633	1,628,107
Recreation:				
Community recreation and events	9,456,897	9,744,035	9,162,804	581,231
<b>Total expenditures</b>	<b>66,215,278</b>	<b>75,656,318</b>	<b>68,611,161</b>	<b>7,045,157</b>
<b>(Deficiency) excess of revenues over expenditures</b>	<b>(1,397,784)</b>	<b>(10,060,975)</b>	<b>11,008,805</b>	<b>21,069,780</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	859,219	859,219	880,824	21,605
Transfers out	-	-	(1,581,958)	1,581,958
Insurance proceeds	-	-	37,683	37,683
Proceeds from sales of assets	-	-	1,793	1,793
<b>Total other financing sources (uses)</b>	<b>859,219</b>	<b>859,219</b>	<b>(661,658)</b>	<b>1,643,039</b>
<b>Net change in fund balance</b>	<b>\$ (538,565)</b>	<b>\$ (9,201,756)</b>	<b>\$ 10,347,147</b>	<b>\$ 22,712,819</b>

See Notes to Required Supplementary Information.

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND  
ACTUAL (BUDGETARY BASIS) - MISCELLANEOUS  
FEDERAL GRANTS FUND  
Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 929,612	\$ 12,922,201	\$ 5,577,663	\$ (7,344,538)
Investment income	-	-	154,019	154,019
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<b>929,612</b>	<b>12,922,201</b>	<b>5,731,682</b>	<b>(7,190,519)</b>
<b>Expenditures</b>				
General government	115,653	11,644,270	4,943,816	6,700,454
Public safety	813,959	922,890	391,832	531,058
Capital outlay	-	355,041	150,740	204,301
<b>Total expenditures</b>	<b>929,612</b>	<b>12,922,201</b>	<b>5,486,388</b>	<b>7,435,813</b>
<b>(Deficiency) excess of revenues over expenditures</b>	<b>-</b>	<b>-</b>	<b>245,294</b>	<b>245,294</b>
<b>Other Financing Sources</b>				
Transfers in	-	-	-	-
<b>Total other financing sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 245,294</b>	<b>\$ 245,294</b>

See Notes to Required Supplementary Information.

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF CHANGES IN THE CITY'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
Last Seven Fiscal Years\***

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 238,934	\$ 249,963	\$ 310,572	\$ 271,802	\$ 267,460	\$ 243,371	\$ 270,144
Interest on total OPEB liability	215,888	193,338	117,669	138,428	201,417	220,105	224,371
Changes in benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	(1,088,262)	156,078	(613,930)	-	(860,067)	-	-
Changes in assumptions	318,078	(85,705)	(505,235)	273,516	(59,703)	275,378	(306,502)
Benefit payments	(141,069)	(168,357)	(167,351)	(281,995)	(390,389)	(401,826)	(392,021)
<b>Net change in total OPEB liability</b>	<b>(456,431)</b>	<b>345,317</b>	<b>(858,275)</b>	<b>401,751</b>	<b>(841,282)</b>	<b>337,028</b>	<b>(204,008)</b>
Total OPEB Liability, beginning	<b>5,544,022</b>	5,198,705	6,056,980	5,655,229	6,496,511	6,159,483	6,363,491
Total OPEB Liability, ending	<b>\$ 5,087,591</b>	\$ 5,544,022	\$ 5,198,705	\$ 6,056,980	\$ 5,655,229	\$ 6,496,511	\$ 6,159,483
Covered-Employee Payroll	<b>\$ 30,341,396</b>	\$ 26,356,670	\$ 25,713,825	\$ 24,832,831	\$ 24,227,152	\$ 26,908,871	\$ 26,252,557
Total OPEB Liability as a Percentage of Covered-Employee Payroll	<b>16.77%</b>	21.03%	20.22%	24.39%	23.34%	24.14%	23.46%

\* This schedule is to be built prospectively until it contains 10 years of data.

See Notes to Required Supplementary Information.

**CITY OF CHEYENNE, WYOMING**

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

**Last 10 Fiscal Years\***

	For the Years Ended June 30,		
	2024	2023	2022
<b>Public Employee Pension Plan</b>			
City of Cheyenne:			
City's proportion of the net pension liability	<b>1.0051%</b>	0.9767%	0.9168%
City's proportionate share of the net pension liability	<b>\$ 22,817,031</b>	\$ 26,691,230	\$ 13,978,778
City's covered payroll	<b>20,215,427</b>	18,346,210	16,727,390
City's proportionate share of the net pension liability as a percentage of its covered payroll	<b>112.87%</b>	145.49%	83.57%
Plan fiduciary net position as a percentage of the total pension liability	<b>80.19%</b>	75.47%	86.03%
Board of Public Utilities:			
Board's proportion of the net pension liability	<b>0.4503%</b>	0.4420%	0.4227%
Board's proportionate share of the net pension liability	<b>\$ 10,221,507</b>	\$ 12,077,735	\$ 6,445,223
Board's covered payroll	<b>9,056,033</b>	8,301,616	7,733,780
Board's proportionate share of the net pension liability as a percentage of its covered payroll	<b>112.87%</b>	145.49%	83.34%
Plan fiduciary net position as a percentage of the total pension liability	<b>80.19%</b>	75.47%	86.03%
<b>Paid Firemen's Pension Plan A</b>			
City's proportion of the net pension liability	<b>28.7744%</b>	29.0116%	28.8783%
City's proportionate share of the net pension liability	<b>\$ 4,465,153</b>	\$ 10,728,086	\$ 28,234,679
City's covered payroll	-	-	-
City's proportionate share of the net pension liability as a percentage of its covered payroll	<b>0.00%</b>	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	<b>89.37%</b>	77.49%	42.90%
<b>Paid Firemen's Pension Plan B</b>			
City's proportion of the net pension liability	<b>23.6567%</b>	23.1454%	23.9001%
City's proportionate share of the net pension (asset) liability	<b>\$ (218,276)</b>	\$ 2,539,061	\$ (3,616,211)
City's covered payroll	<b>8,710,896</b>	7,713,891	7,462,018
City's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	<b>-2.51%</b>	32.92%	-48.46%
Plan fiduciary net position as a percentage of the total pension liability	<b>100.40%</b>	94.92%	107.43%
<b>Law Enforcement Pension Plan</b>			
City's proportion of the net pension liability	<b>4.9182%</b>	5.0311%	4.7314%
City's proportionate share of the net pension liability	<b>\$ 6,643,739</b>	\$ 17,138,843	\$ 13,462,628
City's covered payroll	<b>8,936,214</b>	8,526,214	7,798,663
City's proportionate share of the net pension liability as a percentage of its covered payroll	<b>74.35%</b>	201.01%	172.63%
Plan fiduciary net position as a percentage of the total pension liability	<b>86.90%</b>	70.30%	75.62%

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

See Notes to Required Supplementary Information.

For the Years Ended June 30,

	2021	2020	2019	2018	2017	2016	2015
	0.9125%	0.9757%	0.9450%	0.9312%	0.9045%	0.8842%	0.8850%
\$	19,831,406	\$ 22,928,084	\$ 28,778,132	\$ 21,224,141	\$ 21,868,666	\$ 20,595,553	\$ 15,618,025
	16,629,106	17,353,726	16,446,362	16,362,135	16,333,427	15,933,164	15,449,954
	119.26%	132.12%	174.98%	129.71%	133.89%	129.26%	101.09%
	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%
	0.4144%	0.4209%	0.4178%	0.4072%	0.3979%	0.3838%	0.3621%
\$	9,005,488	\$ 9,890,047	\$ 12,722,850	\$ 9,280,567	\$ 9,619,011	\$ 8,940,291	\$ 6,390,668
	7,636,289	7,604,611	7,409,311	7,177,501	7,127,606	6,855,922	6,307,367
	117.93%	130.05%	171.71%	129.30%	134.95%	130.40%	101.32%
	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%
	29.2606%	29.2792%	30.1135%	29.9816%	30.1332%	29.1245%	29.8597%
\$	94,742,430	\$ 76,294,294	\$ 68,357,664	\$ 67,077,510	\$ 55,286,196	\$ 54,012,637	\$ 49,145,415
	-	-	-	-	-	-	-
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	21.77%	27.32%	29.99%	34.28%	38.91%	40.05%	45.95%
	23.8262%	24.9421%	24.5705%	24.3574%	23.4759%	23.5543%	24.4894%
\$	(555,157)	\$ 1,772,750	\$ 5,155,687	\$ 10,043,721	\$ 7,409,315	\$ 7,201,639	\$ (275,411)
	7,188,555	7,006,469	6,891,466	6,552,239	6,603,344	6,432,467	6,532,467
	-7.72%	25.30%	74.81%	153.29%	112.21%	111.96%	-4.22%
	101.27%	95.93%	87.07%	77.98%	80.16%	79.33%	100.98%
	4.6288%	4.9682%	4.9257%	4.7984%	4.5225%	4.4224%	4.4884%
\$	3,153,265	\$ 4,282,566	\$ 11,923,758	\$ 4,128,778	\$ 3,414,154	\$ 3,322,120	\$ 1,322,464
	7,971,757	8,687,750	7,735,333	7,450,974	7,077,700	6,933,372	6,936,457
	39.56%	49.29%	154.15%	55.41%	48.24%	47.91%	19.07%
	91.82%	89.05%	71.22%	87.99%	88.11%	87.49%	94.76%

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF THE CITY'S CONTRIBUTIONS  
Last 10 Fiscal Years**

	For the Years Ended June 30,			
	2024	2023	2022	2021
<b>Public Employee Pension Plan</b>				
City of Cheyenne:				
Statutorily required contribution	\$ 2,010,269	\$ 1,802,219	\$ 1,641,531	\$ 1,487,050
Contribution in relation to the statutorily required contribution	2,010,269	1,802,219	1,641,531	1,487,050
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
City's covered-employee payroll	\$ 21,454,307	\$ 19,233,924	\$ 17,519,004	\$ 16,305,375
Contributions as a percentage of covered-employee payroll	9.37%	9.37%	9.37%	9.12%
Board of Public Utilities:				
Statutorily required contribution	\$ 873,566	\$ 816,577	\$ 744,272	\$ 694,066
Contribution in relation to the statutorily required contribution	873,566	816,577	744,272	694,066
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Board's covered-employee payroll	\$ 9,323,005	\$ 8,714,807	\$ 7,943,134	\$ 7,610,377
Contributions as a percentage of covered-employee payroll	9.37%	9.37%	9.37%	9.12%
<b>Paid Firemen's Pension Plan A</b>				
Statutorily required contribution	\$ -	\$ -	\$ -	\$ -
Contribution in relation to the statutorily required contribution	-	-	-	-
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
City's covered-employee payroll	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%
<b>Paid Firemen's Pension Plan B</b>				
Statutorily required contribution	\$ 1,498,379	\$ 1,294,061	\$ 1,126,299	\$ 1,007,536
Contribution in relation to the statutorily required contribution	1,498,379	1,294,061	1,126,299	1,007,536
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
City's covered-employee payroll	\$ 9,364,869	\$ 8,087,879	\$ 7,508,661	\$ 7,196,688
Contributions as a percentage of covered-employee payroll	16.00%	16.00%	15.00%	14.00%
<b>Law Enforcement Pension Plan</b>				
Statutorily required contribution	\$ 792,566	\$ 745,045	\$ 709,951	\$ 671,684
Contribution in relation to the statutorily required contribution	792,566	745,045	709,951	671,684
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
City's covered-employee payroll	\$ 9,215,885	\$ 8,663,616	\$ 8,255,241	\$ 7,810,280
Contributions as a percentage of covered-employee payroll	8.60%	8.60%	8.60%	8.60%

See Notes to Required Supplementary Information.

For the Years Ended June 30,

	2020	2019	2018	2017	2016	2015
\$	1,523,725	\$ 1,453,409	\$ 1,370,762	\$ 1,427,569	\$ 1,372,651	\$ 1,203,890
	1,523,725	1,453,409	1,370,762	1,427,569	1,372,651	1,203,890
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	17,178,405	\$ 16,940,902	\$ 16,377,083	\$ 16,694,692	\$ 16,220,390	\$ 15,660,040
	8.87%	8.58%	8.37%	8.55%	8.46%	7.69%
\$	678,924	\$ 645,547	\$ 608,519	\$ 602,689	\$ 586,407	\$ 512,031
	678,924	645,547	608,519	602,689	586,407	512,031
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	7,654,160	\$ 7,524,834	\$ 7,270,239	\$ 7,200,585	\$ 7,006,054	\$ 6,719,564
	8.87%	8.58%	8.37%	8.37%	8.37%	7.62%
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$	945,164	\$ 836,796	\$ 802,935	\$ 785,180	\$ 772,527	\$ 783,023
	945,164	836,796	802,935	785,180	772,527	783,023
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	7,270,489	\$ 6,973,302	\$ 6,691,128	\$ 6,543,169	\$ 6,437,727	\$ 6,525,189
	13.00%	12.00%	12.00%	12.00%	12.00%	12.00%
\$	681,867	\$ 688,842	\$ 652,267	\$ 618,944	\$ 605,058	\$ 591,129
	681,867	688,842	652,267	618,944	605,058	591,129
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	7,928,697	\$ 8,009,795	\$ 7,584,494	\$ 7,197,025	\$ 7,035,554	\$ 6,873,586
	8.60%	8.60%	8.60%	8.60%	8.60%	8.60%



## CITY OF CHEYENNE, WYOMING

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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#### Note 1. Budget Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (U.S. GAAP) for all governmental funds, with the exception of certain pass-through funds not reported on the budgetary basis. All annual appropriations lapse at fiscal year-end.

Prior to May 15, the Treasurer of the City of Cheyenne, Wyoming (the City) 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 between the second and third Tuesdays in June to obtain public comments. Within 24 hours of the public hearing, the governing body adopts the budget.

At the request of the City Treasurer, or upon its own motion after the 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, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds, the Proprietary Funds, and the Permanent Fund. The amounts reported as the original budgeted amounts in the budgetary comparison schedule reflect appropriation in the first appropriated budget. The amounts reported as the final budgeted amounts in the budgetary comparison schedule represent the final appropriation amounts, including all supplemental appropriations.

#### Note 2. Explanation of Differences Between Budgetary Basis and U.S. GAAP Basis Revenues and Expenditures

	<u>General Fund</u>
Revenues:	
Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 79,619,966
Differences, budgetary to U.S. GAAP:	
Adjustments to include various pass-through funds included in the General Fund on the U.S. GAAP basis	<u>226,187</u>
<b>Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b><u><u>\$ 79,846,153</u></u></b>
Expenditures:	
Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 68,611,161
Differences, budgetary to U.S. GAAP:	
Adjustments to include various pass-through funds included in the General Fund on the U.S. GAAP basis	<u>552,975</u>
<b>Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b><u><u>\$ 69,164,136</u></u></b>

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**Note 3. Explanation of Changes in Retirement Commitments - Wyoming Retirement System (WRS)**

**Changes in benefit terms:** There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2023 measurement date.

**Changes in assumptions:** Healthcare trend rates were updated, along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the WRS’s December 31, 2020 actuarial experience study. Further, there have been various assumption changes from the initial measurement date reflected below through the December 31, 2023 measurement date, as indicated in the tables below:

Pension Plan Discount Rates				
Measurement Date (WRS Year Ended)	Public	Law	Paid Firemen’s Pension Plan A	Paid Firemen’s Pension Plan B
	Employee Pension Plan	Enforcement Pension Plan		
2014	7.75%	7.75%	4.47%	7.75%
2015	7.75%	7.75%	4.25%	6.52%
2016	7.75%	7.75%	4.38%	6.59%
2017	7.00%	7.00%	3.75%	5.65%
2018	7.00%	5.92%	4.01%	7.00%
2019	7.00%	7.00%	3.09%	7.00%
2020	7.00%	7.00%	1.95%	7.00%
2021	6.80%	5.17%	6.80%	6.80%
2022	6.80%	5.53%	6.80%	6.80%
<b>2023</b>	<b>6.80%</b>	<b>6.80%</b>	<b>6.80%</b>	<b>6.80%</b>

Pension Plan Investment Rates of Return				
Measurement Date (WRS Year Ended)	Public	Law	Paid Firemen’s Pension Plan A	Paid Firemen’s Pension Plan B
	Employee Pension Plan	Enforcement Pension Plan		
2014	7.75%	7.75%	7.75%	7.75%
2015	7.75%	7.75%	7.75%	7.75%
2016	7.75%	7.75%	4.38%	6.59%
2017	7.75%	7.75%	7.75%	7.75%
2018	7.00%	7.00%	7.00%	7.00%
2019	7.00%	7.00%	7.00%	7.00%
2020	7.00%	7.00%	1.00%	7.00%
2021	6.80%	6.80%	6.80%	6.80%
2022	6.80%	6.80%	6.80%	6.80%
<b>2023</b>	<b>6.80%</b>	<b>6.80%</b>	<b>6.80%</b>	<b>6.80%</b>

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**Note 3. Explanation of Changes in Retirement Commitments - Wyoming Retirement System (WRS), *Continued***

Pension Plan Inflation Rates				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	3.25%	3.25%	3.25%	3.25%
2015	3.25%	3.25%	3.25%	3.25%
2016	3.25%	3.25%	3.25%	3.25%
2017	3.25%	3.25%	3.25%	3.25%
2018	2.25%	2.25%	2.25%	2.25%
2019	2.25%	2.25%	2.25%	2.25%
2020	2.25%	2.25%	2.25%	2.25%
2021	2.25%	2.25%	2.25%	2.25%
2022	2.25%	2.25%	2.25%	2.25%
<b>2023</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>	<b>2.25%</b>

Pension Plan Salary Increase Rates (Including Inflation)				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2015	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2016	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2017	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2018	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2019	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2020	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2021	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2022	2.50%-6.50%	5.25%-9.25%	4.50%	4.50%-7.50%
<b>2023</b>	<b>2.50%-6.50%</b>	<b>5.25%-9.25%</b>	<b>4.50%</b>	<b>4.50%-7.50%</b>

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

**Note 3. Explanation of Changes in Retirement Commitments - Wyoming Retirement System (WRS), *Continued***

Pension Plan Payroll Growth Rates				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	4.25%	4.25%	0.00%	4.25%
2015	4.25%	4.25%	0.00%	4.25%
2016	4.25%	4.25%	0.00%	4.25%
2017	4.25%	4.25%	0.00%	4.25%
2018	2.50%	2.50%	0.00%	2.50%
2019	2.50%	2.50%	0.00%	2.50%
2020	2.50%	2.50%	0.00%	2.50%
2021	2.50%	2.50%	0.00%	2.50%
2022	2.50%	2.50%	0.00%	2.50%
<b>2023</b>	<b>2.50%</b>	<b>2.50%</b>	<b>0.00%</b>	<b>2.50%</b>

Cost of Living Increases				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	0.00%	0.00%	3.00%	0.00%
2015	0.00%	0.00%	3.00%	0.00%
2016	0.00%	0.00%	3.00%	0.00%
2017	0.00%	0.00%	3.00%	0.00%
2018	0.00%	0.00%	3.00%	0.00%
2019	0.00%	0.00%	3.00%	0.00%
2020	0.00%	0.00%	3.00%	0.00%
2021	0.00%	0.00%	3.00%	0.00%
2022	0.00%	0.00%	0.00%	0.00%
<b>2023</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

**Note 4. Explanation of Changes in the Other Postemployment Benefits (OPEB) Commitment**

The City of Cheyenne Retiree Health Care Plan administered by the City does not have assets accumulated in trust.

Following are changes in the OPEB liability valuation:

**Changes in benefit terms:** There were no changes in benefit terms between the initial measurement date and the June 30, 2024 measurement date.

**CITY OF CHEYENNE, WYOMING**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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**Note 4. Explanation of Changes in the Other Postemployment Benefits (OPEB) Commitment,**  
*Continued*

**Changes in assumptions:** With the exception of the discount rate, there have been no changes in assumptions between the initial measurement date and the June 30, 2024 measurement date. The discount rate for each measurement date is as follows:

<u>Measurement Date</u>	<u>Discount Rate</u>
2018	3.62%
2019	3.13%
2020	2.45%
2021	1.92%
2022	3.69%
2023	3.86%
<b>2024</b>	<b>3.97%</b>

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

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special Revenue Funds are used to account for specific revenue resources that are legally restricted or committed to expenditure for particular purposes.

**Weed and Pest Control:** Accounts for monies received by the City of Cheyenne, Wyoming (the City) from a general county tax levy to administer a program for weed and pest control.

**Youth Alternative Grants:** Accounts for monies received by the City from various agencies to administer a program for youth.

**Juvenile Justice:** Accounts for a program that assists youth in trouble.

**Special Friends:** Accounts for a program that brings adults together with young people.

**Community Development Block Grant:** Accounts for funds given to various entities that assist low-income individuals.

**Law Enforcement Block Grant:** Accounts for funds received by the police department to administer various programs.

**Transportation Planning:** Accounts for funds used for the planning of streets and other transportation projects.

**Urban Mass Transportation Administration (UMTA) Transit Grant:** Accounts for funds used to provide public transportation.

**Local and State Grants:** Accounts for revenue received from various agencies to administer local and state programs.

**Recreation Programs:** Accounts for monies received by the City from various recreation programs to administer these programs.

**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 homeowners through the Neighborhood Housing Service. When the agency closed, the loans were turned over to the City. Monies collected from homeowners who received low-interest rehabilitation loans through the Cheyenne Redevelopment Agency are also in this fund.

**Revolving Real Property:** Accounts for proceeds received from the sale of any surplus real property to be used only for the acquisition or construction of new real property for the City.

## **NONMAJOR GOVERNMENTAL FUNDS, *Continued***

### **Special Revenue Funds, *Continued***

**Belvoir Ranch Recreation:** Accounts for monies collected from the wind energy lease with NextEra Energy to be used for planning, developing, and maintaining recreation facilities and opportunities at the Belvoir Ranch and Big Hole properties.

### **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 the construction of youth alternatives projects.

**Athletic Facilities:** Accounts for improvements to City parks and recreation facilities.

**Development Impact Fees:** Accounts for fees received by the City to administer specific functions required of the City.

### **Permanent Fund**

The Permanent Fund is 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 the perpetual care of the City's cemetery. The fund receives \$400 each time a cemetery lot is purchased.



**CITY OF CHEYENNE, WYOMING**

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**

**June 30, 2024**

	Special Revenue Funds						
	Weed and Pest Control	Youth Alternative Grants	Juvenile Justice	Special Friends	Community Development Block Grant	Law Enforcement Block Grant	Transportation Planning
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ -	\$ 206,654	\$ 28,466	\$ 124,125	\$ 1,682	\$ 11,685	\$ 2,356
Investments, at fair value	-	750,944	189,347	-	-	-	-
Cash and Cash Equivalents, restricted	439,018	-	-	-	-	-	-
Investments, restricted	540,954	-	-	-	-	-	-
Receivables							
Accrued interest	-	-	-	-	-	-	-
Customers	-	-	-	2,902	-	-	-
Due From Other Governments	-	102,714	37,500	-	9,302	64,920	139,204
Prepaid Expenditures	3,666	-	-	-	-	453	10,489
<b>Total assets</b>	<b>\$ 983,638</b>	<b>\$ 1,060,312</b>	<b>\$ 255,313</b>	<b>\$ 127,027</b>	<b>\$ 10,984</b>	<b>\$ 77,058</b>	<b>\$ 152,049</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ 26,790	\$ 15,024	\$ 2,608	\$ 1,191	\$ 8,887	\$ 6,791	\$ 27,109
Accrued salaries	2,329	918	-	-	-	146	-
Due to other funds	-	-	-	-	-	-	115,000
Unearned revenue	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>29,119</b>	<b>15,942</b>	<b>2,608</b>	<b>1,191</b>	<b>8,887</b>	<b>6,937</b>	<b>142,109</b>
<b>Deferred Inflows of Resources</b>							
	-	-	-	-	-	-	-
<b>Fund Balances</b>							
Nonspendable	3,666	-	-	-	-	453	10,489
Restricted	950,853	-	-	-	2,097	69,668	97,049
Committed	-	1,044,370	-	-	-	-	-
Assigned	-	-	252,705	125,836	-	-	-
Unassigned	-	-	-	-	-	-	(97,598)
<b>Total fund balances</b>	<b>954,519</b>	<b>1,044,370</b>	<b>252,705</b>	<b>125,836</b>	<b>2,097</b>	<b>70,121</b>	<b>9,940</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 983,638</b>	<b>\$ 1,060,312</b>	<b>\$ 255,313</b>	<b>\$ 127,027</b>	<b>\$ 10,984</b>	<b>\$ 77,058</b>	<b>\$ 152,049</b>

*Continued*

**CITY OF CHEYENNE, WYOMING**

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS, *Continued***  
**June 30, 2024**

	Special Revenue Funds						
	UMTA Transit Grant	Local and State Grants	Recreation Programs	Annexation Improvements	Housing Loans	Revolving Real Property	Belvoir Ranch Recreation
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 171,722	\$ 868	\$ 588,343	\$ 23,427	\$ 25,778	\$ 57,043	\$ 191,868
Investments, at fair value	-	-	1,404,480	327,234	188,770	564,560	659,294
Cash and Cash Equivalents, restricted	-	-	-	-	-	-	-
Investments, restricted	-	-	-	-	-	-	-
Receivables							
Accrued interest	-	-	-	-	-	-	-
Customers	221,458	1,331	72,086	-	-	-	-
Due From Other Governments	126,724	275,585	-	-	-	-	86,895
Prepaid Expenditures	-	-	1,489	-	-	-	-
<b>Total assets</b>	<b>\$ 519,904</b>	<b>\$ 277,784</b>	<b>\$ 2,066,398</b>	<b>\$ 350,661</b>	<b>\$ 214,548</b>	<b>\$ 621,603</b>	<b>\$ 938,057</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable	\$ 34,917	\$ 2,327	\$ 87,386	\$ 59,231	\$ -	\$ -	\$ 69,872
Accrued salaries	10,266	-	39,118	-	-	-	-
Due to other funds	231,000	85,000	-	-	-	-	-
Unearned revenue	-	190,457	75,323	-	-	-	-
<b>Total liabilities</b>	<b>276,183</b>	<b>277,784</b>	<b>201,827</b>	<b>59,231</b>	<b>-</b>	<b>-</b>	<b>69,872</b>
<b>Deferred Inflows of Resources</b>							
	-	-	-	-	-	-	-
<b>Fund Balances</b>							
Nonspendable	-	-	1,489	-	-	-	-
Restricted	243,721	64,524	-	-	214,548	-	-
Committed	-	-	1,863,082	250,000	-	621,603	868,185
Assigned	-	-	-	41,430	-	-	-
Unassigned	-	(64,524)	-	-	-	-	-
<b>Total fund balances</b>	<b>243,721</b>	<b>-</b>	<b>1,864,571</b>	<b>291,430</b>	<b>214,548</b>	<b>621,603</b>	<b>868,185</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 519,904</b>	<b>\$ 277,784</b>	<b>\$ 2,066,398</b>	<b>\$ 350,661</b>	<b>\$ 214,548</b>	<b>\$ 621,603</b>	<b>\$ 938,057</b>

*Continued*

**CITY OF CHEYENNE, WYOMING**

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS, *Continued***  
**June 30, 2024**

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Youth Alternatives	Athletic Facilities	Development Impact Fees	Cemetery Perpetual Care	
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 22,736	\$ 182,352	\$ 370,751	\$ 30,842	\$ 2,040,698
Investments, at fair value	-	748,195	4,171,787	815,113	9,819,724
Cash and Cash Equivalents, restricted	-	-	-	-	439,018
Investments, restricted	-	-	-	-	540,954
Receivables					
Accrued interest	-	-	4,152	1,107	5,259
Customers	-	10,768	-	-	308,545
Due From Other Governments	-	-	-	-	842,844
Prepaid Expenditures	-	15,738	-	-	31,835
<b>Total assets</b>	<b>\$ 22,736</b>	<b>\$ 957,053</b>	<b>\$ 4,546,690</b>	<b>\$ 847,062</b>	<b>\$ 14,028,877</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 3,783	\$ 6,682	\$ 9,391	\$ -	\$ 361,989
Accrued salaries	-	-	-	-	52,777
Due to other funds	-	-	-	-	431,000
Unearned revenue	-	-	482,572	-	748,352
<b>Total liabilities</b>	<b>3,783</b>	<b>6,682</b>	<b>491,963</b>	<b>-</b>	<b>1,594,118</b>
Deferred Inflows of Resources					
	-	-	-	-	-
Fund Balances					
Nonspendable	-	15,738	-	-	31,835
Restricted	-	-	-	847,062	2,489,522
Committed	-	934,633	4,054,727	-	9,636,600
Assigned	18,953	-	-	-	438,924
Unassigned	-	-	-	-	(162,122)
<b>Total fund balances</b>	<b>18,953</b>	<b>950,371</b>	<b>4,054,727</b>	<b>847,062</b>	<b>12,434,759</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 22,736</b>	<b>\$ 957,053</b>	<b>\$ 4,546,690</b>	<b>\$ 847,062</b>	<b>\$ 14,028,877</b>

**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS  
Year Ended June 30, 2024**

	Special Revenue Funds						
	Weed and Pest Control	Youth Alternative Grants	Juvenile Justice	Special Friends	Community Development Block Grant	Law Enforcement Block Grant	Transportation Planning
<b>Revenues</b>							
Intergovernmental	\$ 640,364	\$ 836,610	\$ 150,000	\$ 50,000	\$ 406,946	\$ 425,949	\$ 895,029
Charges for services	-	-	-	-	-	-	-
Investment income	27,156	33,949	9,558	213	-	-	2
Miscellaneous	2,076	21,441	3,779	26,142	-	47,223	-
<b>Total revenues</b>	<b>669,596</b>	<b>892,000</b>	<b>163,337</b>	<b>76,355</b>	<b>406,946</b>	<b>473,172</b>	<b>895,031</b>
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	585,017	135,729	-	-	589,468	-
Public works	-	-	-	-	-	-	940,713
Health and welfare	526,298	43,799	-	48,554	406,946	-	-
Recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal retirements	-	-	-	-	-	-	-
Interest payments	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>526,298</b>	<b>628,816</b>	<b>135,729</b>	<b>48,554</b>	<b>406,946</b>	<b>589,468</b>	<b>940,713</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>143,298</b>	<b>263,184</b>	<b>27,608</b>	<b>27,801</b>	<b>-</b>	<b>(116,296)</b>	<b>(45,682)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	-	-	-	122,188	44,683
Transfers out	-	-	-	-	-	-	-
Proceeds from sales of assets	-	-	-	-	-	-	489
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>122,188</b>	<b>45,172</b>
<b>Net change in fund balances (deficits)</b>	<b>143,298</b>	<b>263,184</b>	<b>27,608</b>	<b>27,801</b>	<b>-</b>	<b>5,892</b>	<b>(510)</b>
Fund Balances (Deficits), beginning of year	811,221	781,186	225,097	98,035	2,097	64,229	10,450
Fund Balances, end of year	\$ 954,519	\$ 1,044,370	\$ 252,705	\$ 125,836	\$ 2,097	\$ 70,121	\$ 9,940

*Continued*

**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS, *Continued*  
Year Ended June 30, 2024**

	Special Revenue Funds						
	UMTA Transit Grant	Local and State Grants	Recreation Programs	Annexation Improvements	Housing Loans	Revolving Real Property	Belvoir Ranch Recreation
<b>Revenues</b>							
Intergovernmental	\$ 2,283,990	\$ 167,503	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	16,327	-	2,178,143	137,662	-	-	-
Investment income	69	-	86,935	16,392	13,591	33,461	30,434
Miscellaneous	245,402	1,296,684	94,912	-	3,467	-	391,382
<b>Total revenues</b>	<b>2,545,788</b>	<b>1,464,187</b>	<b>2,359,990</b>	<b>154,054</b>	<b>17,058</b>	<b>33,461</b>	<b>421,816</b>
<b>Expenditures</b>							
Current:							
General government	-	9,734	-	34,893	-	-	116,383
Public safety	-	-	-	-	-	-	-
Public works	2,640,742	-	-	-	-	-	-
Health and welfare	-	-	-	-	154,691	-	-
Recreation	-	-	2,492,939	-	-	-	-
Capital outlay	-	167,183	-	-	-	-	-
Debt service:							
Principal retirements	-	1,712,945	-	-	-	-	-
Interest payments	-	9,734	-	-	-	-	-
<b>Total expenditures</b>	<b>2,640,742</b>	<b>1,899,596</b>	<b>2,492,939</b>	<b>34,893</b>	<b>154,691</b>	<b>-</b>	<b>116,383</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(94,954)</b>	<b>(435,409)</b>	<b>(132,949)</b>	<b>119,161</b>	<b>(137,633)</b>	<b>33,461</b>	<b>305,433</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	341,000	-	44,500	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Proceeds from sales of assets	1,395	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>342,395</b>	<b>-</b>	<b>44,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances (deficits)</b>	<b>247,441</b>	<b>(435,409)</b>	<b>(88,449)</b>	<b>119,161</b>	<b>(137,633)</b>	<b>33,461</b>	<b>305,433</b>
Fund Balances (Deficits), beginning of year	(3,720)	435,409	1,953,020	172,269	352,181	588,142	562,752
Fund Balances, end of year	\$ 243,721	\$ -	\$ 1,864,571	\$ 291,430	\$ 214,548	\$ 621,603	\$ 868,185

*Continued*

**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
NONMAJOR GOVERNMENTAL FUNDS, *Continued*  
Year Ended June 30, 2024**

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Youth Alternatives	Athletic Facilities	Development Impact Fees	Cemetery Perpetual Care	
<b>Revenues</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 5,856,391
Charges for services	-	343,500	1,981,804	-	4,657,436
Investment income	41	41,069	155,944	26,605	475,419
Miscellaneous	5,277	-	-	13,121	2,150,906
<b>Total revenues</b>	<b>5,318</b>	<b>384,569</b>	<b>2,137,748</b>	<b>39,726</b>	<b>13,140,152</b>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	161,010
Public safety	4,890	-	-	-	1,315,104
Public works	-	-	-	-	3,581,455
Health and welfare	-	-	-	-	1,180,288
Recreation	-	32,751	929,023	-	3,454,713
Capital outlay	-	334,668	119,318	-	621,169
Debt service:					
Principal retirements	-	-	-	-	1,712,945
Interest payments	-	-	-	-	9,734
<b>Total expenditures</b>	<b>4,890</b>	<b>367,419</b>	<b>1,048,341</b>	<b>-</b>	<b>12,036,418</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>428</b>	<b>17,150</b>	<b>1,089,407</b>	<b>39,726</b>	<b>1,103,734</b>
<b>Other Financing Sources (Uses)</b>					
Transfers in	-	-	-	-	552,371
Transfers out	-	-	-	(26,605)	(26,605)
Proceeds from sales of assets	-	16,793	-	-	18,677
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>16,793</b>	<b>-</b>	<b>(26,605)</b>	<b>544,443</b>
<b>Net change in fund balances (deficits)</b>	<b>428</b>	<b>33,943</b>	<b>1,089,407</b>	<b>13,121</b>	<b>1,648,177</b>
Fund Balances (Deficits), beginning of year	18,525	916,428	2,965,320	833,941	10,786,582
Fund Balances, end of year	\$ 18,953	\$ 950,371	\$ 4,054,727	\$ 847,062	\$ 12,434,759

## **NONMAJOR PROPRIETARY FUNDS**

### **Business-Type Activities**

Proprietary funds are used to account for business-type activities that 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 POSITION -  
NONMAJOR PROPRIETARY FUNDS**

**June 30, 2024**

	Civic Center	Ice and Events Center	Total Nonmajor Proprietary Funds
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	\$ 83	\$ 156,026	\$ 156,109
Investments	-	40,660	40,660
Receivables:			
Accounts - customers	-	4,468	4,468
Prepaid expenses	16,838	1,462	18,300
<b>Total current assets</b>	<b>16,921</b>	<b>202,616</b>	<b>219,537</b>
Noncurrent Assets			
Capital assets being depreciated:			
Land	-	346,861	346,861
Machinery and equipment	917,466	385,900	1,303,366
Transportation equipment	-	12,872	12,872
Buildings and improvements	4,182,001	3,390,349	7,572,350
Office furniture and equipment	283,496	37,712	321,208
Accumulated depreciation	(4,363,265)	(1,947,064)	(6,310,329)
<b>Total noncurrent assets</b>	<b>1,019,698</b>	<b>2,226,630</b>	<b>3,246,328</b>
<b>Total assets</b>	<b>1,036,619</b>	<b>2,429,246</b>	<b>3,465,865</b>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	46,375	26,245	72,620
Unearned revenue	42,420	-	42,420
Due to other funds	51,000	-	51,000
Accrued salaries, including vacation and sick leave	41,554	26,210	67,764
<b>Total current liabilities</b>	<b>181,349</b>	<b>52,455</b>	<b>233,804</b>
Noncurrent Liabilities			
Accrued compensated absences	18,931	6,165	25,096
<b>Total noncurrent liabilities</b>	<b>18,931</b>	<b>6,165</b>	<b>25,096</b>
<b>Total liabilities</b>	<b>200,280</b>	<b>58,620</b>	<b>258,900</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,019,698	2,226,630	3,246,328
Unrestricted	(183,359)	143,996	(39,363)
<b>Total net position</b>	<b>\$ 836,339</b>	<b>\$ 2,370,626</b>	<b>\$ 3,206,965</b>



**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF REVENUES,  
EXPENSES, AND CHANGES IN FUND NET  
POSITION - NONMAJOR PROPRIETARY FUNDS  
Year Ended June 30, 2024**

	Civic Center	Ice and Events Center	Total Nonmajor Proprietary Funds
Operating Revenues			
Sales and charges for services	\$ 979,788	\$ 592,808	\$ 1,572,596
Fees and miscellaneous	84,041	13	84,054
<b>Total operating revenues</b>	<b>1,063,829</b>	<b>592,821</b>	<b>1,656,650</b>
Operating Expenses			
Administrative and general	1,735,480	646,738	2,382,218
Parts and supplies	31,095	31,966	63,061
Intra-city charges	-	3,506	3,506
Depreciation	130,886	138,741	269,627
<b>Total operating expenses</b>	<b>1,897,461</b>	<b>820,951</b>	<b>2,718,412</b>
<b>Operating (loss)</b>	<b>(833,632)</b>	<b>(228,130)</b>	<b>(1,061,762)</b>
Nonoperating Income			
Investment income:			
Interest income	-	856	856
<b>Total nonoperating income</b>	<b>-</b>	<b>856</b>	<b>856</b>
<b>(Loss) before transfers and contributions</b>	<b>(833,632)</b>	<b>(227,274)</b>	<b>(1,060,906)</b>
Donated Assets	301,735	86,926	388,661
Transfers In	705,000	369,270	1,074,270
<b>Change in net position</b>	<b>173,103</b>	<b>228,922</b>	<b>402,025</b>
Net Position, beginning of year	663,236	2,141,704	2,804,940
Net Position, end of year	\$ 836,339	\$ 2,370,626	\$ 3,206,965

**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF CASH FLOWS -  
NONMAJOR PROPRIETARY FUNDS**

**Year Ended June 30, 2024**

	Civic Center	Ice and Events Center	Total Nonmajor Proprietary Funds
<b>Cash Flows From Operating Activities</b>			
Cash received from customers	\$ 1,089,510	\$ 589,933	\$ 1,679,443
Cash payments to suppliers	(1,136,266)	(252,113)	(1,388,379)
Cash payments to employees	(618,319)	(416,121)	(1,034,440)
<b>Net cash (used in) operating activities</b>	<b>(665,075)</b>	<b>(78,301)</b>	<b>(743,376)</b>
<b>Cash Flows From Noncapital Financing Activities</b>			
(Payments on) amounts due to other funds	(41,000)	-	(41,000)
Transfers from other funds	705,000	369,270	1,074,270
<b>Net cash provided by noncapital financing activities</b>	<b>664,000</b>	<b>369,270</b>	<b>1,033,270</b>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Acquisition of capital assets	(2)	(106,155)	(106,157)
<b>Net cash (used in) capital and related financing activities</b>	<b>(2)</b>	<b>(106,155)</b>	<b>(106,157)</b>
<b>Cash Flows From Investing Activities</b>			
Interest on cash accounts and investments	-	856	856
Purchase of investments	-	(40,660)	(40,660)
<b>Net cash (used in) investing activities</b>	<b>-</b>	<b>(39,804)</b>	<b>(39,804)</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(1,077)</b>	<b>145,010</b>	<b>143,933</b>
Cash and Cash Equivalents, beginning of year	1,160	11,016	12,176
Cash and Cash Equivalents, end of year	\$ 83	\$ 156,026	\$ 156,109
<b>Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities</b>			
Operating (loss)	\$ (833,632)	\$ (228,130)	\$ (1,061,762)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:			
Depreciation	130,886	138,741	269,627
(Decrease) increase in cash and cash equivalents resulting from changes in operating assets and liabilities:			
Receivables	2,650	(2,888)	(238)
Prepaid expenses	(1,727)	(1,012)	(2,739)
Accounts payable	4,346	9,993	14,339
Accrued salaries, including vacation and sick leave	9,371	4,995	14,366
Unearned revenue	23,031	-	23,031
<b>Net cash (used in) operating activities</b>	<b>\$ (665,075)</b>	<b>\$ (78,301)</b>	<b>\$ (743,376)</b>
<b>Noncash Investing, Capital and Noncapital Financing Activities</b>			
Donated asset acquisitions	\$ 301,735	\$ 86,926	\$ 388,661

## **FIDUCIARY FUNDS**

### **Custodial Funds**

Custodial Funds are used to report balances and activities for deposits and investments entrusted to the City as an agent of others.

**Urban Renewal Authority:** Accounts for tax increment financing proceeds held for use by the Urban Renewal Authority.

**Miscellaneous Custodial:** Accounts for assets held by the City as an agent for private and public organizations.

**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION -  
FIDUCIARY FUNDS**

**June 30, 2024**

	Urban Renewal Authority Fund	Miscellaneous Custodial Fund	Total Custodial Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 37,152	\$ 151,784	\$ 188,936
Investments, at fair value	-	35,578	35,578
Restricted Assets			
Due from other governments	511	4,400	4,911
Receivables			
Accounts, customers	16,798	-	16,798
<b>Total assets</b>	<u>54,461</u>	<u>191,762</u>	<u>246,223</u>
<b>LIABILITIES</b>			
Accounts Payable	-	2,528	2,528
<b>Total liabilities</b>	<u>-</u>	<u>2,528</u>	<u>2,528</u>
<b>NET POSITION</b>			
Restricted for Organizations	<u>54,461</u>	<u>189,234</u>	<u>243,695</u>
<b>Total net position</b>	<u>\$ 54,461</u>	<u>\$ 189,234</u>	<u>\$ 243,695</u>

**CITY OF CHEYENNE, WYOMING**

**COMBINING STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION - FIDUCIARY  
FUNDS**

**Year Ended June 30, 2024**

	Urban Renewal Authority Fund	Miscellaneous Custodial Fund	Total Custodial Funds
<b>Additions</b>			
Miscellaneous	\$ -	\$ 178,265	\$ 178,265
Property taxes	41,779	-	41,779
Earnings on investments	25	702	727
<b>Total additions</b>	<b>41,804</b>	<b>178,967</b>	<b>220,771</b>
<b>Deductions</b>			
Distributions to organizations	-	16,271	16,271
<b>Total deductions</b>	<b>-</b>	<b>16,271</b>	<b>16,271</b>
<b>Net increase in fiduciary net position</b>	<b>41,804</b>	<b>162,696</b>	<b>204,500</b>
Net Position, beginning of year	12,657	26,538	39,195
Net Position, end of year	<b>\$ 54,461</b>	<b>\$ 189,234</b>	<b>\$ 243,695</b>

**SINGLE AUDIT SECTION**

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Housing and Urban Development:				
U.S. Department of Housing and Urban Development Direct Program:				
Community Development Block Grants - Entitlement/Special Purpose Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218V	N/A	\$ -	\$ 19,679
Community Development Block Grants/Entitlement Grants	14.218	N/A	308,035	387,267
<b>Subtotal Community Development Block Grants - Entitlement/Special Purpose Grants Cluster</b>			<u>308,035</u>	<u>406,946</u>
<b>Total U.S. Department of Housing and Urban Development Direct Programs</b>			<u>308,035</u>	<u>406,946</u>
U.S. Department of Housing and Urban Development Pass-Through Program:				
Pass-through from Wyoming Community Development Authority:				
Home Investment Partnerships Program	14.239	N/A	150,000	150,000
<b>Total U.S. Department of Housing and Urban Development</b>			<u>458,035</u>	<u>556,946</u>
U.S. Department of the Interior:				
Pass-through from Wyoming Department of State Parks and Cultural Resources:				
Historic Preservation Fund Grants-in-Aid	15.904	FY 2022-C	-	1,696
Historic Preservation Fund Grants-in-Aid	15.904	Contract #7878	-	975
Historic Preservation Fund Grants-in-Aid	15.904	56-23-07	-	4,950
<b>Subtotal Historic Preservation Fund Grants-in-Aid</b>			<u>-</u>	<u>7,621</u>
<b>Total U.S. Department of the Interior</b>			<u>-</u>	<u>7,621</u>
U.S. Department of Justice:				
U.S. Department of Justice Direct Programs:				
Law Enforcement Assistance - Narcotics and Dangerous Drugs Training	16.004	Contract #7622	-	52,967
Bulletproof Vest Partnership Program	16.607	FY 2021	-	13,590
Bulletproof Vest Partnership Program	16.607	FY 2023	-	12,631
<b>Subtotal Bulletproof Vest Partnership Program</b>			<u>-</u>	<u>26,221</u>
Public Safety Partnership and Community Police Grants	16.710	2020-V2-GX-0016	-	8,544
<b>Total U.S. Department of Justice Direct Programs</b>			<u>-</u>	<u>87,732</u>
U.S. Department of Justice Pass-Through Programs:				
Pass-through from Wyoming Division of Victim Services:				
Crime Victim Assistance	16.575	15JOVW-21-GG-00549-STOP	-	113,734
Project Safe Neighborhoods	16.609	2019-GP-BX-0058	-	4,188

*Continued*

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued***  
**Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice, <i>Continued</i> :				
U.S. Department of Justice Pass-Through Programs, <i>Continued</i> :				
Pass-through from Laramie County, Wyoming:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02318-JAGX	\$ -	\$ 23,705
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03952-JAGX	-	26,531
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0383	-	4,852
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-02002-JAGX	-	4,161
<b>Subtotal Edward Byrne Memorial Justice Assistance Grant Program</b>			<u>-</u>	<u>59,249</u>
<b>Total U.S. Department of Justice Pass-Through Programs</b>			<u>-</u>	<u>177,171</u>
<b>Total U.S. Department of Justice</b>			<u>-</u>	<u>264,903</u>
U.S. Department of Transportation:				
U.S. Department of Transportation Direct Programs:				
Federal Transit Cluster:				
Federal Transit Formula Grants	20.507	WY-2018-002	-	138,689
Federal Transit Formula Grants	20.507	WY-2023-004	-	917,395
COVID-19 Federal Transit Formula Grants - CARES	20.507	WY-2020-006	-	570,975
<b>Subtotal Federal Transit Cluster</b>			<u>-</u>	<u>1,627,059</u>
<b>Total U.S. Department of Transportation Direct Programs</b>			<u>-</u>	<u>1,627,059</u>
U.S. Department of Transportation Pass-Through Programs:				
Pass-through from Wyoming Department of Transportation:				
Highway Planning and Construction (Safe Routes to School)	20.205	CD23101	<u>-</u>	<u>141,170</u>
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	20.505	N/A	<u>-</u>	<u>850,336</u>
Alcohol Open Container Requirements	20.607	154AL-2023-BI-AL-04	-	29,376
Alcohol Open Container Requirements	20.607	154AL-2024-BI-HV-02	-	30,755
<b>Subtotal Alcohol Open Container Requirements</b>			<u>-</u>	<u>60,131</u>

*Continued*



**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued***  
**Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation, <i>Continued</i> :				
U.S. Department of Transportation Pass-Through Programs, <i>Continued</i> :				
Pass-through from Wyoming Department of Transportation, <i>Continued</i> :				
Highway Safety Cluster:				
State and Community Highway Safety	20.600	OP-2024-BI-OP-01	\$ -	\$ 30,037
State and Community Highway Safety	20.600	OP-2024-BI-OP-01	-	25,353
<b>Subtotal State and Community Highway Safety</b>			<u>-</u>	<u>55,390</u>
National Priority Safety Programs	20.616	M5HVE-2023-BI-HV-02	-	6,046
<b>Subtotal Highway Safety Cluster</b>			<u>-</u>	<u>61,436</u>
<b>Total U.S. Department of Transportation Pass-Through Programs</b>			<u>-</u>	<u>1,113,073</u>
<b>Total U.S. Department of Transportation</b>			<u>-</u>	<u>2,740,132</u>
U.S. Department of the Treasury:				
U.S. Department of the Treasury Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	2,770,984
<b>Total U.S. Department of the Treasury Direct Program</b>			<u>-</u>	<u>2,770,984</u>
U.S. Department of the Treasury Pass-Through Program:				
Pass-through from State of Wyoming Land and Investment Board:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	LG-1223	-	1,000,000
<b>Total U.S. Department of the Treasury Pass-Through Program</b>			<u>-</u>	<u>1,000,000</u>
<b>Total U.S. Department of the Treasury</b>			<u>-</u>	<u>3,770,984</u>
U.S. Environmental Protection Agency:				
U.S. Environmental Protection Agency Direct Programs:				
Climate Pollution Reduction Grants	66.046	00I10301	-	29,057
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	95811521	-	278,765
<b>Total U.S. Environmental Protection Agency Direct Programs</b>			<u>-</u>	<u>307,822</u>
U.S. Environmental Protection Agency Pass-Through Program:				
Pass-through from State of Wyoming Land and Investment Board and administered by City of Cheyenne's Board of Public Utilities:				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	DWSRF-229	-	966,689
<b>Total U.S. Environmental Protection Agency Pass-Through Program</b>			<u>-</u>	<u>966,689</u>
<b>Total U.S. Environmental Protection Agency</b>			<u>-</u>	<u>1,274,511</u>

*Continued*

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued***  
**Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education:				
Pass-through from Wyoming Department of Education:				
Twenty-First Century Community Learning Centers	84.287	Cohort 12	\$ -	\$ 37,382
<b>Total U.S. Department of Education</b>			<u>-</u>	<u>37,382</u>
U.S. Department of Health and Human Services:				
Pass-through from Wyoming Department of Health:				
Aging Cluster:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	Contract #7856	-	106,776
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	Contract #7678	-	114,496
Activities to Support State, Local and Territorial Health (STLT):				
Department Response to Public Health or Healthcare Crises	93.391	Contract #7663	-	17,362
<b>Total U.S. Department of Health and Human Services</b>			<u>-</u>	<u>238,634</u>
Corporation for National and Community Service:				
Corporation for National and Community Service Direct Program:				
Foster Grandparent/Senior Companion Cluster:				
AmeriCorps Seniors Foster Grandparent Program (FGP)	94.011	23SFDW Y002	-	248,785
<b>Total Corporation for National and Community Service</b>			<u>-</u>	<u>248,785</u>
U.S. Department of Homeland Security:				
U.S. Department of Homeland Security Direct Programs:				
Assistance to Firefighters Grant	97.044	EMW-2021-FG-07368	-	20,977
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2021-FF-01992	-	669,980
<b>Total U.S. Department of Homeland Security Direct Programs</b>			<u>-</u>	<u>690,957</u>

*Continued*

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued***  
**Year Ended June 30, 2024**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Homeland Security, <i>Continued</i> :				
U.S. Department of Homeland Security Pass-Through Programs:				
Pass-through from Wyoming Office of Homeland Security:				
Homeland Security Grant Program	97.067	EMW-2021-SS-00015	\$ -	\$ 31,448
Homeland Security Grant Program	97.067	EMW-2023-SS-00061	-	66,716
Homeland Security Grant Program	97.067	EMW-2023-SS-00061	-	51,586
Homeland Security Grant Program	97.067	21-SHSP-RR7-RR-AET	-	10,586
Homeland Security Grant Program	97.067	EMW-2023-SS-00061	-	50,000
Homeland Security Grant Program	97.067	EMW-2022-SS-00077	-	9,570
Homeland Security Grant Program	97.067	EMW-2022-SS-00077	-	128,077
Homeland Security Grant Program	97.067	EMW-2022-SS-00077	-	82,440
<b>Subtotal Homeland Security Grant Program</b>			-	430,423
<b>Total U.S. Department of Homeland Security Pass-Through Programs</b>			-	430,423
<b>Total U.S. Department of Homeland Security</b>			-	1,121,380
<b>Total expenditures of Federal awards</b>			<b>\$ 458,035</b>	<b>\$ 10,261,278</b>

The Notes to Schedule of Expenditures of Federal Awards are an integral part of this Schedule.

## CITY OF CHEYENNE, WYOMING

### NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

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#### **Note 1. Summary of Significant Accounting Policies**

Expenditures reported on the accompanying City of Cheyenne, Wyoming (the City) Schedule of Expenditures of Federal Awards (the Schedule) are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. All programs are administered by the City unless otherwise noted.

#### **Note 2. Indirect Cost Rate**

The City did not elect to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

#### **Note 3. Basis of Presentation**

The Schedule includes the Federal award activity of the City under programs of the Federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the City.



**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***

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

We have audited, 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 (*Government Auditing Standards*), 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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon, dated December 23, 2024. Our report includes a reference to other auditors who audited the financial statements of the Cheyenne Downtown Development Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

**Report on Internal Control Over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of This Report**

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



Cheyenne, Wyoming

December 23, 2024



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Cheyenne, Wyoming’s (the City) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the City’s major Federal programs for the year ended June 30, 2024. The City’s major Federal programs are identified in the Summary of Independent Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of the City’s compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City’s Federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.



Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*McGee, Hearne & Paiz, LLP*

Cheyenne, Wyoming  
December 23, 2024

**CITY OF CHEYENNE, WYOMING**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**Year Ended June 30, 2024**

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**I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major Federal programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency(ies) identified?  Yes  None Reported

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

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?  Yes  No

Identification of major Federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  Yes  No

**II. FINANCIAL STATEMENT FINDINGS**

None.

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None.

**CITY OF CHEYENNE, WYOMING**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**Year Ended June 30, 2024**

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There were no audit findings for the year ended June 30, 2023.