



LARAMIE COUNTY, WYOMING

Annual Financial and Compliance Report

June 30, 2014

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Board of County Commissioners
Laramie County, Wyoming
Cheyenne, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laramie County, Wyoming (the "County"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Cheyenne Regional Medical Center, which represents 92%, 91%, and 96% respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Cheyenne Regional Medical Center, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 8 and the budgetary comparison information on pages 59 – 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining statements of nonmajor funds and discretely presented component units and schedule of expenditures of Federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, 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 March 25, 2015 on our consideration of the County'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 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 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 County's internal control over financial reporting and compliance.

Mc Gee, Hearne & Paiz, LLP

Cheyenne, Wyoming
March 25, 2015

LARAMIE COUNTY, WYOMING

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2014

As management of Laramie County, Wyoming (referred to as "Laramie County" or the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2014.

Financial Highlights

- The assets of Laramie County exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$145,011,557 (*net position*). Of this amount, \$36,239,074 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the year, the County's governmental funds reported combined ending fund balances of \$37,994,499, an increase of \$9,982,406 from the prior year. Of this amount, \$10,391,504 is *available for spending* at the County's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$10,544,025, or 39% of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets and liabilities/deferred inflow of resources, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County'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*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County 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 County include general government, public safety, public works, health, welfare and recreation, and conservation of natural resources. The only business-type activity of the County is the Memorial Hospital of Laramie County (*dba Cheyenne Regional Medical Center*) and is reported as a major discretely presented component unit in this report. The Hospital issues its own financial statements if more detailed financial information about its operations is needed.

The government-wide financial statements can be found on pages 9 - 10 of this report. The statements for the component units can be found on pages 21 - 24 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, 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 County 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, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains 30 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, optional 1% sales tax fund, BRC grants fund, and the road and bridge fund all of which are considered to be major funds. Data from the other 26 governmental funds is 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 County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 11 and 12 and 14 and 15 of this report.

Proprietary funds. The County closed its only proprietary fund and now accounts for insurance costs of retired employees in the general fund.

The basic proprietary fund financial statements can be found on pages 17 - 19 of this report.

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

The basic fiduciary fund financial statements can be found on page 20 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 - 58 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's compliance with required budgetary reporting for certain major funds. Required supplementary information can be found on pages 59 - 70 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining fund statements and schedules can be found on pages 71 - 82 of this report.

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 Laramie County, assets exceed liabilities and deferred inflow of resources by \$145,011,557 as of June 30, 2014.

The increase in current and other assets and the inclusion of deferred inflows of resources on the statement of net position is the result of a change of interpretation of GASB 33 as it relates to the recognition of assets from future property taxes levies. This change was suggested by the current auditor and was confirmed as the correct interpretation of GASB 33 by the Wyoming Department of Audit Public Funds Division. This change has no effect on the County's total net position because none of the recognized property taxes receivable are available or allowed to be used for current expenditure.

The largest portion of the County's net position (75%) is invested in capital assets (e.g., land, buildings, equipment, construction in process, and infrastructure). The County uses capital assets to provide service to its citizens: consequently these assets are not available to fund current operations; in addition, restricted assets are not available to fund current operations. The remaining balances of unrestricted net position \$36,239,074 may be used to meet the County's ongoing obligations to its citizens and creditors.

| | 2014 | 2013 |
|----------------------------------|-----------------------|-----------------------|
| Current and other assets | \$ 53,457,140 | \$ 31,833,780 |
| Capital assets | 110,687,799 | 115,054,691 |
| Total assets | <u>164,144,939</u> | <u>146,888,471</u> |
| Current liabilities | 4,599,045 | 3,441,210 |
| Noncurrent liabilities | 3,449,001 | 4,069,967 |
| Total liabilities | <u>8,048,046</u> | <u>7,511,177</u> |
| Deferred inflows of resources | <u>11,085,336</u> | - |
| Net position | | |
| Net investment in capital assets | 108,772,483 | 113,021,816 |
| Restricted | - | - |
| Unrestricted | 36,239,074 | 26,355,478 |
| Total net position | <u>\$ 145,011,557</u> | <u>\$ 139,377,294</u> |

Governmental Activities

The entire \$5,634,263 increase in the County's net position is the result of governmental activities.

Total revenues for governmental activities increased from the previous year by \$2,180,919. The increase in revenues was mostly from the increases in sales and use tax collections which includes a full year of collections of an additional 1% tax approved by the voters for specific capital expenditures.

The following table provides a summary of the County's operations for the year ended June 30, 2014, with comparative totals for the year ended June 30, 2013.

Laramie County Changes in Net Position

| | 2014 | 2013 |
|------------------------------------|----------------|----------------|
| Revenues: | | |
| Program revenues: | | |
| Charges for services | \$ 4,807,042 | \$ 5,641,341 |
| Operating grants and contributions | 5,290,394 | 2,378,344 |
| Capital grants and contributions | 1,947,901 | 9,521,966 |
| Governmental revenues: | | |
| Property taxes | 9,859,135 | 11,790,616 |
| Sales taxes and other taxes | 31,305,843 | 23,308,218 |
| Licenses and permits | 916,704 | - |
| Unrestricted investment earnings | 207,558 | (182,879) |
| Miscellaneous income | 1,269,485 | 965,537 |
| Total revenue | 55,604,062 | 53,423,143 |
| Expenses: | | |
| General government | 12,271,225 | 9,188,679 |
| Public safety | 22,227,571 | 17,172,265 |
| Public works | 7,849,220 | 11,375,118 |
| Health, welfare, and recreation | 6,407,807 | 11,624,620 |
| Conservation and natural resources | 1,072,592 | 651,126 |
| Interest on long-term debt | 141,384 | 87,983 |
| Total expenses | 49,969,799 | 50,099,791 |
| Increase in net position | 5,634,263 | 3,323,352 |
| Net position-July 1 | 139,377,294 | 136,053,924 |
| Net position-June 30 | \$ 145,011,557 | \$ 139,377,294 |

To aid in the understanding of the statement of activities presented on page 10 of this report, some additional explanation is given. Of particular interest is the format, which is significantly different than the typical statement of revenues, expenses, and changes in fund balance (similar to the above table). You will notice that expenses are listed in the first column with revenues supporting that particular program reported to the right. The result is a net (expense)/revenue presentation. The reason for this format is to highlight the relative financial burden of each of the functions on county taxpayers. It identifies how much each function draws from general revenues or from self-financing fees and grants. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

County Funds

The focus of Laramie County’s governmental funds is to provide information on the inflows, outflows, and balances of spendable resources. This information is useful in assessing the County’s financing requirements. In particular, unassigned fund balance is a useful measure of a government’s net resources available for appropriation at the end of the fiscal year.

At the end of the most recent fiscal year, Laramie County’s combined governmental funds ending fund balances totaled \$37,994,499. Approximately 56% of this total amount (\$21,277,167) constitutes unassigned, assigned and committed fund balance and 43% is restricted (\$16,333,802) and may only be spent for specific purposes. The remainder of the fund balance is not available for current spending.

In the general fund, the County shows an increase in fund balance of \$4,317,417. This indicates decreased operational spending and increased revenues.

General Fund Budget Highlights

Over the course of the year, the County Commissioners revised the general fund budget and several special revenue fund budgets. These budget amendments were to increase budgets due to the receipt of unanticipated grant revenues and to appropriate money from cash reserves for unexpected expenditures. Detailed budgetary statements begin on page 59 for the general fund and continue through the *required supplementary information* section of this report. The County uses division level totals for budget performance control. Several County divisions exceeded their budget during the year.

Each year the County Commissioners, through their budget resolution, assign a portion of unrestricted fund balance and/or new revenue as “Cash Reserves.” These assigned reserves may, through budget amendment, be used for any legal County purpose. Assigned cash reserves, along with all other budgets, lapse at the end of each fiscal year and become part of unrestricted fund balance available for appropriation in the next fiscal year budget. The County’s goal is to maintain sufficient assigned cash reserves to maintain basic County operations for 90 days.

Capital Assets

At June 30, 2014, the County had \$181.1 million invested in capital assets including sheriff’s equipment, buildings, park facilities, public-works equipment, and infrastructure. This represents an increase of about \$1.6 million or 1% over last year.

| Government activities: | 2014 | 2013 |
|-------------------------------|-----------------------|-----------------------|
| Land | \$ 7,347,374 | \$ 8,119,605 |
| Buildings | 64,552,551 | 65,578,130 |
| Machinery and equipment | 26,125,509 | 24,600,383 |
| Infrastructure | 83,072,204 | 80,274,901 |
| Construction in process | - | 946,298 |
| Totals | <u>\$ 181,097,638</u> | <u>\$ 179,519,317</u> |

This year’s major addition to Capital Assets was from County facilities and road construction projects.

Additional information on the County’s capital assets can be found in Note 5 on pages 39 – 43 of this report.

At year-end, the County had \$3,867,519 in long-term debt, which includes \$1,952,203 of accrued compensated absences and \$1,790,000 of capital lease obligation for the Juvenile Services Center.

Economic Factors and Next Year's Budget

The County projected conservative revenue growth and, as a result, limited the growth of operating expenditures for Fiscal Year 2015. The County continued to experience a higher than acceptable rate of turnover in skilled and senior management positions and has found it increasingly difficult to find suitable replacements for several positions. The County Commissioners significantly increased the wage range for department director positions under their supervision in an effort to make these positions more competitive in the market place. All County employees are eligible for a 1% to 5% raise on their anniversary date based on job performance.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Laramie County Clerk's Office at 309 West 20th Street, Cheyenne Wyoming 82001. Additional County budget and prior year's audit reporting are available at <http://www.laramiecountyclerk.com/budget.asp>.

BASIC FINANCIAL STATEMENTS

LARAMIE COUNTY, WYOMING

**STATEMENT OF NET POSITION
June 30, 2014**

| ASSETS | <u>Primary Governmental Activities</u> | <u>Component Units</u> |
|---|--|----------------------------|
| Cash and cash equivalents | \$ 10,099,876 | \$ 25,783,560 |
| Equity in pooled cash and investments | 13,335,005 | - |
| Investments | 13,285,064 | 161,156,806 |
| Net investment in capital lease | - | 1,735,352 |
| Receivables (net of allowance for uncollectables) | 12,851,658 | 53,417,596 |
| Notes receivable | 151,491 | - |
| Due from the Hospital Foundation | - | 231,295 |
| Accrued interest receivable | - | 1,255 |
| Due from other governments | 3,502,007 | 1,473 |
| Inventory | 232,039 | 7,705,826 |
| Prepaid expenses | - | 4,563,723 |
| Restricted assets: | | |
| Bond funds | - | 1,035,675 |
| Beneficial interest in Merrick Trust | - | 8,626,603 |
| Other | - | 10,831,027 |
| Capital assets, not being depreciated | 7,347,374 | 24,091,845 |
| Capital assets, net of depreciation | 103,340,425 | 222,679,568 |
| Total assets | <u>164,144,939</u> | <u>521,861,604</u> |
| LIABILITIES | | |
| Accounts payable | 942,958 | 12,070,330 |
| Due to primary government | - | 215,694 |
| Accrued payroll liabilities | 709,917 | 17,163,470 |
| Accrued interest payable | - | 734,820 |
| Unearned revenue | 61,363 | 520 |
| Third-party payer settlements, estimated | - | 5,292,358 |
| Funds held for others | 2,423,862 | - |
| Due to other taxing units | 42,427 | - |
| Landfill closure and post-closure liability | - | 533,000 |
| Long-term debt due within one year | 418,518 | 2,988,000 |
| Long-term debt due in more than one year | 3,449,001 | 102,104,897 |
| Total liabilities | <u>8,048,046</u> | <u>141,103,089</u> |
| DEFERRED INFLOW OF RESOURCES | | |
| Unavailable property taxes | 11,085,336 | 5,079,989 |
| NET POSITION | | |
| Net investment in capital assets | 108,772,483 | 143,860,649 |
| Restricted for: | | |
| Endowments, nonexpendable | - | 6,858,115 |
| Debt service, expendable | - | 1,035,675 |
| Donor specified purposes, expendable | - | 1,768,488 |
| Temporarily restricted for Library and Medical Center | - | 6,142,178 |
| Permanently restricted for Library and Medical Center | - | 3,204,957 |
| Unrestricted | 36,239,074 | 212,808,464 |
| Total net position | <u>\$ 145,011,557</u> | <u>\$ 375,678,526</u> |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2014

| Function/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | |
|--|----------------------|----------------------|--------------------------|----------------------------------|---|-------------------|
| | | Charges for Services | Grants and Contributions | Capital Grants and Contributions | Primary Governmental Activities | Component Units |
| Primary government | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ 12,271,225 | \$ 2,454,818 | \$ 711,169 | \$ - | \$ (9,105,238) | \$ - |
| Public safety | 22,227,571 | 2,113,652 | 729,283 | - | (19,384,636) | - |
| Public works | 7,849,220 | 64,265 | 177,885 | 1,947,901 | (5,659,169) | - |
| Health, welfare, and recreation | 6,407,807 | 174,307 | 3,672,057 | - | (2,561,443) | - |
| Conservation of natural resources | 1,072,592 | - | - | - | (1,072,592) | - |
| Interest on long-term debt | 141,384 | - | - | - | (141,384) | - |
| Total governmental activities | 49,969,799 | 4,807,042 | 5,290,394 | 1,947,901 | (37,924,462) | - |
| Total primary government | \$ 49,969,799 | \$ 4,807,042 | \$ 5,290,394 | \$ 1,947,901 | (37,924,462) | - |
| Component units | \$312,758,904 | \$277,384,662 | \$ 3,560,043 | \$ - | - | (31,814,199) |
| General revenues | | | | | | |
| Property taxes | | | | | 9,859,135 | 5,156,699 |
| Sales and other taxes | | | | | 31,305,843 | 573,919 |
| Licenses and permits | | | | | 916,704 | - |
| Other income | | | | | - | 509,611 |
| Gain on sale of equipment | | | | | - | 54,347 |
| Unrestricted investment earnings | | | | | 207,558 | 19,343,345 |
| Miscellaneous revenue | | | | | 1,269,485 | 18,576,768 |
| Total general revenues | | | | | 43,558,725 | 44,214,689 |
| Change in net position | | | | | 5,634,263 | 12,400,490 |
| Net position - beginning of year, as previously reported | | | | | 139,377,294 | 362,460,695 |
| Prior period adjustment | | | | | - | 817,341 |
| Net position - beginning of year, as restated | | | | | 139,377,294 | 363,278,036 |
| Net position - end of year | | | | | \$145,011,557 | \$375,678,526 |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

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

| ASSETS | General Fund | Optional 1% Tax Fund |
|--|----------------------|----------------------------|
| Cash | \$ 3,065,847 | \$ - |
| Equity in pooled cash and investments | 5,421,053 | 2,248,220 |
| Investments | 8,052,775 | - |
| Accounts receivable | 1,845 | 1,283,239 |
| Notes receivable | - | - |
| Property taxes receivable | 11,178,893 | - |
| Accrued interest receivable | - | - |
| Due from other funds | 145,456 | - |
| Due from other governments | 2,548,792 | - |
| Inventory | 57,799 | - |
| Total assets | \$ 30,472,460 | \$ 3,531,459 |
| LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES | | |
| Liabilities | | |
| Accounts payable | \$ 483,341 | \$ 41,165 |
| Accrued payroll liabilities | 601,893 | - |
| Due to other funds | 3,290 | - |
| Unearned revenue | 13,673 | - |
| Funds held for others | 2,423,862 | - |
| Due to other governments | 42,427 | - |
| Total liabilities | 3,568,486 | 41,165 |
| Deferred Inflow of Resources | | |
| Unavailable property taxes | 11,085,336 | - |
| Unavailable revenue | 70,921 | - |
| Total deferred inflow of resources | 11,156,257 | - |
| Fund Balances | | |
| Nonspendable | 57,799 | - |
| Restricted | 353,349 | - |
| Committed | 324,494 | 3,490,294 |
| Assigned | 4,468,050 | - |
| Unassigned | 10,544,025 | - |
| Total fund balances (deficit) | 15,747,717 | 3,490,294 |
| Total liabilities, deferred inflow of resources and fund balances | \$ 30,472,460 | \$ 3,531,459 |

See Notes to Financial Statements.

| BRC Grants Fund | Road and Bridge Fund | Other Governmental Funds | Totals |
|--------------------|----------------------------|--------------------------------|----------------------|
| \$ - | \$ 3,186 | \$ 7,030,843 | \$ 10,099,876 |
| 45,857 | 2,556,672 | 3,063,203 | 13,335,005 |
| - | - | 5,232,289 | 13,285,064 |
| 125,857 | - | 257,732 | 1,668,673 |
| - | - | 151,491 | 151,491 |
| - | - | - | 11,178,893 |
| - | - | 4,092 | 4,092 |
| - | - | 31,808 | 177,264 |
| - | 315,316 | 637,899 | 3,502,007 |
| - | 156,546 | 17,694 | 232,039 |
| <u>\$ 171,714</u> | <u>\$ 3,031,720</u> | <u>\$ 16,427,051</u> | <u>\$ 53,634,404</u> |

| | | | |
|----------------|----------------|----------------|------------------|
| \$ 174,227 | \$ 110,200 | \$ 134,025 | \$ 942,958 |
| - | 55,259 | 52,765 | 709,917 |
| - | - | 173,974 | 177,264 |
| - | - | 47,690 | 61,363 |
| - | - | - | 2,423,862 |
| - | - | - | 42,427 |
| <u>174,227</u> | <u>165,459</u> | <u>408,454</u> | <u>4,357,791</u> |

| | | | |
|----------------|----------|----------|-------------------|
| - | - | - | 11,085,336 |
| 125,857 | - | - | 196,778 |
| <u>125,857</u> | <u>-</u> | <u>-</u> | <u>11,282,114</u> |

| | | | |
|------------------|------------------|-------------------|-------------------|
| - | 156,546 | 169,185 | 383,530 |
| - | 2,709,715 | 13,270,738 | 16,333,802 |
| - | - | 594,488 | 4,409,276 |
| - | - | 2,008,337 | 6,476,387 |
| (128,370) | - | (24,151) | 10,391,504 |
| <u>(128,370)</u> | <u>2,866,261</u> | <u>16,018,597</u> | <u>37,994,499</u> |

| | | | |
|-------------------|---------------------|----------------------|----------------------|
| <u>\$ 171,714</u> | <u>\$ 3,031,720</u> | <u>\$ 16,427,051</u> | <u>\$ 53,634,404</u> |
|-------------------|---------------------|----------------------|----------------------|

LARAMIE COUNTY, WYOMING

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

| | |
|--|-------------------------------------|
| Total fund balances - governmental funds | \$ 37,994,499 |
| 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. | 110,687,799 |
| Some of the County's revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. | 196,778 |
| Long-term positions, including capital leases payable and compensated absences are not due and payable in the current period and, therefore, are not reported in the funds. | <u>(3,867,519)</u> |
| Net position of governmental activities | <u><u>\$ 145,011,557</u></u> |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2014

| | General Fund | Optional 1% Tax Fund |
|--|----------------------|-------------------------|
| Revenues | | |
| Taxes | \$ 24,926,394 | \$ 7,071,415 |
| Licenses and permits | 156,489 | - |
| Intergovernmental revenues | 297,249 | - |
| Charges for services | 3,980,479 | - |
| Investment earnings | 207,558 | - |
| Miscellaneous revenues | 1,089,540 | - |
| Total revenues | <u>30,657,709</u> | <u>7,071,415</u> |
| Expenditures | | |
| Current: | | |
| General government | 10,659,447 | - |
| Public safety | 16,115,758 | - |
| Public works | - | - |
| Health, welfare and recreation | - | 1,552,696 |
| Conservation and development | 137,289 | - |
| Capital outlay | - | 284,643 |
| Debt service: | | |
| Principal | 179,997 | - |
| Interest | 76,856 | - |
| Total expenditures | <u>27,169,347</u> | <u>1,837,339</u> |
| Excess (deficiency) of revenues over expenditures | <u>3,488,362</u> | <u>5,234,076</u> |
| Other financing sources (uses) | | |
| Proceeds from sale of capital assets | 1,174,273 | - |
| Transfers in | 71,874 | - |
| Transfers out | (417,092) | (3,965,652) |
| Total other financing sources (uses) | <u>829,055</u> | <u>(3,965,652)</u> |
| Net change in fund balances | 4,317,417 | 1,268,424 |
| Fund balances (deficit) - beginning of year | <u>11,430,300</u> | <u>2,221,870</u> |
| Fund balances (deficit) - end of year | <u>\$ 15,747,717</u> | <u>\$ 3,490,294</u> |

See Notes to Financial Statements.

| BRC Grants Fund | Road and Bridge Fund | Other Governmental Funds | Totals |
|---------------------|----------------------------|--------------------------------|----------------------|
| \$ - | \$ 1,789,535 | \$ 7,377,634 | \$ 41,164,978 |
| - | - | 760,215 | 916,704 |
| 3,717,189 | 15,200 | 3,393,892 | 7,423,530 |
| - | 64,265 | 762,298 | 4,807,042 |
| - | - | - | 207,558 |
| - | 16,015 | 163,930 | 1,269,485 |
| <u>3,717,189</u> | <u>1,885,015</u> | <u>12,457,969</u> | <u>55,789,297</u> |
| - | - | 9,011 | 10,668,458 |
| - | - | 3,968,002 | 20,083,760 |
| - | 4,590,619 | - | 4,590,619 |
| 3,845,479 | - | 1,136,574 | 6,534,749 |
| - | - | 935,303 | 1,072,592 |
| - | 113,787 | 3,372,077 | 3,770,507 |
| - | - | 1,682 | 181,679 |
| - | - | 408 | 77,264 |
| <u>3,845,479</u> | <u>4,704,406</u> | <u>9,423,057</u> | <u>46,979,628</u> |
| <u>(128,290)</u> | <u>(2,819,391)</u> | <u>3,034,912</u> | <u>8,809,669</u> |
| - | - | - | 1,174,273 |
| - | 4,023,652 | 504,132 | 4,599,658 |
| - | (18,058) | (200,392) | (4,601,194) |
| <u>-</u> | <u>4,005,594</u> | <u>303,740</u> | <u>1,172,737</u> |
| (128,290) | 1,186,203 | 3,338,652 | 9,982,406 |
| (80) | 1,680,058 | 12,679,945 | 28,012,093 |
| <u>\$ (128,370)</u> | <u>\$ 2,866,261</u> | <u>\$ 16,018,597</u> | <u>\$ 37,994,499</u> |

LARAMIE COUNTY, WYOMING

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

For the Year Ended June 30, 2014

| | |
|--|----------------------------|
| Net changes in fund balances - total governmental funds | \$ 9,982,406 |
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. | (2,972,713) |
| Governmental funds do not report gains and losses on sales, retirements, or donations of capital assets. However, the statement of activities reports these amounts, excluding trade ins. | (1,394,179) |
| The statement of activities reports an increase in revenue due to current activity in deferred revenues which is not reported at the fund level. | (185,235) |
| The long-term portion of the liability for compensated absences is not recorded in the fund level, but are reported in the statement of net position. This is the current year change in the liability, reported as an expense in the statement of activities. | 84,889 |
| Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is offset by the total of capital lease arrangements issued during the year. | 117,559 |
| Internal service funds are accounted for as proprietary funds, therefore, they are not included in the governmental funds. | <u>1,536</u> |
| Change in net position of governmental activities | <u><u>\$ 5,634,263</u></u> |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

STATEMENT OF NET POSITION - INTERNAL SERVICE FUND

June 30, 2014

| | <u>Governmental Activities Internal Service Fund</u> |
|---------------------------------------|--|
| ASSETS | |
| Equity in pooled cash and investments | \$ - |
| Accounts receivable | - |
| Due from other funds | - |
| | <hr/> |
| Total assets | <hr/> - <hr/> |
| LIABILITIES | |
| Due to other funds | - |
| | <hr/> |
| Total liabilities | <hr/> - <hr/> |
| NET POSITION | |
| Unrestricted | - |
| | <hr/> |
| Total net position | <hr/> \$ - <hr/> <hr/> |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - INTERNAL SERVICE FUND
For the Year Ended June 30, 2014**

| | <u>Governmental Activities Internal Service Fund</u> |
|----------------------------------|--|
| Operating revenues | |
| Charges for services | \$ - |
| Operating expenses | |
| Claims | <u>-</u> |
| Operating income | - |
| Transfers In | <u>1,536</u> |
| Change in net position | 1,536 |
| Net position - beginning of year | <u>(1,536)</u> |
| Net position - end of year | <u><u>\$ -</u></u> |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

**STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUND
For the Year Ended June 30, 2014**

| | Governmental Activities |
|---|----------------------------------|
| | <u>Internal Service Fund</u> |
| Cash Flows from Operating Activities | |
| Receipts from interfund services provided | \$ - |
| Payments to suppliers | - |
| Net cash provided by operating activities | <u>-</u> |
| Cash Flows from Noncapital Financing Activities | - |
| Cash Flows from Capital and Related Financing Activities | - |
| Cash Flows from Investing Activities | <u>-</u> |
| Net change in cash and cash equivalents | - |
| Equity in Pooled Cash and Investments - beginning of year | <u>-</u> |
| Equity in Pooled Cash and Investments - end of year | <u><u>\$ -</u></u> |
| Reconciliation of Operating (Loss) to Net Cash | |
| Provided by Operating Activities | |
| Operating income | \$ - |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Increase (decrease) in cash and cash equivalents resulting from changes in operating assets and liabilities: | |
| Accounts receivable | - |
| Due to other funds | - |
| Net cash provided by operating activities | <u><u>\$ -</u></u> |
| Noncash Elimination of Due to Other Funds Via Transfer | \$ 1,536 |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

**STATEMENT OF NET POSITION
FIDUCIARY FUNDS - AGENCY FUNDS
June 30, 2014**

| ASSETS | Office of Treasurer | Treasurer Debt Service |
|---------------------------------------|------------------------|---------------------------|
| Cash and cash equivalents | \$ - | \$ 6,152 |
| Equity in pooled cash and investments | 3,498,929 | - |
| Accounts receivable | 4,572,438 | - |
| Total assets | 8,071,367 | 6,152 |
| LIABILITIES | | |
| Due to other taxing units | 8,071,367 | 6,152 |
| Total liabilities | \$ 8,071,367 | \$ 6,152 |

See Notes to Financial Statements.

LARAMIE COUNTY, WYOMING

**STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2014**

| ASSETS | Weed and Pest Control District | County Fair Board |
|---|--------------------------------------|-------------------------|
| Cash and cash equivalents | \$ 3,838,749 | \$ 512,396 |
| Investments | - | - |
| Net investment in capital lease | - | - |
| Accounts receivable | 1,830,956 | 609,185 |
| Due from Foundation | - | - |
| Accrued interest receivable | - | - |
| Due from other governments | - | - |
| Inventory | 162,560 | - |
| Prepaid expenses | - | - |
| Restricted assets: | | |
| Bond funds | - | - |
| Endowment and earnings available for capital assets by donor | - | - |
| Other | - | - |
| Capital assets not being depreciated | 53,870 | 101,086 |
| Capital assets being depreciated, net | 2,470,929 | 822,405 |
| Total assets | 8,357,064 | 2,045,072 |
| LIABILITIES | | |
| Accounts payable | 4,260 | - |
| Due to primary government | - | - |
| Third-party payor settlements, estimated | - | - |
| Accrued payroll liabilities | - | 9,567 |
| Accrued interest payable | - | - |
| Unearned revenue | - | 520 |
| Noncurrent liabilities: | | |
| Landfill closure and post closure liability | - | - |
| Due within one year | 10,200 | - |
| Due in more than one year | - | - |
| Total liabilities | 14,460 | 10,087 |
| DEFERRED INFLOW OF RESOURCES | | |
| Unavailable revenue | 1,750,316 | 583,439 |
| NET POSITION | | |
| Net investment in capital assets | 2,524,799 | 923,491 |
| Restricted for: | | |
| Endowments, nonexpendable | - | - |
| Bond indenture agreement, expendable | - | - |
| Donor specified purposes, expendable | - | - |
| Temporarily restricted for Library and Medical Center | - | - |
| Permanently restricted for Library and Medical Center | - | - |
| Unrestricted | 4,067,489 | 528,055 |
| Total net position | \$ 6,592,288 | \$ 1,451,546 |

See Notes to Financial Statements.

| Governmental Activities | | | | Business-Type Activity | |
|-------------------------|--|-----------------------|--|----------------------------------|----------------|
| County Library System | City of Cheyenne - Laramie County Health Board | County Landfill Board | Community Juvenile Services Joint Powers Board | Cheyenne Regional Medical Center | Total |
| \$ 318,859 | \$ 855,174 | \$ 279,939 | \$ 210,326 | \$ 19,768,117 | \$ 25,783,560 |
| 3,530,617 | - | 827,209 | - | 156,798,980 | 161,156,806 |
| - | - | - | 1,735,352 | - | 1,735,352 |
| 2,372,063 | 124,711 | 430,765 | 46,910 | 48,003,006 | 53,417,596 |
| - | - | - | - | 231,295 | 231,295 |
| 1,255 | - | - | - | - | 1,255 |
| 1,473 | - | - | - | - | 1,473 |
| 6,449 | 9,423 | - | - | 7,527,394 | 7,705,826 |
| - | - | - | - | 4,563,723 | 4,563,723 |
| - | - | - | - | 1,035,675 | 1,035,675 |
| - | - | - | - | 8,626,603 | 8,626,603 |
| - | - | - | - | 10,831,027 | 10,831,027 |
| 2,916,089 | 29,925 | 41,853 | - | 20,949,022 | 24,091,845 |
| 17,419,621 | 255,957 | 427,935 | - | 201,282,721 | 222,679,568 |
| 26,566,426 | 1,275,190 | 2,007,701 | 1,992,588 | 479,617,563 | 521,861,604 |
| 6,828 | 60,822 | 110,126 | - | 11,888,294 | 12,070,330 |
| - | - | - | 215,694 | - | 215,694 |
| - | - | - | - | 5,292,358 | 5,292,358 |
| - | - | - | - | 17,153,903 | 17,163,470 |
| - | - | - | - | 734,820 | 734,820 |
| - | - | - | - | - | 520 |
| - | - | 533,000 | - | - | 533,000 |
| 163,656 | 227,170 | 5,456 | 145,000 | 2,436,518 | 2,988,000 |
| - | - | - | 1,630,651 | 100,474,246 | 102,104,897 |
| 170,484 | 287,992 | 648,582 | 1,991,345 | 137,980,139 | 141,103,089 |
| 2,333,755 | - | 412,479 | - | - | 5,079,989 |
| 20,335,710 | 285,882 | 469,788 | - | 119,320,979 | 143,860,649 |
| - | - | - | - | 6,858,115 | 6,858,115 |
| - | - | - | - | 1,035,675 | 1,035,675 |
| - | - | - | - | 1,768,488 | 1,768,488 |
| - | - | - | - | 6,142,178 | 6,142,178 |
| - | - | - | - | 3,204,957 | 3,204,957 |
| 3,726,477 | 701,316 | 476,852 | 1,243 | 203,307,032 | 212,808,464 |
| \$ 24,062,187 | \$ 987,198 | \$ 946,640 | \$ 1,243 | \$ 341,637,424 | \$ 375,678,526 |

LARAMIE COUNTY, WYOMING

**STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
For the Year Ended June 30, 2014**

| | Program Revenues | | | |
|--|-----------------------|-------------------------|--|--|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Component Units | | | | |
| Governmental Activities: | | | | |
| Weed and Pest Control District | \$ 1,642,937 | \$ 300,931 | \$ - | \$ - |
| County Fair Board | 650,425 | 66,766 | 86,263 | - |
| County Library System | 4,914,940 | 330,125 | 240,314 | - |
| City of Cheyenne - Laramie | | | | |
| County Health Board | 3,715,279 | 1,121,996 | 2,746,037 | - |
| County Landfill Board | 518,952 | 248,950 | - | - |
| Laramie County Community Juvenile Services Joint Powers Board | 260,973 | - | 143,215 | - |
| Business-Type Activity: | | | | |
| Cheyenne Regional Medical Center | 301,055,398 | 275,315,894 | 344,214 | - |
| | <u>\$ 312,758,904</u> | <u>\$ 277,384,662</u> | <u>\$ 3,560,043</u> | <u>\$ -</u> |

General revenues

Property taxes

Sales taxes

Other taxes

Gain on sale of capital assets

Miscellaneous revenues

Unrestricted investment earnings

Total general revenues

Change in net position

Net position (deficit) - beginning of year, as previously reported

Prior period adjustment

Net position (deficit) - beginning of year, as restated

Net position - end of year

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

| Weed and Pest Control District | County Fair Board | County Library System | City of Cheyenne - Laramie County Health Board | County Landfill Board | Laramie County Community Juvenile Services Joint Powers Board | Cheyenne Regional Medical Center | Totals |
|--------------------------------------|-------------------------|-----------------------------|--|-----------------------------|--|---|----------------|
| \$ (1,342,006) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1,342,006) |
| - | (497,396) | - | - | - | - | - | (497,396) |
| - | - | (4,344,501) | - | - | - | - | (4,344,501) |
| - | - | - | 152,754 | - | - | - | 152,754 |
| - | - | - | - | (270,002) | - | - | (270,002) |
| - | - | - | - | - | (117,758) | - | (117,758) |
| - | - | - | - | - | - | (25,395,290) | (25,395,290) |
| (1,342,006) | (497,396) | (4,344,501) | 152,754 | (270,002) | (117,758) | (25,395,290) | (31,814,199) |
| 1,954,912 | 651,622 | 2,055,325 | - | 494,840 | - | - | 5,156,699 |
| - | - | 573,919 | - | - | - | - | 573,919 |
| - | - | 509,611 | - | - | - | - | 509,611 |
| - | - | 54,347 | - | - | - | - | 54,347 |
| 155,279 | - | 279,672 | 18,435 | - | 115,312 | 18,774,647 | 19,343,345 |
| 13,383 | 192 | 18,790 | 333 | 1,781 | 19,759 | 18,522,530 | 18,576,768 |
| 2,123,574 | 651,814 | 3,491,664 | 18,768 | 496,621 | 135,071 | 37,297,177 | 44,214,689 |
| 781,568 | 154,418 | (852,837) | 171,522 | 226,619 | 17,313 | 11,901,887 | 12,400,490 |
| 5,810,720 | 1,297,128 | 24,097,683 | 815,676 | 720,021 | (16,070) | 329,735,537 | 362,460,695 |
| - | - | 817,341 | - | - | - | - | 817,341 |
| 5,810,720 | 1,297,128 | 24,915,024 | 815,676 | 720,021 | (16,070) | 329,735,537 | 363,278,036 |
| \$ 6,592,288 | \$ 1,451,546 | \$ 24,062,187 | \$ 987,198 | \$ 946,640 | \$ 1,243 | \$ 341,637,424 | \$ 375,678,526 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Reporting Entity

Laramie County, Wyoming (referred to as “Laramie County” or the “County”) (primary government) is a municipal corporation governed by five elected commissioners. The County provides the following services as authorized by statute: public safety, road and bridge maintenance and operation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The basic financial statements include all funds of the primary government, which is the County, as well as the component units determined to be included in the County’s financial reporting entity. The decision to include a potential component unit in the County’s reporting entity is based on several criteria, including legal standing, fiscal dependency, and financial accountability. Based on the application of these criteria, the following is a brief review of certain entities included in the County’s reporting entity.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, entities over which the County has significant operational or financial relationships such as boards, commissions and authorities are considered component units. Component units are either discretely presented or blended. Discrete presentation entails reporting component unit financial data in columns separate from the financial data of the primary government (the County). Blending requires the component unit’s balances and transactions be reported with the balances and transactions of the County. Each blended and discretely presented component unit has a June 30 year end, except for the Cheyenne Regional Medical Center Foundation, which has a December 31 year end.

Blended Component Units

The *Recreation Board* serves all the citizens of the County and is governed by an eight-member board that is appointed by the County Commissioners. The Recreation Board has established a system of public recreation and is charged with maintaining and supervising the properties that have been established. The Board can impose a tax not to exceed one mill of the County’s assessed valuation for the purpose of operating the Recreation Board. The Recreation Board is reported as a special revenue fund of the County.

Discretely Presented Component Units

The columns in the combining statements for component units include the financial data of the County’s other component units. They are reported in separate columns to emphasize that they are legally separate from the County. The governing boards of these component units are appointed entirely by the Board of County Commissioners or jointly with other participating governmental entities.

The *Laramie County Weed and Pest Control District* (District) was established for the purpose of implementing and pursuing an effective program for the control of weeds and pests within the County. The District is fiscally dependent upon the County because the Board of Commissioners approves the District’s budget and levies taxes (if necessary) on behalf of the District. The District does not issue separate external financial statements.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

The *Laramie County Fair Board* (Fair Board) maintains and manages the operations of the County Fair and conducts agricultural, industrial and other fairs and exhibitions within the County. The Fair Board is fiscally dependent upon the County because the Board of Commissioners approves the Fair Board's budget, levies taxes (if necessary) and must approve any debt issuances. The Fair Board's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Fair Board does not issue separate external financial statements.

The *Laramie County Library System* (Library System) maintains and manages the operations of the County Library and library system. The Library System is fiscally dependent upon the County because the Board of Commissioners approves the Library System's budget, levies taxes (if necessary) and must approve any debt issuances. The Library System's taxes are levied under the taxing authority of the County and are included as part of the County's total tax levy. The Library System does not issue separate external financial statements.

The *Laramie County Library Foundation, Inc.* (Library Foundation) is a nonprofit foundation established to receive, hold and expend gifts and contributions for the enhancement of the Library System. The Library Foundation supports purchases and activities that enhance the quality of the library services available and which go beyond that which cannot reasonably be done with tax monies. In accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Library Foundation has been determined to be a component unit and is presented as a discretely presented component unit in the Library System's financial statements. The Library Foundation does issue separate external financial statements, which can be obtained from the Library Foundation's administrative offices.

The *City of Cheyenne-Laramie County Health Board* (Health Department) serves all the citizens of the County and is governed by a five-member board with the County Commissioners appointing three of the members and the City Council appointing the remaining two members. The Health Department was established to provide effective review and evaluation of health service programs within the County as well as to provide coordination between services and a procedure for contracting funding for services in the County. The Health Department does not issue separate external financial statements.

The *Cheyenne Regional Medical Center* ("Hospital" or "Medical Center") is a general acute care hospital that provides services to patients who are generally residents of Laramie County. The Hospital is fiscally dependent upon the County because the Board of Commissioners approves the Hospital's budget, levies taxes (if necessary) and must approve any debt issuances. The Hospital does issue separate external financial statements, which can be obtained from the Hospital's administrative offices.

The *Cheyenne Regional Medical Center Foundation* (Hospital Foundation) was established for health care purposes and to advance and assist in the development, growth, and operation of the Hospital. Funds raised or received from individual contributions are distributed for the benefit of improving health care to the Cheyenne, Wyoming community primarily through purchases of equipment, supplies, and research. In accordance with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, the Hospital Foundation has been determined to be a component unit and is presented as a discretely presented component unit in the Hospital's financial statements. The Hospital Foundation operates on a calendar year, and the results of its operations have not been restated to conform to the County's year end.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

No elimination entries have been reported on the Combining Statement of Net Position and Combining Statement of Revenues, Expenses, and Changes in Net position for the Hospital and the Hospital Foundation since they have different year ends. Certain transactions that occurred between the two entities created timing differences between revenues, expenses, assets, and liabilities. Subsequent to the Hospital Foundation's year end of December 31, 2013, contributions totaling \$2,570,572 were recognized by the Hospital and will not be recognized as expenditures of the Hospital Foundation until the calendar year ending December 31, 2014.

The *Laramie County Landfill Board* (Landfill Board) maintains and manages the operations of the County Landfill in Burns, Wyoming. The Landfill Board is fiscally dependent upon the County because the Board of Commissioners approves the Landfill Board's budget, levies taxes (if necessary) and must approve any debt issuances. The Landfill Board does not issue separate external financial statements.

The *Laramie County Community Juvenile Services Joint Powers Board* (Joint Powers Board) was created jointly by Laramie County and the City of Cheyenne pursuant to the Wyoming Joint Powers Board Act, Wyoming Statute §16-1-101 et seq. as amended. The Joint Powers Board provides a means for the County and the City to collaborate on the establishment, maintenance and promotion of the development of juvenile services in Laramie County. The Joint Powers Board is designed to allow early identification and diversion of children at risk of entry into the juvenile court system, to prevent juvenile delinquency, and to provide a mechanism for other agencies, nonprofit entities and private businesses to participate in the process. The Joint Powers Board may also from time to time construct and operate facilities and programs to further provide juvenile justice services within the County. The Joint Powers Board is fiscally dependent upon the County due to the fact that the Joint Powers Board's ability to pay its bond principal and interest is totally dependent on the County leasing the new Juvenile Community Services building located on the Archer site for the amount of the debt service payments on its bonds. The Joint Powers Board does not issue separate external financial statements.

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 nonfiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Nonmajor individual governmental funds are reported in a combined column.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus and the accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property and other ad valorem taxes, franchise taxes, licenses, various grants, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Fines and permits are not susceptible to accrual because generally they are not measurable until cash is received by the government.

The government reports the following major governmental funds:

The *General Fund* is general operating fund of the County. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, the fixed charges, and the capital improvement costs that are not paid through other funds are paid from the general fund.

The *Optional 1% Tax Fund* is a special revenue fund and is used to account for sales and use tax revenue, which is County voter approved.

The *BRC Grants Fund* is a special revenue fund and is used to account for funding received from the State of Wyoming's Business Ready Community Grants program.

The *Road and Bridge Fund* is a special revenue fund and is used to account for gas and special fuels tax, which is used for county road maintenance.

Additionally, the government reports the following fund types:

The *Internal Service Fund* accounts for the financing of goods and services provided by one department to other departments or agencies of the County or to other governments, on a cost-reimbursement basis.

The *Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Assets, Liabilities, and Net Position or Equity

Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, money market, and short-term investments with original maturities of three months or less from the date of acquisition.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Investments

Investments are accounted for at fair value as of June 30, 2014 and consist primarily of money market accounts, certificates of deposit, U.S. Government securities, and pooled investment accounts. Fair value is determined using the latest bid price or by the closing exchange price as of the balance sheet date. A portion of the County's investment activity is conducted in a pooled investment account with the State of Wyoming, State Treasurer's Office, WYOSTAR. WYOSTAR does issue separate external financial statements, which can be obtained from the Wyoming State Treasurer's Office.

The fair value of the County's position in WYOSTAR is the same as the value of pooled shares. WYOSTAR is regulated by the State Treasurer of the State of Wyoming with further oversight by the Wyoming State Loan and Investment Board. The County also invests in two external investment pools, the Wyoming Government Investment Fund and the Wyoming Money Market Fund, which is authorized by Wyoming State Statute §9-4-831(a)(viii). The Wyoming Government Investment Fund does issue separate external financial statements, which can be obtained from its distribution agent, George K. Baum and Company. The fair value of the County's position in these funds is the same as the value of the pool shares.

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 non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property Taxes

Property is annually valued and assessed January 1. Taxes are levied on or about August 1 and payable in two installments on September 1 and March 1. The County bills and collects its own property taxes and also taxes for all municipalities and political subdivisions within the County. If not paid, property taxes attach as an enforceable lien as of May 11. Collections and remittances of these taxes for other taxing districts are accounted for in the respective agency funds of the County.

County property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period. Property taxes which are not current receivables, are offset as deferred inflows of resources on the fund financials, but are reported on the government-wide financial statements as revenue and receivables, with no amount being deferred when levied. Property taxes receivable are recognized at the assessment date; however, revenue is not recognized until the levy date.

The County is permitted by Wyoming Statutes to levy taxes up to 12 mills of assessed valuation for all purposes, exclusive of state revenue, except for the payment of public debt and 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, 2014, was 12 mills, which means that the County has levied to the maximum amount available.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Inventories

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of the Road and Bridge Fund (governmental fund) are recorded as expenditures when purchased rather than when consumed (purchase method), within the fund level of financial statements. On the other hand, the consumption method is used for reporting these inventories at the government-wide level. The inventory record in the General Fund (governmental fund) consists of consumable supplies. These are accounted for using the consumption method.

Reported inventories in governmental funds are equally offset by nonspendable fund balance which indicates they do not constitute *available spendable resources* even though such inventories are a component of the fund balance.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|-------------------------|----------|
| Buildings | 10 to 40 |
| Machinery and equipment | 5 to 10 |
| Infrastructure | 20 |

Capital Assets – Cheyenne Regional Medical Center

Capital asset acquisitions in excess of \$2,500 are capitalized and recorded at cost. Contributed capital assets are reported at their estimated fair value at the time of their donation. All capital assets other than land are depreciated or amortized (in the case of capital leases) using the straight-line method of depreciation using these asset lives:

| Assets | Years |
|----------------------------|---------|
| Land improvements | 5 to 20 |
| Buildings and improvements | 5 to 40 |
| Equipment | 5 to 20 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Compensated Absences

The County's policy in relation to vacation, sick pay, and other employee benefits is that any such amounts unused at the end of the fiscal year are accrued. Sick leave may be accumulated up to 800 hours. Accumulated sick leave is paid at the time of termination at one-half of accrued hours up to 240 hours at the employees' pay rate. Accumulated vacation leave can be accumulated up to 240 hours and is paid at the time of termination at the employees' pay rate. All vacation pay is accrued when incurred in the government-wide financial statements. 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.

Compensated Absences – Cheyenne Regional Medical Center

The Hospital's policy permits most employees to accumulate vacation that may be realized as paid time off or, in limited circumstances, as cash payments. The expense and related liability for vacation benefits are recognized as earned whether the employee is expected to realize the benefit as time off or in cash. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the balance sheet date, plus an additional amount for compensation-related payments such as Social Security and Medicare taxes computed using rates in effect at that date.

Long-Term Obligations

In the government-wide financial statement, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. In the fund financial statements, governmental fund types recognize proceeds from lease purchase obligations which are reported as other financing sources. Repayment of long-term debt (lease purchase obligations) is reported as debt service expenditures.

Fund Balance

The County reports fund balance in the governmental fund financial statements in one of the following five categories: 1) *non-spendable fund balances* include amounts which cannot be spent because they are not in spendable form, 2) *restrictions on fund balances* have been externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions, 3) *commitments of fund balances* were imposed by resolution of the Board of County Commissioners; these balances may be redeployed with appropriate due process, 4) *assigned fund balances* express the intent of the County, as designated by the Board of County Commissioners, to utilize the funds for specific purposes, and 5) *unassigned fund balances* represent amounts that have not been restricted, committed, or assigned to a specific purpose.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. In addition, when committed, assigned, or unassigned amounts are available for use, it is the County's policy to utilize committed resources first, then assigned resources and, finally, unassigned resources as they are needed.

Deficit fund balances- At June 30, 2014, the following funds had a deficit in fund balance:

| | |
|--------------------------|--------------|
| Special Revenue Fund | |
| BRC Grants Fund | \$ (128,370) |
| Recovery Act Grants Fund | (24,151) |

This deficit in fund balance in the BRC Grants Fund is predominately due to requests for reimbursement not meeting the availability requirement.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the reporting period. Actual amounts could differ from those estimates.

Net Patient Service Revenue – Cheyenne Regional Medical Center

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates. Payment arrangements include prospectively determined rates, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The Medical Center recognizes patient service revenue associated with services provided to patients who have third-party coverage on the basis of contractual rates for the services rendered, as noted above. For uninsured patients that do not qualify for charity care, the Medical Center recognizes revenue on the basis of its standard rates for services provided or on the basis of discounted rates, if negotiated. On the basis of historical experience, a certain portion of the Medical Center's uninsured patients will be unable or unwilling to pay for the services provided. As a result, the Medical Center records a provision for bad debts related to uninsured patients in the period the services are provided.

Income Taxes – Cheyenne Regional Medical Center

In July 2006, FASC ASC 740-10, formerly Financial Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, (FIN 48) was issued. The Medical Center, as a component unit of the County, has implemented FIN 48 for its subsidiaries and undergoes an annual analysis of its various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities, as defined by FIN 48. The Medical Center believes that it is compliant with all IRS tax regulations and, as of June 30, 2014, has not recorded a liability for any uncertain tax positions.

Unamortized Bond Discount

Original issue discount is amortized over the term of the related obligation. Amortization of original issue discount is included in interest expense in the financial statements.

Accounting Standards Issued, but not Implemented

In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which replaces GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, for most government pensions. Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI). GASB Statement No. 68 is effective for years beginning after June 15, 2014 with the effects of changes made to comply with this statement reported as adjustments to prior periods. The effect that the adoption of GASB Statement No. 68 will have on the County's financial statements has not been determined.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments

As of June 30, 2014, the County had the following investments, which are included in the caption “Equity in pooled cash and investments” on the statement of net position and balance sheets:

| Investment Type | Fair Value | Interest Rate | Less Than 1 | 1 to 5 | 6 to 10 | More Than 10 | Investment Ratings |
|--|----------------------|----------------|---------------------|-------------------|---------------------|---------------------|--------------------|
| Governmental Securities | | | | | | | |
| Federal Home Loan Bank STEP | \$ 904,052 | 1.50 to 2.00 % | \$ - | \$ - | \$ 694,746 | \$ 209,306 | AAA/AA+ |
| Federal Home Loan Bank | 4,285,231 | 1.00 to 3.00% | - | - | 2,259,239 | 2,025,992 | AAA/AA+ |
| Federal National Mortgage Association | 3,032,758 | .39 to 4.50% | - | 46,002 | 1,357,925 | 1,628,831 | AAA/AA+/NR |
| Federal Home Mortgage Corporation | 353,086 | 3.00 to 4.00% | - | - | - | 353,086 | Not Rated |
| Federal Home Loan Mortgage Corporation | 415,958 | 2.125 to 6.50% | - | - | 97,138 | 318,820 | AAA/AA+/NR |
| Federal Home Loan Mortgage Corporation Step | 304,380 | .80 to 2.75% | - | 99,101 | 99,895 | 105,384 | AAA/AA+ |
| Government National Mortgage Association | 147,534 | 5.00 to 7.00% | - | - | - | 147,534 | Not Rated |
| | <u>9,442,999</u> | | <u>-</u> | <u>145,103</u> | <u>4,508,943</u> | <u>4,788,953</u> | |
| Other Investment Types | | | | | | | |
| Federal Farm Credit Bank | 242,184 | 5.00 to 7.00% | - | - | 242,184 | - | AAA/AA+ |
| Certificates of Deposit | 975,387 | .20-2.00% | 800,905 | - | 174,482 | - | Not Rated |
| Wyoming Government Investment Fund | 3,199,570 | N/A | 3,199,570 | - | - | - | Not Rated |
| WYOSTAR Investment Pool | 2,061,270 | N/A | 2,061,270 | - | - | - | Not Rated |
| | <u>6,478,411</u> | | <u>6,061,745</u> | <u>-</u> | <u>416,666</u> | <u>-</u> | |
| | <u>\$ 15,921,410</u> | | <u>\$ 6,061,745</u> | <u>\$ 145,103</u> | <u>\$ 4,925,609</u> | <u>\$ 4,788,953</u> | |
| Reported on the Balance Sheet as follows: | | | | | | | |
| General Fund | \$ 5,421,053 | | | | | | |
| Optional 1% Tax Fund | 2,248,220 | | | | | | |
| O & M Jail Addition Project Fund | 82,512 | | | | | | |
| SPOT 2008 Projects Fund | 29,265 | | | | | | |
| BRC Grants Fund | 45,857 | | | | | | |
| Other Governmental Funds | <u>5,508,098</u> | | | | | | |
| Equity in pooled cash and investments reported on the balance sheet | 13,335,005 | | | | | | |
| Fiduciary Funds | | | | | | | |
| Office of Treasurer | 3,498,929 | | | | | | |
| Treasurer Debt Service | <u>-</u> | | | | | | |
| Total reported as equity in pooled cash and investments | 16,833,934 | | | | | | |
| Less equity in pooled cash | <u>(14,197,588)</u> | | | | | | |
| Equity in pooled investments | <u>2,636,346</u> | | | | | | |
| Reported as investments | <u>13,285,064</u> | | | | | | |
| Total investments | \$ 15,921,410 | | | | | | |

Investments authorized by the County’s investment policy: The County follows the guidelines set forth in Wyoming State Statute 9-4-831 as it relates to the investment of public funds. The County’s investment policy requires investments to comply with State Statutes, which generally allows the County to invest in U.S., state and local government securities and accounts of any bank and savings associations which are federally insured. All investments made during the year were made within these statutory limits. The County’s investment policy does not contain any specific provisions intended to limit the County’s exposure to interest rate risk, credit risk or concentration of credit risk.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County investments are held in external pooled investment accounts and brokerage firms and, as a means of limiting its exposure to fair value losses arising from rising interest rates, the County attempts to match its investment maturities to expected cash flow needs. With this investment focus, investments are expected to reach maturity with limited gains or losses.

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. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Under investment agreements with WYOSTAR and WGIF, the County has invested monies at a variable and fixed contract rate of interest, respectively. Because the security is essentially a written contract, there is no rating available for such an investment; however, under Wyoming statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized rating organizations. As of June 30, 2014, WYOSTAR did not have a quality service credit rating.

Concentration of Credit Risk

The County does not have a formal policy that allows or limits an investment in any one issuer that is in excess of a specified percentage of the County's total investments. The investment in WYOSTAR represents 14% of the total investments of the County at June 30, 2014.

The investment in Federal Home Loan Bank securities and Federal National Mortgage Association represents 28% and 20% of the total investments of the County at June 30, 2014. The investments in the Wyoming Government Investment Fund represents 21% of the total investments of the County at June 30, 2014.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may be lost. The County does not have a formal policy for custodial credit risk. However, Wyoming statutes require that the County's deposits in excess of the Federal depository insurance amount be collateralized. At June 30, 2014, the County's deposits were fully collateralized as required by statutes.

Custodial Credit Risk – Investments

For an investment, this is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Wyoming statutes limit the type of investments the County can use. Statutes limit investments primarily to securities issued or guaranteed by the U.S. Treasury or agencies of the United States government, therefore, reducing the County's exposure to custodial credit risk for its investments. The County requires collateral on two types of investments: certificates of deposits and repurchase agreements. In order to anticipate market changes and provide a level of security on all funds, the collateralization level will be 102% of market value of principal and accrued interest. All County investments were held by brokers or the Treasurer of the State of Wyoming in the County's name and were fully collateralized by government securities as required by statutes.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 3. Investments – Cheyenne Regional Medical Center

The Medical Center’s investments generally are reported at fair value, as discussed in Note 1. At June 30, 2014, the Medical Center had the following investments with the noted maturities, all of which were held in the Medical Center’s name by various custodial banks that were agents of the Medical Center.

As of June 30, 2014, the Medical Center (excluding its Foundation investments of \$13,202,564) had the following investments:

| Investment Type | Carrying Amount | Investment Maturities (in Years) | | | |
|---|-----------------------|----------------------------------|----------------------|-------------------|---------------------|
| | | Less Than 1 | 1 to 5 | 6 to 10 | More Than 10 |
| U.S. Treasury Notes | \$ 6,033,747 | \$ 59,052 | \$ 5,919,920 | \$ 54,775 | \$ - |
| Federal National Mortgage Association | 8,312,641 | - | 8,312,641 | - | - |
| Federal Home Loan Mortgage Corporation | 72,689 | - | 72,689 | - | - |
| Corporate Bonds | 13,909,151 | 1,246,057 | 12,418,511 | 244,583 | - |
| Asset Backed Securities | 4,347,517 | - | 143,251 | 315,096 | 3,889,170 |
| Equity Bonds | 42,373,681 | 42,373,681 | - | - | - |
| Blended Mutual Funds | 12,267,975 | 12,267,975 | - | - | - |
| Hedge Fund | 7,936,479 | 7,936,479 | - | - | - |
| Accrued Receivable Interest | 87,996 | 87,996 | - | - | - |
| Money Market Funds | 2,804,163 | 2,804,163 | - | - | - |
| Common Stock | 25,889,291 | 25,889,291 | - | - | - |
| Bond Funds | 23,863,017 | 23,098,197 | 764,820 | - | - |
| Real Estate Funds and Real Estate Investments | 4,077,214 | 4,077,214 | - | - | - |
| | <u>\$ 151,975,561</u> | <u>\$ 119,840,105</u> | <u>\$ 27,631,832</u> | <u>\$ 614,454</u> | <u>\$ 3,889,170</u> |

Deposits – Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank or investment company failure, the Medical Center’s deposits may not be returned to it. State Statute requires any deposits in excess of Federal depository of other insured amounts to be collateralized by U.S. Government securities in the name of the Medical Center. Statutes also require that the market value of the collateral be at least 100% of the excess deposits. The Medical Center’s deposit policy does not further restrict bank deposits or limit investment deposits.

The Medical Center’s deposits in banks at June 30, 2013 were covered by Federal depository insurance or by collateral held by the Medical Center’s custodial bank in the Medical Center’s name. At June 30, 2014, the Medical Center’s deposits were insured and collateralized to 98%.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Interest Rate Risk

The Medical Center's investment policy limits investments in nonmarketable securities to maturities not to exceed 18 months and investments in marketable securities to maturities of five years or less to manage exposure to fair value losses arising from increasing interest rates. Corporate bonds with maturities greater than five years are maintained in an endowment trust under the direction of the trustee.

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates.

The primary objectives, in order of priority, of all investment activities involving the financial assets of the Medical Center are: 1) Safety – Safety and preservation of principal in the overall portfolio; 2) Liquidity – Maintaining the necessary liquidity to match expected liabilities; and 3) Return – Obtaining a reasonable return. The Medical Center attempts to limit its interest rate risk while investing within the guidelines of its investment policy.

Credit Risk

The Medical Center has established an investment policy that limits investments in graded bonds to be rated by Moody's as Baa or Standard and Poor's as BBB or better. Commercial paper is required to have a minimum rating of A1. Money market funds need to be rated investment grade or better by Moody's or Standard and Poor's. The Medical Center can also invest in equity securities as long as they are of higher quality with a market capitalization of at least \$300 million and are publicly traded. Mutual funds that invest in both equities and fixed income securities need to be able to be bought at NAV or in an institutional share class.

Concentration of Credit Risk

The Medical Center will limit credit risk, the risk of loss due to the failure of the security issuer or backer, by diversifying in the investment portfolio so that potential losses on individual securities will be minimized. The Medical Center places a limit that the securities of any one company or government agency should not exceed 5% of the total fund, and no more than 20% of the total fund should be invested in any one industry. Equity investments in any one issuer should not exceed 10% of any equity portfolio and no industry should exceed 20% of any equity portfolio. For equity investments, not more than 10% of the equity portfolio was invested in any one issuer or 20% in any one industry.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 4. Accounts Receivable

Receivables as of year end for the government’s individual major funds, including the applicable allowances for uncollectible accounts are as follows:

General Fund

| | |
|----------------------------------|----------------------|
| Receivables | |
| Current property taxes | \$ 11,085,336 |
| Miscellaneous | 1,845 |
| Delinquent property taxes | 174,840 |
| Less allowance for uncollectible | (81,283) |
| | <u>\$ 11,180,738</u> |

Optional 1% Fund

| | |
|-------------------|---------------------|
| Receivables | |
| Sales and use tax | \$ 1,283,239 |
| | <u>\$ 1,283,239</u> |

BRC Grants Fund

| | |
|-------------|-------------------|
| Receivables | |
| Grants | \$ 125,857 |
| | <u>\$ 125,857</u> |

Note 5. Interfund Receivables, Payables, and Transfers

Due to/due from between funds for the year ended June 30, 2014 were as follows:

| Fund | Fund Level Financial Statements Due From / To Other Funds | |
|-------------------------|--|-------------------|
| | Receivable | Payable |
| Governmental Activities | | |
| Major Funds: | | |
| General Fund | \$ 145,456 | \$ 3,290 |
| Nonmajor Funds: | | |
| Special Revenue Funds: | | |
| Abandoned Vehicle | 3,290 | - |
| Economic Development | - | 28,518 |
| Enhanced E-911 | - | 34,410 |
| Recovery Act Grants | - | 77,672 |
| Shooting Sports | 28,518 | 19,597 |
| County Improvements | - | 13,777 |
| | <u>\$ 177,264</u> | <u>\$ 177,264</u> |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

These balances resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund Transfers

Interfund transfers at June 30, 2014 consisted of the following:

| Fund | Fund Level Financial Statements | |
|---------------------------------|--|---------------------|
| | Operating Transfers | |
| | In | Out |
| Governmental Activities | | |
| Major Funds: | | |
| General Fund | \$ 71,874 | \$ 417,092 |
| Special Revenue Funds: | | |
| Optional 1% Tax | - | 3,965,652 |
| Nonmajor Funds: | | |
| Special Revenue Funds: | | |
| Road and Bridge | 4,023,652 | 18,058 |
| County Roads | - | 100,000 |
| Abandoned Vehicle | - | 62,750 |
| Economic Development | - | 28,518 |
| Enhanced 911 System | 328,228 | - |
| Recovery Grants | 22,328 | - |
| Special Courts | 65,000 | - |
| Recreation Board | 42,000 | - |
| Shooting Sports Fund | 28,518 | - |
| Capital Construction Funds: | | |
| Allison Draw Greenway Project | 18,058 | - |
| Juvenile Detention Construction | - | 9,124 |
| Internal Service Funds | 1,536 | - |
| | \$ 4,601,194 | \$ 4,601,194 |

Transfers are used to: 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and 2) to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Capital Assets

Primary Government

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

| Governmental Activities | Beginning Balance | Additions | Transfers and Deletions | Ending Balance |
|--|-----------------------|-----------------------|-------------------------|-----------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 8,119,605 | \$ - | \$ (772,231) | \$ 7,347,374 |
| Construction in progress | 946,298 | 641,062 | (1,587,360) | - |
| Total capital assets not being depreciated | 9,065,903 | 641,062 | (2,359,591) | 7,347,374 |
| Capital assets being depreciated | | | | |
| Buildings | 65,578,130 | 39,571 | (1,065,150) | 64,552,551 |
| Machinery and equipment | 24,600,383 | 1,686,382 | (161,256) | 26,125,509 |
| Infrastructure | 80,274,901 | 1,723,670 | 1,073,633 | 83,072,204 |
| Total capital assets being depreciated | 170,453,414 | 3,449,623 | (152,773) | 173,750,264 |
| Less accumulated depreciation for: | | | | |
| Buildings | (19,900,815) | (1,874,300) | 557,250 | (21,217,865) |
| Machinery and equipment | (15,014,793) | (2,439,479) | 560,935 | (16,893,337) |
| Infrastructure | (29,549,018) | (2,749,619) | - | (32,298,637) |
| Total accumulated depreciation | (64,464,626) | (7,063,398) | 1,118,185 | (70,409,839) |
| Total capital assets being depreciated, net | 105,988,788 | (3,613,775) | 965,412 | 103,340,425 |
| Governmental activities capital assets, net | \$ 115,054,691 | \$ (2,972,713) | \$ (1,394,179) | \$ 110,687,799 |

Assets acquired through capital leases of \$6,179,830 are included in *Buildings* above. The related accumulated depreciation on those assets was \$346,134 as of June 30, 2014; the current year depreciation of \$154,738 was expensed in general governmental activities.

Assets acquired through capital leases of \$321,975 are included in *Machinery and Equipment* above. The related accumulated depreciation on those assets was \$195,788 as of June 30, 2014; the current year depreciation of \$31,166 was expensed in general governmental activities.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

| | |
|---|---------------------|
| Governmental activities | |
| General government | \$ 1,766,498 |
| Public safety | 1,792,223 |
| Public works | 3,409,629 |
| Health, welfare and recreation | 95,048 |
| Total depreciation expense - governmental activities | \$ 7,063,398 |

Discretely Presented Component Units

Activity for the Laramie County Weed and Pest Control District for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Additions | Transfers and Deletions | Ending Balance |
|--|----------------------|--------------------|----------------------------|---------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 53,870 | \$ - | \$ - | \$ 53,870 |
| Construction in progress | 50,032 | 1,508 | (51,540) | - |
| Total capital assets not being depreciated | 103,902 | 1,508 | (51,540) | 53,870 |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 2,625,470 | - | 51,540 | 2,677,010 |
| Machinery and equipment | 482,600 | 72,788 | - | 555,388 |
| Total capital assets being depreciated | 3,108,070 | 72,788 | 51,540 | 3,232,398 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (294,078) | (62,436) | - | (356,514) |
| Machinery and equipment | (327,874) | (77,081) | - | (404,955) |
| Total accumulated depreciation | (621,952) | (139,517) | - | (761,469) |
| Total capital assets being depreciated, net | 2,486,118 | (66,729) | 51,540 | 2,470,929 |
| Capital assets, net | \$ 2,590,020 | \$ (65,221) | \$ - | \$ 2,524,799 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Activity for the Laramie County Fair Board for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|------------------|-------------|-------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 65,000 | \$ - | \$ - | \$ 65,000 |
| Construction in progress | - | 36,086 | - | 36,086 |
| Total capital assets not being depreciated | 65,000 | 36,086 | - | 101,086 |
| Capital assets being depreciated | | | | |
| Buildings | 1,448,667 | 50,481 | - | 1,499,148 |
| Machinery, equipment and vehicles | 291,728 | 17,404 | - | 309,132 |
| Software | 9,995 | - | - | 9,995 |
| Total capital assets being depreciated | 1,750,390 | 67,885 | - | 1,818,275 |
| Less accumulated depreciation for: | | | | |
| Buildings | (685,472) | (42,933) | - | (728,405) |
| Machinery, equipment and vehicles | (243,409) | (18,017) | - | (261,426) |
| Software | (3,540) | (2,499) | - | (6,039) |
| Total accumulated depreciation | (932,421) | (63,449) | - | (995,870) |
| Total capital assets being depreciated, net | 817,969 | 4,436 | - | 822,405 |
| Capital assets, net | \$ 882,969 | \$ 40,522 | \$ - | \$ 923,491 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Activity for the Laramie County Library System for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|---------------------|-------------|----------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 2,916,089 | \$ - | \$ - | \$ 2,916,089 |
| Total capital assets not being depreciated | 2,916,089 | - | - | 2,916,089 |
| Capital assets being depreciated | | | | |
| Buildings | 19,074,289 | - | - | 19,074,289 |
| Machinery and equipment | 3,906,293 | 138,539 | - | 4,044,832 |
| Library contents | 4,120,859 | 308,716 | - | 4,429,575 |
| Total capital assets being depreciated | 27,101,441 | 447,255 | - | 27,548,696 |
| Less accumulated depreciation for: | | | | |
| Buildings | (2,709,822) | (429,318) | - | (3,139,140) |
| Machinery and equipment | (3,159,546) | (199,194) | - | (3,358,740) |
| Library contents | (3,306,601) | (324,594) | - | (3,631,195) |
| Total accumulated depreciation | (9,175,969) | (953,106) | - | (10,129,075) |
| Total capital assets being depreciated, net | 17,925,472 | (505,851) | - | 17,419,621 |
| Capital assets, net | \$ 20,841,561 | \$ (505,851) | \$ - | \$ 20,335,710 |

Activity for the City of Cheyenne – Laramie County Health Board for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|--------------------|-----------------|-------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 29,925 | \$ - | \$ - | \$ 29,925 |
| Total capital assets not being depreciated | 29,925 | - | - | 29,925 |
| Capital assets being depreciated | | | | |
| Building improvements | 27,723 | - | - | 27,723 |
| Machinery and equipment | 821,266 | 60,906 | (51,357) | 830,815 |
| Total capital assets being depreciated | 848,989 | 60,906 | (51,357) | 858,538 |
| Less accumulated depreciation for: | | | | |
| Building improvements | (4,643) | (2,269) | - | (6,912) |
| Machinery and equipment | (562,352) | (84,674) | 51,357 | (595,669) |
| Total accumulated depreciation | (566,995) | (86,943) | 51,357 | (602,581) |
| Total capital assets being depreciated, net | 281,994 | (26,037) | - | 255,957 |
| Capital assets, net | \$ 311,919 | \$ (26,037) | \$ - | \$ 285,882 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Activity for the Laramie County Landfill Board for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|----------------------|---------------------|-------------|--------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 41,853 | \$ - | \$ - | \$ 41,853 |
| Total capital assets not being depreciated | 41,853 | - | - | 41,853 |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 150,421 | - | - | 150,421 |
| Machinery and equipment | 1,298,676 | - | - | 1,298,676 |
| Total capital assets being depreciated | 1,449,097 | - | - | 1,449,097 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (36,356) | (3,740) | - | (40,096) |
| Machinery and equipment | (864,416) | (116,650) | - | (981,066) |
| Total accumulated depreciation | (900,772) | (120,390) | - | (1,021,162) |
| Total capital assets being depreciated, net | 548,325 | (120,390) | - | 427,935 |
| Capital assets, net | \$ 590,178 | \$ (120,390) | \$ - | \$ 469,788 |

Equipment that was purchased by a lease purchase obligation is included in *Machinery and Equipment* of the governmental activities. The purchase price of that equipment was \$660,839 with accumulated depreciation of \$499,191; the current year depreciation expense of \$63,570 was expensed in general government activities.

Activity for the Medical Center, excluding the Hospital Foundation, for the year ended June 30, 2014 was as follows:

| | Beginning Balance | Additions | Transfers and Deletions | Ending Balance |
|--|-----------------------|----------------------|----------------------------|-----------------------|
| Capital assets, not being depreciated | | | | |
| Land | \$ 7,749,649 | \$ - | \$ - | \$ 7,749,649 |
| Construction in progress | 45,492,440 | 31,080,110 | (63,373,177) | 13,199,373 |
| Total capital assets not being depreciated | 53,242,089 | 31,080,110 | (63,373,177) | 20,949,022 |
| Capital assets being depreciated | | | | |
| Buildings and improvements | 171,165,228 | 325,409 | 44,606,371 | 216,097,008 |
| Machinery and equipment | 165,491,871 | 5,892,272 | (15,095,035) | 156,289,108 |
| Total capital assets being depreciated | 336,657,099 | 6,217,681 | 29,511,336 | 372,386,116 |
| Less accumulated depreciation | (184,598,883) | (20,746,242) | 34,233,050 | (171,112,075) |
| Total capital assets being depreciated, net | 152,058,216 | (14,528,561) | 63,744,386 | 201,274,041 |
| Capital assets, net | \$ 205,300,305 | \$ 16,551,549 | \$ 371,209 | \$ 222,223,063 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt

The following is a summary of debt transactions of the County for the year ended June 30, 2014:

| | Balance June 30, 2013 | New Debt Incurred | Debt Retired | Balance June 30, 2014 | Due Within One Year |
|---|--------------------------|----------------------|-------------------|--------------------------|---------------------------|
| Capital lease obligation - Juvenile Service Center | \$ 1,935,000 | \$ - | \$ 145,000 | \$ 1,790,000 | \$ 145,000 |
| Capital lease obligation - copiers | 97,875 | 62,438 | 34,997 | 125,316 | 42,858 |
| Compensated absences | 2,037,092 | 145,771 | 230,660 | 1,952,203 | 230,660 |
| | <u>\$ 4,069,967</u> | <u>\$ 208,209</u> | <u>\$ 410,657</u> | <u>\$ 3,867,519</u> | <u>\$ 418,518</u> |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

| | |
|---|---------------------|
| \$2,355,000 lease/purchase obligation on a site and juvenile center improvements due in annual principal payments that range from \$140,000 to \$185,000, including semi-annual interest through June 2025; interest ranging from 1.55% to 6% | \$ 1,790,000 |
| \$17,796 lease/purchase obligation on a copier due in monthly installments of \$481, including interest through October 2017; interest at 6% | 14,431 |
| \$9,051 lease/purchase obligation on a copier due in monthly installments of \$175, including interest through June 2017; interest at 6% | 5,606 |
| \$25,604 lease/purchase obligation on a copier due in monthly installments of \$495, including interest through March 2018; interest at 6% | 19,903 |
| \$12,779 lease/purchase obligation on a copier due in monthly installments of \$247, including interest through May 2018; interest at 6% | 10,216 |
| \$9,199 lease/purchase obligation on a copier due in monthly installments of \$178, including interest through November 2018; interest at 6% | 8,126 |
| \$9,185 lease/purchase obligation on a copier due in monthly installments of \$178, including interest through November 2018; interest at 6% | 7,976 |
| \$15,691 lease/purchase obligation on a copier due in monthly installments of \$327, including interest through April 2017; interest at 6% | 10,004 |
| \$5,839 lease/purchase obligation on a printer due in quarterly installments of \$121, including interest through July 2016; interest at 9% | 2,754 |
| \$5,602 lease/purchase obligation on a printer due in quarterly installments of \$116, including interest through July 2016; interest at 9% | 2,642 |
| \$17,365 lease/purchase obligation on a printer due in quarterly installments of \$360, including interest through July 2016; interest at 9% | 8,189 |
| \$22,931 lease/purchase obligation on a copier due in quarterly installments of \$476, including interest through July 2016; interest at 9% | 10,783 |
| \$2,714 lease/purchase obligation on a copier due in quarterly installments of \$56, including interest through July 2016; interest at 9% | 1,326 |
| \$1,529 lease/purchase obligation on a copier due in quarterly installments of \$32, including interest through July 2016; interest at 9% | 799 |
| \$14,074 lease/purchase obligation on a copier due in quarterly installments of \$272, including interest through July 2015; interest at 6% | 3,161 |
| \$21,011 lease/purchase obligation on a mail machine due in quarterly installments of \$639, including interest through April 2017; interest at 6% | 19,400 |
| Accrued compensated absences | 1,952,203 |
| | <u>\$ 3,867,519</u> |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Long-term debt is being serviced in the General Fund, the Road and Bridge Fund and the Planning and Development Fund. The above lease/purchase obligations contain a “no funding” clause so that the obligations do not bind a future County board as required by Wyoming Statutes.

The future minimum lease obligations and the net present value of these minimum lease payments for the capital lease obligations as of June 30, 2014 were as follows:

| Year ended June 30: | Principal | Interest | Total |
|---------------------|-------------------|------------------|-------------------|
| 2015 | \$ 42,858 | \$ 6,228 | \$ 49,086 |
| 2016 | 42,426 | 3,676 | 46,102 |
| 2017 | 27,018 | 1,551 | 28,569 |
| 2018 | 11,747 | 412 | 12,159 |
| 2019 | 1,267 | 18 | 1,285 |
| | <u>\$ 125,316</u> | <u>\$ 11,885</u> | <u>\$ 137,201</u> |

The following is a summary of debt transactions for the discretely presented component units for the year ended June 30, 2014:

| | Compensated Absences | | | |
|-------------------------------|----------------------|-----------------|---|----------------------|
| | County Library | County Landfill | City of Cheyenne/ Laramie County Health Board | County Weed and Pest |
| Indebtedness at June 30, 2013 | \$ 154,698 | \$ 5,456 | \$ 213,680 | \$ 10,200 |
| New debt incurred | 8,958 | - | 13,490 | - |
| Debt retired | - | - | - | - |
| Indebtedness at June 30, 2014 | <u>\$ 163,656</u> | <u>\$ 5,456</u> | <u>\$ 227,170</u> | <u>\$ 10,200</u> |
| Due within one year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

The following is a summary of debt transactions for the Laramie County Community Juvenile Services Joint Powers Board for the year ended June 30, 2014:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|----------------------------------|---------------------|-------------|-------------------|---------------------|---------------------|
| Revenue bonds | \$ 1,935,000 | \$ - | \$ 145,000 | \$ 1,790,000 | \$ 145,000 |
| Original issue discount on bonds | (15,654) | - | 1,305 | (14,349) | - |
| | <u>\$ 1,919,346</u> | <u>\$ -</u> | <u>\$ 146,305</u> | <u>\$ 1,775,651</u> | <u>\$ 145,000</u> |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Revenue Bonds

On November 23, 2010, the Laramie County Community Juvenile Services Joint Powers Board issued Taxable Direct Pay Recovery Zone Economic Development Lease Revenue Bonds, Series 2010 to finance the construction of a juvenile service center. A summary of the revenue bonds as of June 30, 2014 is as follows:

| | |
|---|----------------------------|
| Laramie County Community Juvenile Services Joint Powers Board Taxable Direct Pay Recovery Zone Economic Development Lease Revenue Bonds, Series 2010, due in annual installments of \$140,000 to \$180,000 through June 2025, interest at 1.55% to 6%, original amount issued \$2,355,000, original issue discount of \$19,567 | \$ 1,790,000 |
| Less original issue discount | <u>(14,349)</u> |
| Net bonds payable | 1,775,651 |
| Less current maturities | <u>145,000</u> |
| Long-term portion of revenue bonds payable | <u>\$ 1,630,651</u> |

The annual requirements to amortize the bonds payable, principal and interest outstanding at June 30, 2014 are as follows:

| Fiscal year ending June 30: | Principal | Interest |
|-----------------------------|---------------------|-------------------|
| 2015 | \$ 145,000 | \$ 90,744 |
| 2016 | 150,000 | 86,031 |
| 2017 | 150,000 | 80,481 |
| 2018 | 155,000 | 74,256 |
| 2019 | 155,000 | 67,669 |
| 2020-2025 | <u>1,035,000</u> | <u>221,000</u> |
| | <u>\$ 1,790,000</u> | <u>\$ 620,181</u> |

Note 8. Long-Term Debt

Long-term debt for the Medical Center at June 30, 2014 is as follows:

| | Long-Term Debt at | | | Long-Term Debt at | |
|------------------------------------|----------------------|---------------------|----------------------|----------------------|------------------------|
| | June 30, 2013 | Additions | Payments | June 30, 2014 | Due Within One Year |
| Hospital Refunding Revenue | | | | | |
| Bonds, Series 2012 | \$ 96,600,000 | \$ - | \$(1,755,000) | \$ 94,845,000 | \$ 1,805,000 |
| 2012 bond premium | 4,905,366 | - | (256,154) | 4,649,212 | - |
| 3.00% note payable | 358,086 | - | (238,546) | 119,540 | 119,540 |
| 2.54% capital lease | - | 3,299,757 | (2,745) | 3,297,012 | 511,978 |
| Long-term debt at June 30, 2014 | <u>\$101,863,452</u> | <u>\$ 3,299,757</u> | <u>\$(2,252,445)</u> | <u>\$102,910,764</u> | <u>\$ 2,436,518</u> |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Laramie County, Wyoming, Hospital Refunding Revenue Bonds, Series 2012, 3.0%-5.0% serial bonds, with a final maturity due May of 2042, secured by the revenues of the Medical Center. Principal payments are due May of each year and interest payments are due semi-annually in November and May.

3.00% Note Payable, due in annual installments of \$123,176 due until June 2015. The note is to help fund the purchase of Enterprise Resource Planning computer software.

3.00% Capital Lease, due in monthly installments of \$61,413 including interest, to August 2019. The capital lease is to fund the information technology infrastructure upgrade, secured by equipment.

Scheduled maturities on long-term debt obligations are as follows:

| Year Ending June 30 | Principal | Interest | Total |
|---------------------|----------------------|----------------------|-----------------------|
| 2015 | \$ 2,436,518 | \$ 4,466,252 | \$ 6,902,770 |
| 2016 | 2,534,277 | 4,417,447 | 6,951,724 |
| 2017 | 2,606,536 | 4,344,389 | 6,950,925 |
| 2018 | 2,684,236 | 4,269,238 | 6,953,474 |
| 2019 | 2,761,459 | 4,172,144 | 6,933,603 |
| 2020-2024 | 11,593,526 | 19,488,805 | 31,082,331 |
| 2025-2029 | 14,635,000 | 16,445,094 | 31,080,094 |
| 2030-2034 | 18,555,000 | 12,524,906 | 31,079,906 |
| 2035-2039 | 23,475,000 | 7,608,563 | 31,083,563 |
| 2040-2042 | 16,980,000 | 1,672,253 | 18,652,253 |
| | <u>\$ 98,261,552</u> | <u>\$ 79,409,091</u> | <u>\$ 177,670,643</u> |

Note 9. Risk Management

The County is a member of the Wyoming Association of Risk Management (W.A.R.M.). W.A.R.M. administers a risk management fund providing the County with loss protection for general liability, public official's liability, automobile liability to include elected and appointed officials, employees, and authorized volunteers. Under most circumstances, the County's maximum loss per occurrence is limited to \$250,000 per claimant/\$500,000 per occurrence.

Annually W.A.R.M. calculates the premiums for risk coverage required by participating agencies. This premium is calculated upon actuarially pooling practices including such items as insurable value, loss history exposure, and risk management programs. The Articles of Association of W.A.R.M. defines the premium to be calculated based upon each such political subdivision's payroll and a Pool Assessment Factor rate. During each coverage year, supplementary assessments may be made.

For the year ended June 30, 2014, the County paid \$501,546 to W.A.R.M. for potential claims and expenses. All County departments are covered by the County's risk management program.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

The County also participates in two other risk management programs: Workers' Compensation Act and Unemployment Compensation Act. Amounts paid by the County to the State for Workers' Compensation during the fiscal year 2014 was \$366,031. Amounts paid by the County to the State for Unemployment Claims was \$35,297.

The Medical Center is exposed to various risks of loss from tort; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Note 10. Fund Balance

The following table outlines the specific purpose details for governmental fund balances of the County:

| Fund balances | General | Optional 1% Tax Fund | BRC Grants Fund | Road and Bridge Fund | Other Nonmajor Governmental Funds | Total |
|---|----------------------|----------------------------|---------------------|-------------------------|--|----------------------|
| Nonspendable: | | | | | | |
| Inventory | \$ 57,799 | \$ - | \$ - | \$ 156,546 | \$ 17,694 | \$ 232,039 |
| Loan principal | - | - | - | - | 151,491 | 151,491 |
| Restricted for: | | | | | | |
| Community facilities | 330,029 | - | - | - | - | 330,029 |
| SPOT tax operations and maintenance fund 244 | 23,320 | - | - | - | 11,267,713 | 11,291,033 |
| 911 charges per statute | - | - | - | - | 189,024 | 189,024 |
| Abandoned vehicles | - | - | - | - | 49,584 | 49,584 |
| Grant agreements | - | - | - | - | 93,195 | 93,195 |
| Road maintenance | - | - | - | 2,709,715 | 1,671,222 | 4,380,937 |
| Committed to: | | | | | | |
| Specific projects | - | 3,490,294 | - | - | 49,088 | 3,539,382 |
| Economic development | - | - | - | - | 182,164 | 182,164 |
| Law enforcement fund 271 | 324,494 | - | - | - | 363,236 | 687,730 |
| Assigned to: | | | | | | |
| Emergency reserves-Wyo. Statute §16-4-105 | 4,468,050 | - | - | - | - | 4,468,050 |
| Planning and building inspections | - | - | - | - | 622,357 | 622,357 |
| Shooting sports education | - | - | - | - | 4,375 | 4,375 |
| County improvements | - | - | - | - | 1,381,605 | 1,381,605 |
| Unassigned | 10,544,025 | - | (128,370) | - | (24,151) | 10,391,504 |
| | <u>\$ 15,747,717</u> | <u>\$ 3,490,294</u> | <u>\$ (128,370)</u> | <u>\$ 2,866,261</u> | <u>\$ 16,018,597</u> | <u>\$ 37,994,499</u> |

The Laramie County Weed and Pest Control District has assigned \$533,530 for emergency expenditures. The District assigned \$448,476 of fund balance for future capital expenditures. The purpose of the assignment is to provide cash to finance capital expenditures. The County Landfill has assigned \$827,209 for emergency expenditures.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 11. Retirement Plan

The County, Laramie County Library System, City of Cheyenne-Laramie County Health Board, Laramie County Weed and Pest Control District, and the Laramie County Landfill Board, which are component units of the County, contribute to the Wyoming Retirement System (“System”), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. The System provides retirement, disability and death benefits according to predetermined formulas. Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes. The System issues a publicly available financial report that includes audited financial statements and required supplementary information for the System. The report may be obtained by writing to the Wyoming Retirement System, Fifth Floor West, 6101 Yellowstone Road, Street, Cheyenne, Wyoming 82002.

Through August 31, 2013, Plan members were required to contribute 7.00% of their annual covered salary and the County, Laramie County Library System, City of Cheyenne-Laramie County Health Board, Laramie County Weed and Pest Control District, and the Laramie County Landfill Board were required to contribute 7.12% of the annual covered payroll. Beginning September 1, 2013, plan members are required to contribute 7.50% of their annual covered salary and the County, Laramie County Library System, City of Cheyenne-Laramie County Health Board, Laramie County Weed and Pest Control District, and the Laramie County Landfill Board are required to contribute 7.12% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees’ contribution in addition to the matching contribution. The County, Laramie County Library System, City of Cheyenne-Laramie County Health Board, Laramie County Weed and Pest Control District, and the Laramie County Landfill Board currently pay 100% of the required employee’s contribution. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The County’s contributions to the System for the years ended June 30, 2014, 2013 and 2012 were \$2,616,338, \$2,587,760 and \$2,247,952, respectively, which equaled 100% of the required contributions for each year. The Laramie County Library System’s contributions to the System for the years ended June 30, 2014, 2013 and 2012 were \$287,934, \$291,623 and \$274,868, respectively, which equaled 100% of the required contributions for each year. The City of Cheyenne-Laramie County Health Board’s contributions to the system for the years ended June 30, 2014, 2013 and 2012 were \$191,841, \$228,703 and \$231,696, respectively, which equaled 100% of the required contributions for each year. The Laramie County Weed and Pest Control District’s contributions to the system for the year ended June 30, 2014, 2013 and 2012 were \$19,556, \$23,814 and \$23,709, respectively, which equaled 100% of the required contribution for each year. The Laramie County Landfill Board’s contributions to the system for the years ended June 30, 2014, 2013 and 2012 were \$22,228, \$19,170 and \$17,488, respectively, which equaled 100% of the required contributions for each year.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 12. Pension and Retirement Benefits

Defined Benefit Plan

Plan Description

The Medical Center is the administrator of the Memorial Hospital of Laramie County Pension Plan (Plan), a single-employer defined benefit noncontributory pension plan covering substantially all of its employees who have met the Plan's eligibility requirements. The most recent actuarial valuation was made as of January 1, 2013. Based on actuarial information, the Medical Center's estimated payroll for employees covered by the Plan for the years ended December 31, 2013 and 2012 was approximately \$17,975,130 and \$18,951,127, respectively. The Medical Center's total actual payroll for the years ended June 30, 2014 and 2013 was approximately \$131,695,000 and \$128,163,000, respectively.

Current membership in the Plan consists of the following at December 31:

| | 2014 | 2013 |
|---|--------------|-------|
| Active participants | 244 | 264 |
| Frozen active participants | 71 | 74 |
| Participants with deferred benefits | 530 | 536 |
| Retirees and beneficiaries currently receiving benefits | 404 | 380 |
| | 1,249 | 1,254 |

All employees of the Medical Center hired prior to January 1, 2004 are eligible to participate in the Plan following the completion of at least two years of service and minimum of 1,000 hours each year. Benefits vest after five years of service and a minimum of 1,000 hours per year and the employee has reached the age of 25.

Normal retirement age is 65 with the completion of five or more years of service. Normal retirement pays a monthly pension for life, equal to 1.25% of average monthly compensation per year of credited service. Employees may elect an early retirement if the employee has completed five years of service and has reached age 55, which pays a monthly pension for life computed in the same manner as a normal retirement pension, but based on service and earnings to date of retirement, and actuarially reduced to reflect the early commencement date. If a vested employee dies, a death benefit is paid to the surviving beneficiary.

Funding Policy

The Plan's funding policy provides for actuarially determined periodic employer contributions that are designed to accumulate sufficient assets to pay benefits when due. The contributions actually made are determined by the Medical Center's Board of Trustees.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

The funded status of the Plan as of the January 1 actuarial valuation is as follows:

| Actuarial Valuation Date January 1, | Actuarial Value of Assets (A) | Actuarial Accrued Liability (AAL) Entity Age (B) | Unfunded (Overfunded) AAL (UAAL) (B-A) | Funded Ratio (A/B) | Covered Payroll (C) | UAAL as a Percentage of Covered Payroll ((B-A)/C) |
|--|--|--|--|--------------------------|---------------------------|---|
| 2007 | \$ 44,549,412 | \$ 48,630,601 | \$ 4,081,189 | 91.61% | \$ 25,684,443 | 15.89% |
| 2008 | 49,872,415 | 52,103,650 | 2,231,235 | 95.72% | 23,813,979 | 9.37% |
| 2009 | 38,692,617 | 56,362,960 | 17,670,343 | 68.65% | 23,411,020 | 75.48% |
| 2010 | 45,012,063 | 59,043,230 | 14,031,167 | 76.24% | 22,574,647 | 62.15% |
| 2011 | 51,862,429 | 63,975,785 | 12,113,356 | 81.07% | 21,141,206 | 57.30% |
| 2012 | 57,920,654 | 67,370,200 | 9,449,546 | 85.97% | 20,035,457 | 47.16% |
| 2013 | 65,008,636 | 70,759,356 | 5,750,720 | 91.87% | 18,951,127 | 30.35% |
| 2014 | 72,246,612 | 73,929,851 | 1,683,239 | 97.72% | 17,975,130 | 9.36% |

The annual required contributions and the actual contributions of the Plan as of December 31 are as follows:

| Year Ended December 31, | Annual Required Contribution (A) | Actual Contribution (B) | Percentage Contributed (B/A) |
|-------------------------------|---|-------------------------------|------------------------------------|
| 2007 | \$ 1,794,487 | \$ 2,140,000 | 119.25% |
| 2008 | 1,495,354 | 2,516,749 | 168.30% |
| 2009 | 3,824,701 | 3,775,000 | 98.70% |
| 2010 | 3,368,853 | 3,078,800 | 91.39% |
| 2011 | 2,980,324 | 2,803,800 | 94.08% |
| 2012 | 2,671,654 | 3,127,000 | 117.04% |
| 2013 | 2,038,025 | 2,900,000 | 142.29% |

Annual Pension Cost

The Medical Center’s required contributions for the years ended December 31, 2014 and 2013 were \$2,038,025 and \$2,671,654, respectively. The required contribution was determined as part of the January 1, 2014 and 2013 actuarial valuations using the entry age normal cost funding method. The actuarial assumptions for calendar year 2013 included 7.5% investment rate of return. The assumptions regarding benefits are that no changes will occur on a postretirement basis.

The Medical Center’s annual pension cost and actual contributions for the years ended December 31, 2013 and 2012 were \$2,900,000 and \$3,127,800, respectively. The net pension obligation for the years ended December 31, 2013 and 2012 was zero.

The Medical Center’s total pension expense for the years ended June 30, 2014 and 2013 related to the defined benefit plan was approximately \$3,055,000 and \$3,180,000, respectively.

A separately issued actuarial report of the Memorial Hospital of Laramie County Pension Plan is available by contacting the Hospital administrative offices.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Defined Contribution Plan

The Medical Center established a defined contribution plan for all employees hired after January 1, 2004. Employees hired prior to that date had the option of staying in the defined benefit plan or opting into the defined contribution plan effective July 1, 2004. Employees are eligible to participate in the plan upon reaching the age of 21. The Medical Center matches 50% of employee contributions up to a maximum of 8%. Total plan expense related to this plan for the years ended June 30, 2014 and 2013 was \$2,433,000 and \$2,066,000, respectively.

Note 13. Net Patient Service Revenue – Medical Center

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates. A summary for the payment arrangements with major third-party payors follows:

Medicare - Inpatient acute care and outpatient services rendered to Medicare program beneficiaries were paid at prospectively determined rates per visit. These rates vary according to a patient classification system based on clinical, diagnostic, and other factors. The Medical Center is reimbursed for these services at a tentative rate with final settlement determined after submission of annual cost reports by the Medical Center and audits thereof by the Medicare fiscal intermediary. The Medical Center's Medicare cost reports have been audited by the Medicare fiscal intermediary through the year ended June 30, 2011.

Medicaid - Acute care inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. Outpatient services rendered to Medicaid program beneficiaries are paid on a fee schedule. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors.

Blue Cross - Inpatient services rendered to Blue Cross subscribers are paid at prospectively determined rates per discharge. Outpatient services rendered to Blue Cross subscribers are paid at a discounted rate from established charges except the physician services, which are reimbursed based upon fee schedules.

Other Third-Party Payors - The Medical Center has also entered into payment agreements with certain commercial insurance carriers and other organizations. The basis of payment to the Medical Center under these agreements include charges, prospectively determined rates per discharge, and prospectively determined daily rates.

Revenue from the Medicare, Blue Cross, Commercial, and Medicaid programs accounted for approximately 46%, 12%, 13% and 9%, respectively, of the Medical Center's net patient service revenue for the year ended June 30, 2014, and 43%, 12%, 11% and 8%, respectively, for the year ended June 30, 2013. Laws and regulations governing the Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The net patient service revenue for the years ended June 30, 2014 and 2013 increased approximately \$255,000 and \$367,000, respectively, due to removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer likely subject to audits, reviews, and investigations.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

The Centers for Medicare and Medicaid (CMS) has implemented a Recovery Audit Contractor (RAC) program under which claims subsequent to October 1, 2007 are reviewed by contractors for validity, accuracy, and proper documentation. A demonstration project completed in several other states resulted in the identification of potential overpayments, some being significant. If selected for audit, the potential exists that the Medical Center may incur a liability for a claims overpayment at a future date. The Medical Center's reserve is included in estimated third-party payor liabilities on the accompanying financial statements.

A summary of the Medical Center's hospital patient service revenue, contractual adjustments, and provision for bad debts for the years ended June 30, 2014 and 2013 are as follows:

| | 2014 | 2013 |
|---|-----------------------|----------------|
| Medical Center | | |
| Total patient service revenue | \$ 598,490,212 | \$ 587,089,193 |
| Contractual adjustments | | |
| Medicare | (200,878,775) | (188,997,986) |
| Medicaid | (33,607,606) | (37,874,417) |
| Other | (78,542,839) | (71,778,521) |
| Total contractual adjustments | (313,029,220) | (298,650,924) |
| Provision for bad debts | (34,090,791) | (34,808,667) |
| Total contractual adjustments and provision for bad debts | (347,120,011) | (333,459,591) |
| Net patient service revenue - Medical Center | 251,370,201 | 253,629,602 |
| Subsidiaries | | |
| Total patient service revenue | 56,268,685 | 59,755,490 |
| Contractual adjustments | (31,311,252) | (34,961,446) |
| Provision for bad debts | (1,011,740) | (26,718) |
| Total contractual adjustments and provision for bad debts | (32,322,992) | (34,988,164) |
| Net patient service revenue - subsidiaries | 23,945,693 | 24,767,326 |
| Total net patient service revenue | \$ 275,315,894 | \$ 278,396,928 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 14. Concentrations of Credit Risk – Medical Center

The Medical Center grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors and patients at June 30, 2014 was as follows:

| | |
|----------------------|-------------|
| Medicare | 34% |
| Medicaid | 6% |
| Blue Cross | 8% |
| Commercial and other | 23% |
| Patient self-pay | 29% |
| | <hr/> |
| | 100% |
| | <hr/> <hr/> |

Note 15. Closure and Postclosure Care Liability – Landfill Board

State and Federal laws and regulations require the County 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 postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports the estimated liability for these closures and postclosure costs in the landfill based on landfill capacity used as of each balance sheet date. The current operating costs of the landfill are accounted for within the landfill of the County using the accrual basis of accounting. The \$533,000 reported as landfill closure and postclosure care liability at June 30, 2014, represents the cumulative amount estimated to date based on the use of 59.55% of the estimated capacity of the site. The County will recognize the remaining estimated cost of closure and postclosure care of \$362,000 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 postclosure care in 2014. Actual County cost may be higher due to inflation, changes in technology, or changes in regulations. The current year expenditures for landfill closure and postclosure care reflected in the County Landfill (a component unit) were \$(324,150).

Note 16. WINhealth Partners, Inc. – Medical Center

For the primary purpose of providing an HMO healthcare product to the greater Cheyenne, Wyoming service area, the Medical Center and Southeast Wyoming Preferred Physicians (SWPP) jointly created WINhealth Partners, Inc., (WINhealth). For the years ended June 30, 2014 and 2013, the Medical Center received net patient service revenue from WINhealth for all health care services provided to WINhealth beneficiaries in the amount of \$9.2 million and \$8.7 million, respectively.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 17. Contingencies – Medical Center

Malpractice Insurance

The Medical Center has malpractice insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of \$1 million per claim with an annual aggregate limit of \$3 million and a \$25,000 deductible per claim. The Medical Center also has an umbrella liability insurance policy that provides additional protection on a claim-made basis subject to a limit of \$15,000,000 per claim and aggregate. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured. The Medical Center has accrued malpractice losses of \$350,000 and \$1,510,000 at June 30, 2014 and 2013, respectively.

Litigations, Claims, and Disputes

The Medical Center is subject to the various contingencies in the normal course of operations relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of litigation, claims, and disputes in process will not be material to the financial position of the Medical Center.

The health care industry is subject to numerous laws and regulations of Federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties as well as significant repayments of previously, billed and collected revenues from patient services.

Note 18. Construction Commitments

As of June 30, 2014, the County is committed to 1 construction contract resulting in a commitment for future capital expenditures. The major project is as follows:

| | Total Contract | Expended to June 30, 2014 | Total Commitment at June 30, 2014 |
|----------------------------|-------------------|------------------------------|---|
| Laramie County | | | |
| WDOT Safe Routes to School | \$ 49,533 | \$ 27,161 | \$ 22,372 |

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 19. Conduit Debt Obligations

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Note 20. Laramie County Community Juvenile Services Joint Powers Board

The Laramie County Community Juvenile Services Joint Powers Board (Joint Powers Board) and the County have jointly constructed a juvenile services center on the 9.75 acres owned by the County and leased to the Joint Powers Board. Funding for the facility was provided via: (1) revenue bonds issued by the Joint Powers Board in the amount of \$2,355,000; (2) a State Land and Investment Board (SLIB) grant through the County in the amount of \$865,521; and (3) a Federal grant through the Wyoming Department of Education to the County from the American Recovery and Reinvestment Act of 2009, State Stabilization Fund, Government Services Fund (ARRA) in the amount of \$4,759,000.

Construction management is under the control of the County. Bond proceeds are transferred from the Joint Powers Board to the County, which along with the SLIB and ARRA grant funds is used to pay the construction costs. When construction is completed, the intent is to transfer the facility to the Joint Powers Board who will hold title subject to a first mortgage and lease the project back to the County under a lease-purchase agreement. The County will be responsible for maintenance, utilities and insurance as “additional rental” payments under the terms of the lease.

The Joint Powers Board and the County entered into a “lease and agreement” on November 23, 2010 to lease back the site and juvenile center (improvements) through June 30, 2025. The Joint Powers Board will assign, transfer, and convey the improvements to the County when either: (1) the County has paid the applicable Optional Purchase Price; or (2) the County has paid all rental payments set forth in the lease for the entire lease term and all then current additional rentals required by the lease. Lease payments correspond to the debt service requirements on the Laramie County Community Juvenile Service’s revenue bonds. Additional rentals include maintenance, utilities, insurance, etc.; therefore, the lease is deemed to be a “triple net lease.”

During the year ended June 30, 2014, the Joint Powers Board transferred \$13,120 to the County for construction costs related to the juvenile detention center. The County paid \$254,752 to the Joint Powers Board for rent relating to the lease purchase of the juvenile detention center.

LARAMIE COUNTY, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 21. Restatement of Prior Years

The 2013 financial statements of the Laramie County Library System have been restated to correct an error in the recording of the investment held by others. The Library Foundation received funds from the Library which were provided by the State of Wyoming under a matching program which provides for a two-to-one match for Library Foundation donations made to a permanently restricted endowment. Under the terms of this program, the Library Foundation has solicited contributions for its endowment funds. These contributions were reported to the State of Wyoming, which made a matching contribution to the Library. The Library invested these funds with the Library Foundation as required by state statute. The Library Foundation is required to invest the money and use the investment earnings to fund endowments consistent with the original donor's intent. The correction had the effect of adding an asset of \$817,341 to the Library's statement of net position.

REQUIRED SUPPLEMENTARY INFORMATION

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
Year Ended June 30, 2014**

| | Budget Amounts | | Actual | Variance with Final Budget |
|---|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| PROPERTY TAXES AND OTHER TAXES | | | | |
| Property taxes - current and delinquent | \$ 10,083,476 | \$ 10,083,476 | \$ 10,004,544 | \$ (78,932) |
| Car company | 40,000 | 40,000 | 35,935 | (4,065) |
| Vehicle fees | 2,163,000 | 2,163,000 | 2,405,662 | 242,662 |
| Sales and use taxes | 7,750,000 | 7,750,000 | 9,517,542 | 1,767,542 |
| Cigarette tax | 80,000 | 80,000 | 92,316 | 12,316 |
| Severance tax | 800,000 | 800,000 | 890,653 | 90,653 |
| Wind electric generation tax | 100,000 | 100,000 | 143,972 | 43,972 |
| Payments in lieu of property taxes | 8,000 | 8,000 | 24,509 | 16,509 |
| Local governments-shared costs | 255,956 | 255,956 | 229,380 | (26,576) |
| State impact assistance | - | - | 1,581,881 | 1,581,881 |
| | <u>21,280,432</u> | <u>21,280,432</u> | <u>24,926,394</u> | <u>3,645,962</u> |
| LICENSES AND PERMITS | <u>105,750</u> | <u>105,750</u> | <u>156,489</u> | <u>50,739</u> |
| INTERGOVERNMENTAL REVENUES | | | | |
| Emergency management | 29,042 | 29,042 | 60,000 | 30,958 |
| Grants | 193,646 | 291,451 | 237,249 | (54,202) |
| | <u>222,688</u> | <u>320,493</u> | <u>297,249</u> | <u>(23,244)</u> |
| CHARGES FOR SERVICES | | | | |
| County Clerk fees | 1,454,400 | 1,464,400 | 1,725,893 | 261,493 |
| Clerk of Court fees | 176,485 | 176,485 | 196,762 | 20,277 |
| County Sheriff fees | 776,000 | 776,000 | 1,199,361 | 423,361 |
| County Treasurer fees | 265,050 | 265,050 | 297,305 | 32,255 |
| Miscellaneous department fees | 51,550 | 51,550 | 56,127 | 4,577 |
| Abandoned vehicle fees | 5,650 | 5,650 | 5,225 | (425) |
| 5% reimbursement tax | 95,000 | 95,000 | 32,148 | (62,852) |
| Prisoner housing, other | 545,000 | 545,000 | 467,658 | (77,342) |
| | <u>3,369,135</u> | <u>3,379,135</u> | <u>3,980,479</u> | <u>601,344</u> |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)**
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|-------------------------------|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| MISCELLANEOUS REVENUES | | | | |
| Interest earnings | \$ 40,000 | \$ 40,000 | \$ 207,558 | \$ 167,558 |
| Rents | 7,500 | 7,500 | 26,396 | 18,896 |
| Other income | 287,350 | 287,350 | 414,829 | 127,479 |
| Reimbursements | 92,942 | 92,942 | 648,315 | 555,373 |
| | <u>427,792</u> | <u>427,792</u> | <u>1,297,098</u> | <u>869,306</u> |
| Total revenues | <u>25,405,797</u> | <u>25,513,602</u> | <u>30,657,709</u> | <u>5,144,107</u> |
| EXPENDITURES | | | | |
| GENERAL GOVERNMENT | | | | |
| County Commissioners | | | | |
| Personnel services | 392,561 | 392,561 | 386,967 | 5,594 |
| Contractual services | 75,050 | 75,050 | 59,954 | 15,096 |
| Debt service: | | | | |
| Principal | 3,000 | 3,000 | 2,255 | 745 |
| Interest | 1,000 | 1,000 | 376 | 624 |
| | <u>471,611</u> | <u>471,611</u> | <u>449,552</u> | <u>22,059</u> |
| Information Technology | | | | |
| Personnel services | 852,274 | 852,274 | 778,144 | 74,130 |
| Contractual services | 569,086 | 569,086 | 543,896 | 25,190 |
| | <u>1,421,360</u> | <u>1,421,360</u> | <u>1,322,040</u> | <u>99,320</u> |
| County Clerk - Administration | | | | |
| Personnel services | 267,103 | 267,103 | 258,675 | 8,428 |
| Contractual services | 10,775 | 10,775 | 9,878 | 897 |
| Debt service: | | | | |
| Principal | 5,000 | 5,000 | 4,595 | 405 |
| Interest | 1,000 | 1,000 | 1,345 | (345) |
| | <u>283,878</u> | <u>283,878</u> | <u>274,493</u> | <u>9,385</u> |
| County Clerk-Auto Titles | | | | |
| Personnel services | 441,302 | 441,302 | 407,952 | 33,350 |
| Contractual services | 41,600 | 41,600 | 28,136 | 13,464 |
| | <u>482,902</u> | <u>482,902</u> | <u>436,088</u> | <u>46,814</u> |
| Grants Manager | | | | |
| Personnel services | 66,484 | 66,484 | 67,607 | (1,123) |
| Contractual services | 6,575 | 6,575 | 4,300 | 2,275 |
| | <u>73,059</u> | <u>73,059</u> | <u>71,907</u> | <u>1,152</u> |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)**
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|---------------------------------------|------------------|------------------|----------------|-------------------------------|
| | Original | Final | | |
| <i>GENERAL GOVERNMENT (Continued)</i> | | | | |
| County Clerk-Real Estate | | | | |
| Personnel services | \$ 143,613 | \$ 143,613 | \$ 137,703 | \$ 5,910 |
| Contractual services | 39,750 | 49,750 | 44,654 | 5,096 |
| | <u>183,363</u> | <u>193,363</u> | <u>182,357</u> | <u>11,006</u> |
| County Clerk-Accounting | | | | |
| Personnel services | 319,742 | 319,742 | 331,056 | (11,314) |
| Contractual services | 12,800 | 12,800 | 9,524 | 3,276 |
| | <u>332,542</u> | <u>332,542</u> | <u>340,580</u> | <u>(8,038)</u> |
| County Clerk-Elections | | | | |
| Personnel services | 273,134 | 273,134 | 228,634 | 44,500 |
| Contractual services | 258,350 | 258,350 | 88,528 | 169,822 |
| | <u>531,484</u> | <u>531,484</u> | <u>317,162</u> | <u>214,322</u> |
| District Court | | | | |
| Personnel services | 28,357 | 82,181 | 94,369 | (12,188) |
| Contractual services | 474,362 | 474,362 | 404,984 | 69,378 |
| | <u>502,719</u> | <u>556,543</u> | <u>499,353</u> | <u>57,190</u> |
| Circuit Court | | | | |
| Contractual services | 6,000 | 6,000 | 2,978 | 3,022 |
| County Treasurer | | | | |
| Personnel services | 944,206 | 944,206 | 855,315 | 88,891 |
| Contractual services | 133,375 | 133,375 | 129,294 | 4,081 |
| Debt service: | | | | |
| Principal | 5,000 | 5,000 | 497 | 4,503 |
| Interest | 1,000 | 1,000 | 4 | 996 |
| | <u>1,083,581</u> | <u>1,083,581</u> | <u>985,110</u> | <u>98,471</u> |
| District Court - Judges | | | | |
| Contractual services | 3,500 | 3,500 | 2,064 | 1,436 |
| Fair Board | | | | |
| Contractual services | 600 | 600 | 434 | 166 |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)**
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|---------------------------------------|----------------|-----------|-----------|-------------------------------|
| | Original | Final | | |
| <i>GENERAL GOVERNMENT (Continued)</i> | | | | |
| District Attorney | | | | |
| Contractual services | \$ 4,500 | \$ 4,500 | \$ 3,633 | \$ 867 |
| City Court | | | | |
| Contractual services | 2,250 | 2,250 | 1,882 | 368 |
| County Assessor | | | | |
| Personnel services | 1,255,769 | 1,255,769 | 1,239,956 | 15,813 |
| Contractual services | 124,080 | 124,080 | 90,723 | 33,357 |
| Debt service: | | | | |
| Principal | 3,075 | 3,075 | 2,271 | 804 |
| Interest | - | - | 694 | (694) |
| | 1,382,924 | 1,382,924 | 1,333,644 | 49,280 |
| County Attorney | | | | |
| Personnel services | 383,120 | 383,120 | 386,168 | (3,048) |
| Contractual services | 95,150 | 95,150 | 105,031 | (9,881) |
| Debt service: | | | | |
| Principal | - | - | 1,485 | (1,485) |
| Interest | - | - | 392 | (392) |
| | 478,270 | 478,270 | 493,076 | (14,806) |
| Clerk of the District Court | | | | |
| Personnel services | 1,230,100 | 1,230,100 | 1,150,529 | 79,571 |
| Contractual services | 108,360 | 108,360 | 60,862 | 47,498 |
| Debt service: | | | | |
| Principal | 1,720 | 1,720 | 1,716 | 4 |
| Interest | 390 | 390 | 384 | 6 |
| | 1,340,570 | 1,340,570 | 1,213,491 | 127,079 |
| Human Resources | | | | |
| Personnel services | 146,052 | 146,052 | 149,924 | (3,872) |
| Contractual services | 26,420 | 26,420 | 25,761 | 659 |
| | 172,472 | 172,472 | 175,685 | (3,213) |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)**
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|--|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | | |
| <i>GENERAL GOVERNMENT (Continued)</i> | | | | |
| Records Center | | | | |
| Personnel services | \$ 221,754 | \$ 221,754 | \$ 220,574 | \$ 1,180 |
| Contractual services | 20,625 | 20,625 | 18,712 | 1,913 |
| | <u>242,379</u> | <u>242,379</u> | <u>239,286</u> | <u>3,093</u> |
| Central Mail | | | | |
| Contractual services | 47,900 | 47,900 | 29,574 | 18,326 |
| Debt service: | | | | |
| Principal | - | - | 1,610 | (1,610) |
| Interest | - | - | 307 | (307) |
| | <u>47,900</u> | <u>47,900</u> | <u>31,491</u> | <u>16,409</u> |
| Building Maintenance | | | | |
| Personnel services | 497,259 | 497,259 | 470,587 | 26,672 |
| Contractual services | 309,252 | 309,252 | 208,402 | 100,850 |
| | <u>806,511</u> | <u>806,511</u> | <u>678,989</u> | <u>127,522</u> |
| Central Utilities | | | | |
| Contractual services | 367,500 | 368,600 | 359,343 | 9,257 |
| Communications - Security | | | | |
| Personnel services | 69,161 | 69,161 | 70,477 | (1,316) |
| Contractual services | 50,952 | 50,952 | 34,318 | 16,634 |
| Capital outlay | - | - | 7,883 | (7,883) |
| | <u>120,113</u> | <u>120,113</u> | <u>112,678</u> | <u>7,435</u> |
| General Accounts | | | | |
| Contractual services | 1,313,706 | 1,313,706 | 1,069,462 | 244,244 |
| Central Geographical Information Systems | | | | |
| Personnel services | 181,910 | 181,910 | 201,174 | (19,264) |
| Contractual services | 83,235 | 83,235 | 63,966 | 19,269 |
| | <u>265,145</u> | <u>265,145</u> | <u>265,140</u> | <u>5</u> |
| Total general government | <u>11,920,839</u> | <u>11,985,763</u> | <u>10,861,918</u> | <u>1,123,845</u> |
| <i>PUBLIC SAFETY</i> | | | | |
| County Sheriff-Operations | | | | |
| Personnel services | 4,869,748 | 4,869,748 | 4,365,505 | 504,243 |
| Contractual services | 761,950 | 761,950 | 566,044 | 195,906 |
| Debt service: | | | | |
| Principal | 11,400 | 11,400 | 11,013 | 387 |
| Interest | 3,100 | 3,100 | 2,931 | 169 |
| | <u>5,646,198</u> | <u>5,646,198</u> | <u>4,945,493</u> | <u>700,705</u> |
| County Sheriff-OCDETF Program | | | | |
| Personnel services | 10,000 | 10,000 | 5,849 | 4,151 |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)**
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|------------------------------------|------------------|------------------|------------------|-------------------------------|
| | Original | Final | | |
| <i>PUBLIC SAFETY (Continued)</i> | | | | |
| County Sheriff-Tobacco and Alcohol | | | | |
| Personnel services | \$ 1,700 | \$ 1,700 | \$ 290 | \$ 1,410 |
| Contractual services | 300 | 300 | 280 | 20 |
| | <u>2,000</u> | <u>2,000</u> | <u>570</u> | <u>1,430</u> |
| County Sheriff-Detention Center | | | | |
| Personnel services | 6,328,811 | 6,328,811 | 5,846,247 | 482,564 |
| Contractual services | 2,536,330 | 2,536,330 | 2,165,528 | 370,802 |
| | <u>8,865,141</u> | <u>8,865,141</u> | <u>8,011,775</u> | <u>853,366</u> |
| Fire Warden | | | | |
| Contractual services | 10,925 | 10,925 | 7,450 | 3,475 |
| County Coroner | | | | |
| Personnel services | 134,520 | 134,520 | 160,347 | (25,827) |
| Contractual services | 179,075 | 189,075 | 186,555 | 2,520 |
| | <u>313,595</u> | <u>323,595</u> | <u>346,902</u> | <u>(23,307)</u> |
| Emergency Management | | | | |
| Personnel services | 210,158 | 210,158 | 216,303 | (6,145) |
| Contractual services | 62,270 | 62,270 | 68,686 | (6,416) |
| | <u>272,428</u> | <u>272,428</u> | <u>284,989</u> | <u>(12,561)</u> |
| County Sheriff-DOT Speed and DUI | | | | |
| Personnel services | 27,000 | 27,000 | 12,699 | 14,301 |
| Contractual services | 3,000 | 3,000 | 2,019 | 981 |
| Capital outlay | - | - | 5,000 | (5,000) |
| | <u>30,000</u> | <u>30,000</u> | <u>19,718</u> | <u>10,282</u> |
| Juvenile Detention Center | | | | |
| Personnel services | 1,268,324 | 1,268,324 | 1,253,714 | 14,610 |
| Contractual services | 495,614 | 504,739 | 302,611 | 202,128 |
| Capital outlay | 10,000 | 10,000 | - | 10,000 |
| Debt service: | | | | |
| Principal | 144,500 | 144,500 | 148,221 | (3,721) |
| Interest | 79,514 | 79,514 | 73,492 | 6,022 |
| | <u>1,997,952</u> | <u>2,007,077</u> | <u>1,778,038</u> | <u>229,039</u> |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)**
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|-------------------|-------------------------------|
| | Original | Final | | |
| <i>PUBLIC SAFETY (Continued)</i> | | | | |
| VAWA | | | | |
| Personnel services | \$ 28,355 | \$ 28,355 | \$ 8,557 | \$ 19,798 |
| Victims Assistance | | | | |
| Personnel services | 61,150 | 61,150 | 62,202 | (1,052) |
| Contractual services | 16,296 | 16,296 | 13,669 | 2,627 |
| | <u>77,446</u> | <u>77,446</u> | <u>75,871</u> | <u>1,575</u> |
| Byrne Grant | | | | |
| Contractual services | 40,000 | 95,981 | 80,257 | 15,724 |
| Capital outlay | 12,000 | - | - | - |
| | <u>52,000</u> | <u>95,981</u> | <u>80,257</u> | <u>15,724</u> |
| Sheriff-Miscellaneous Grants | | | | |
| Personnel services | 20,000 | 20,000 | - | 20,000 |
| Contractual services | 100 | 100 | 5,065 | (4,965) |
| Capital outlay | 100 | 100 | - | 100 |
| | <u>20,200</u> | <u>20,200</u> | <u>5,065</u> | <u>15,135</u> |
| Central Utilities | | | | |
| Contractual services | 357,950 | 356,850 | 419,580 | (62,730) |
| General Accounts | | | | |
| Contractual services | 150,000 | 150,000 | 112,184 | 37,816 |
| Capital outlay | - | 64,600 | 64,577 | 23 |
| | <u>150,000</u> | <u>214,600</u> | <u>176,761</u> | <u>37,839</u> |
| Cheyenne Gang Enforcement Unit | | | | |
| Personnel services | 10,000 | 10,000 | - | 10,000 |
| Total public safety | <u>17,844,190</u> | <u>17,970,796</u> | <u>16,166,875</u> | <u>1,803,921</u> |
| <i>CONSERVATION AND DEVELOPMENT</i> | | | | |
| County Extension | | | | |
| Personnel services | 111,247 | 11,848 | 11,792 | 56 |
| Contractual services | 61,640 | 161,039 | 125,497 | 35,542 |
| Debt service: | | | | |
| Principal | 2,925 | 2,925 | 2,978 | (53) |
| Interest | 583 | 583 | 287 | 296 |
| | <u>176,395</u> | <u>176,395</u> | <u>140,554</u> | <u>35,841</u> |
| Total conservation and development | <u>176,395</u> | <u>176,395</u> | <u>140,554</u> | <u>35,841</u> |
| Total expenditures | <u>29,941,424</u> | <u>30,132,954</u> | <u>27,169,347</u> | <u>2,963,607</u> |
| Excess (deficiency) of revenues over expenditures | <u>(4,535,627)</u> | <u>(4,619,352)</u> | <u>3,488,362</u> | <u>8,107,714</u> |

Continued

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (Continued)
 Year Ended June 30, 2014**

| | Budget Amounts | | Actual | Variance with Final Budget |
|---|--------------------|--------------------|------------------|-------------------------------|
| | Original | Final | | |
| Other Financing Sources (Uses) | | | | |
| Proceeds from sale of capital assets | \$ - | \$ 64,600 | \$ 1,174,273 | \$ 1,109,673 |
| Transfers in | 1,897,218 | 1,906,343 | 71,874 | (1,834,469) |
| Transfers out | (2,068,343) | (2,068,343) | (417,092) | 1,651,251 |
| Total other financing sources (uses) | (171,125) | (97,400) | 829,055 | 926,455 |
| Net change in fund balance | (4,706,752) | (4,716,752) | 4,317,417 | 9,034,169 |
| Fund balance - beginning of year | 11,430,300 | 11,430,300 | 11,430,300 | - |
| Fund balance - end of year | \$ 6,723,548 | \$ 6,713,548 | \$ 15,747,717 | \$ 9,034,169 |

See Notes to Required Supplementary Information.

LARAMIE COUNTY, WYOMING

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL (BUDGETARY BASIS) - OPTIONAL 1% SALES TAX FUND
 Year Ended June 30, 2014**

| | Budget Amounts | | Actual | Variance with Final Budget |
|---|---------------------|---------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 5,375,000 | \$ 5,375,000 | \$ 7,071,415 | \$ 1,696,415 |
| Total revenues | <u>5,375,000</u> | <u>5,375,000</u> | <u>7,071,415</u> | <u>1,696,415</u> |
| Expenditures | | | | |
| Current: | | | | |
| Health, recreation and welfare | 1,890,089 | 1,890,089 | 1,552,696 | 337,393 |
| Capital outlay | 629,067 | 629,067 | 284,643 | 344,424 |
| Total expenditures | <u>2,519,156</u> | <u>2,519,156</u> | <u>1,837,339</u> | <u>681,817</u> |
| Excess of revenues over expenditures | <u>2,855,844</u> | <u>2,855,844</u> | <u>5,234,076</u> | <u>2,378,232</u> |
| Other Financing Uses | | | | |
| Transfers out | (3,965,652) | (3,965,652) | (3,965,652) | - |
| Total other financing uses | <u>(3,965,652)</u> | <u>(3,965,652)</u> | <u>(3,965,652)</u> | <u>-</u> |
| Net change in fund balance | <u>(1,109,808)</u> | <u>(1,109,808)</u> | <u>1,268,424</u> | <u>2,378,232</u> |
| Fund balance - beginning of year | <u>2,221,870</u> | <u>2,221,870</u> | <u>2,221,870</u> | <u>-</u> |
| Fund balance - end of year | <u>\$ 1,112,062</u> | <u>\$ 1,112,062</u> | <u>\$ 3,490,294</u> | <u>\$ 2,378,232</u> |

See Notes to Required Supplementary Information.

LARAMIE COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - BRC GRANTS FUND
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|--|------------------|------------------|---------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ 6,186,800 | \$ 6,186,800 | \$ 3,717,189 | \$ (2,469,611) |
| Total revenues | <u>6,186,800</u> | <u>6,186,800</u> | <u>3,717,189</u> | <u>(2,469,611)</u> |
| Expenditures | | | | |
| Purchased services | 6,186,800 | 6,186,800 | 3,845,479 | 2,341,321 |
| Total expenditures | <u>6,186,800</u> | <u>6,186,800</u> | <u>3,845,479</u> | <u>2,341,321</u> |
| Net change in fund balance | - | - | (128,290) | (128,290) |
| Fund balance (deficit) - beginning of year | <u>(80)</u> | <u>(80)</u> | <u>(80)</u> | <u>-</u> |
| Fund balance (deficit) - end of year | <u>\$ (80)</u> | <u>\$ (80)</u> | <u>\$ (128,370)</u> | <u>\$ (128,290)</u> |

See Notes to Required Supplementary Information.

LARAMIE COUNTY, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - ROAD AND BRIDGE FUND
Year Ended June 30, 2014

| | Budget Amounts | | Actual | Variance with Final Budget |
|---|--------------------|--------------------|--------------------|-------------------------------|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$ 1,748,169 | \$ 1,748,169 | \$ 1,789,535 | \$ 41,366 |
| Intergovernmental revenues | - | - | 15,200 | 15,200 |
| Charges for services | 60,000 | 60,000 | 64,265 | 4,265 |
| Miscellaneous | - | - | 16,015 | 16,015 |
| Total revenues | 1,808,169 | 1,808,169 | 1,885,015 | 76,846 |
| Expenditures | | | | |
| Public works | 5,195,783 | 5,195,783 | 4,590,619 | 605,164 |
| Capital outlay | 320,000 | 320,000 | 113,787 | 206,213 |
| Total expenditures | 5,515,783 | 5,515,783 | 4,704,406 | 811,377 |
| Excess of revenues over expenditures | (3,707,614) | (3,707,614) | (2,819,391) | 888,223 |
| Other Financing Uses | | | | |
| Transfers in | 4,023,652 | 4,023,652 | 4,023,652 | - |
| Transfers out | (18,058) | (18,058) | (18,058) | - |
| Total other financing uses | 4,005,594 | 4,005,594 | 4,005,594 | - |
| Net change in fund balance | 297,980 | 297,980 | 1,186,203 | 888,223 |
| Fund balance - beginning of year | 1,680,058 | 1,680,058 | 1,680,058 | - |
| Fund balance - end of year | \$ 1,978,038 | \$ 1,978,038 | \$ 2,866,261 | \$ 888,223 |

See Notes to Required Supplementary Information.

LARAMIE COUNTY, WYOMING

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Information

The schedule of revenues, expenditures and changes in fund balance – budget and actual – general fund presents a comparison of the legally adopted budget with actual data. The County prepares its budget on a cash basis, and the revenues and expenditures presented in the aforementioned statement are on the modified accrual basis. Any differences in revenues and expenditures as a result of the difference in accounting basis are considered immaterial. Appropriations lapse at fiscal year end. All budget amendments are approved by the County Commissioners and are presented within the final budget figures.

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

Wyoming State Statutes require the preparation of an annual budget which provides documentation that all sources and uses of County resources are properly planned, budgeted, and approved. The budget, upon adoption, is the legal document which places restrictions and limitations on the purposes and amounts for which County monies may be expended.

The budget is adopted according to the following schedule:

1. On or before May 15, the Budget Officer shall prepare a tentative budget for each fund and file the budget with the governing body.
2. A summary of the tentative budget shall be entered into the minutes and the governing body shall publish the summary at least one week before the public hearing to adopt the budget.
3. The public hearing is held on or before the third Monday in July.
4. On the day of or the day following the public hearing, the County Commissioners, by resolution, make the necessary appropriations and adopt the budget, which subject to future amendment, shall be in effect for the next fiscal year.

OTHER SUPPLEMENTARY INFORMATION

LARAMIE COUNTY, WYOMING

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2014

| | Special Revenue Funds | | | | | |
|--|------------------------------|-------------------------------------|---------------------------------|--------------------------------|----------------------------|-------------------------------------|
| | Abandoned Vehicle Fund | Homeland Security Grants Fund | Economic Development Fund | Enhanced 911 System Fund | Jail Commissary Fund | Planning and Development Fund |
| ASSETS | | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 60,844 |
| Equity in pooled cash and investments | 46,432 | 3,729 | 206,590 | - | 280,669 | 576,634 |
| Investments | - | - | - | - | - | - |
| Accounts receivable | - | - | - | 257,732 | - | - |
| Notes receivable | - | - | 151,491 | - | - | - |
| Due from other funds | 3,290 | - | - | - | - | - |
| Due from other governments | - | 54,703 | - | - | - | - |
| Accrued interest receivable | - | - | 4,092 | - | - | - |
| Inventory | - | - | - | - | - | - |
| Total assets | \$ 49,722 | \$ 58,432 | \$ 362,173 | \$ 257,732 | \$ 280,669 | \$ 637,478 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ 138 | \$ 53,295 | \$ - | \$ 2,347 | \$ 30,399 | \$ 2,351 |
| Accrued payroll liabilities | - | - | - | 31,951 | - | 12,770 |
| Due to other funds | - | - | 28,518 | 34,410 | - | - |
| Unearned grant revenue | - | - | - | - | - | - |
| Total liabilities | 138 | 53,295 | 28,518 | 68,708 | 30,399 | 15,121 |
| Fund balances | | | | | | |
| Nonspendable | - | - | 151,491 | - | - | - |
| Restricted | 49,584 | 5,137 | - | 189,024 | - | - |
| Committed | - | - | 182,164 | - | 250,270 | - |
| Assigned | - | - | - | - | - | 622,357 |
| Unassigned | - | - | - | - | - | - |
| Total fund balances | 49,584 | 5,137 | 333,655 | 189,024 | 250,270 | 622,357 |
| Total liabilities and fund balances | \$ 49,722 | \$ 58,432 | \$ 362,173 | \$ 257,732 | \$ 280,669 | \$ 637,478 |

Special Revenue Funds

| Drug Case Forfeitures Fund | Federal Drug Case Forfeitures Fund | Local Law Enforcement Fund | JAIB Grant Fund | Miscellaneous Grants Fund | SLIB Grants Fund | County Improvements Fund | County Complex Operations Fund | Recreation Board | Subtotals |
|----------------------------|------------------------------------|----------------------------|-----------------|---------------------------|------------------|--------------------------|--------------------------------|------------------|---------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 49,088 | \$ 109,932 |
| 82,621 | 30,345 | 32,865 | - | 73,007 | 160 | - | 2,000 | - | 1,335,052 |
| - | - | - | - | - | - | 1,398,177 | 462,826 | - | 1,861,003 |
| - | - | - | - | - | - | - | - | - | 257,732 |
| - | - | - | - | - | - | - | - | - | 151,491 |
| - | - | - | - | - | - | - | - | - | 3,290 |
| - | - | 2,320 | - | 14,177 | 12,769 | - | - | - | 83,969 |
| - | - | - | - | - | - | - | - | - | 4,092 |
| - | - | - | - | - | - | - | - | - | - |
| <u>\$ 82,621</u> | <u>\$ 30,345</u> | <u>\$ 35,185</u> | <u>\$ -</u> | <u>\$ 87,184</u> | <u>\$ 12,929</u> | <u>\$ 1,398,177</u> | <u>\$ 464,826</u> | <u>\$ 49,088</u> | <u>\$ 3,806,561</u> |
| \$ - | \$ - | \$ - | \$ - | \$ 15,285 | \$ 12,929 | \$ 2,795 | \$ - | \$ - | \$ 119,539 |
| - | - | - | - | - | - | - | - | - | 44,721 |
| - | - | - | - | - | - | 13,777 | - | - | 76,705 |
| - | - | - | - | 47,690 | - | - | - | - | 47,690 |
| - | - | - | - | <u>62,975</u> | <u>12,929</u> | <u>16,572</u> | - | - | <u>288,655</u> |
| - | - | - | - | - | - | - | - | - | 151,491 |
| - | - | 35,185 | - | 24,209 | - | - | 464,826 | - | 767,965 |
| 82,621 | 30,345 | - | - | - | - | - | - | 49,088 | 594,488 |
| - | - | - | - | - | - | 1,381,605 | - | - | 2,003,962 |
| - | - | - | - | - | - | - | - | - | - |
| <u>82,621</u> | <u>30,345</u> | <u>35,185</u> | <u>-</u> | <u>24,209</u> | <u>-</u> | <u>1,381,605</u> | <u>464,826</u> | <u>49,088</u> | <u>3,517,906</u> |
| <u>\$ 82,621</u> | <u>\$ 30,345</u> | <u>\$ 35,185</u> | <u>\$ -</u> | <u>\$ 87,184</u> | <u>\$ 12,929</u> | <u>\$ 1,398,177</u> | <u>\$ 464,826</u> | <u>\$ 49,088</u> | <u>\$ 3,806,561</u> |

Continued

LARAMIE COUNTY, WYOMING

COMBINING BALANCE SHEET (Continued)
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2014

| | Special Revenue Funds | | | | | Total |
|--|-----------------------|---------------------|--------------------------|----------------------|---------------------|---------------------|
| | Special Courts Fund | County Roads Fund | Recovery Act Grants Fund | Shooting Sports Fund | SPOT 2012 Fund | |
| ASSETS | | | | | | |
| Cash | \$ - | \$ - | \$ - | \$ 1,000 | \$ 2,544,545 | \$ 2,655,477 |
| Equity in pooled cash and investments | 35,693 | 1,522,334 | 58,347 | - | - | 2,951,426 |
| Investments | - | - | - | - | - | 1,861,003 |
| Accounts receivable | - | - | - | - | - | 257,732 |
| Notes receivable | - | - | - | - | - | 151,491 |
| Due from other funds | - | - | - | 28,518 | - | 31,808 |
| Due from other governments | - | 154,017 | - | - | 399,913 | 637,899 |
| Accrued interest receivable | - | - | - | - | - | 4,092 |
| Inventory | - | - | - | 17,694 | - | 17,694 |
| Total assets | \$ 35,693 | \$ 1,676,351 | \$ 58,347 | \$ 47,212 | \$ 2,944,458 | \$ 8,568,622 |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ 7,029 | \$ 5,129 | \$ - | \$ 2,328 | \$ - | \$ 134,025 |
| Accrued payroll liabilities | - | - | 4,826 | 3,218 | - | 52,765 |
| Due to other funds | - | - | 77,672 | 19,597 | - | 173,974 |
| Unearned grant revenue | - | - | - | - | - | 47,690 |
| Total liabilities | 7,029 | 5,129 | 82,498 | 25,143 | - | 408,454 |
| Fund balances | | | | | | |
| Nonspendable | - | - | - | 17,694 | - | 169,185 |
| Restricted | 28,664 | 1,671,222 | - | - | 2,944,458 | 5,412,309 |
| Committed | - | - | - | - | - | 594,488 |
| Assigned | - | - | - | 4,375 | - | 2,008,337 |
| Unassigned | - | - | (24,151) | - | - | (24,151) |
| Total fund balances (deficits) | 28,664 | 1,671,222 | (24,151) | 22,069 | 2,944,458 | 8,160,168 |
| Total liabilities and fund balances | \$ 35,693 | \$ 1,676,351 | \$ 58,347 | \$ 47,212 | \$ 2,944,458 | \$ 8,568,622 |

Capital Project Funds

| Allison Draw Greenway Project Fund | O & M Jail Addition Project Fund | SPOT 2008 Project Fund | Industrial Roads Fund | Juvenile Detention Construction Fund | Total | Total Nonmajor Governmental Funds |
|---|---|---------------------------------|-----------------------------|---|---------------------|--|
| \$ - | \$ - | \$ 4,375,366 | \$ - | \$ - | \$ 4,375,366 | \$ 7,030,843 |
| - | 82,512 | 29,265 | - | - | 111,777 | 3,063,203 |
| - | 3,371,286 | - | - | - | 3,371,286 | 5,232,289 |
| - | - | - | - | - | - | 257,732 |
| - | - | - | - | - | - | 151,491 |
| - | - | - | - | - | - | 31,808 |
| - | - | - | - | - | - | 637,899 |
| - | - | - | - | - | - | 4,092 |
| - | - | - | - | - | - | 17,694 |
| <u>\$ -</u> | <u>\$ 3,453,798</u> | <u>\$ 4,404,631</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 7,858,429</u> | <u>\$ 16,427,051</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 134,025 |
| - | - | - | - | - | - | 52,765 |
| - | - | - | - | - | - | 173,974 |
| - | - | - | - | - | - | 47,690 |
| <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>408,454</u> |
| - | - | - | - | - | - | 169,185 |
| - | 3,453,798 | 4,404,631 | - | - | 7,858,429 | 13,270,738 |
| - | - | - | - | - | - | 594,488 |
| - | - | - | - | - | - | 2,008,337 |
| - | - | - | - | - | - | (24,151) |
| <u>-</u> | <u>3,453,798</u> | <u>4,404,631</u> | <u>-</u> | <u>-</u> | <u>7,858,429</u> | <u>16,018,597</u> |
| <u>\$ -</u> | <u>\$ 3,453,798</u> | <u>\$ 4,404,631</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 7,858,429</u> | <u>\$ 16,427,051</u> |

LARAMIE COUNTY, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014**

| | Special Revenue Funds | | | | | |
|--|------------------------------|-------------------------------------|---------------------------------|--------------------------------|----------------------------|-------------------------------------|
| | Abandoned Vehicle Fund | Homeland Security Grants Fund | Economic Development Fund | Enhanced 911 System Fund | Jail Commissary Fund | Planning and Development Fund |
| Revenues | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 1,300,453 | \$ - | \$ - |
| Licenses and permits | - | - | - | - | - | 760,215 |
| Intergovernmental revenues | - | 179,177 | - | - | - | - |
| Charges for services | 35,503 | - | - | 193,500 | 336,480 | 6,735 |
| Miscellaneous revenues | 29,567 | - | 16,506 | - | - | 128 |
| Total revenues | 65,070 | 179,177 | 16,506 | 1,493,953 | 336,480 | 767,078 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | 9,011 | - | - | - | - | - |
| Public safety | - | 156,900 | - | 1,808,350 | 338,554 | - |
| Health, welfare, and recreation | - | - | - | - | - | - |
| Conservation and development | - | - | 15,625 | - | - | 891,364 |
| Capital outlay | - | 24,000 | - | - | - | - |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | 1,682 |
| Interest | - | - | - | - | - | 408 |
| Total expenditures | 9,011 | 180,900 | 15,625 | 1,808,350 | 338,554 | 893,454 |
| Excess (deficiency) of revenues over expenditures | 56,059 | (1,723) | 881 | (314,397) | (2,074) | (126,376) |
| Other Financing Sources (Uses) | | | | | | |
| Transfers in | - | - | - | 328,228 | - | - |
| Transfers out | (62,750) | - | (28,518) | - | - | - |
| Total other financing sources (uses) | (62,750) | - | (28,518) | 328,228 | - | - |
| Net change in fund balances | (6,691) | (1,723) | (27,637) | 13,831 | (2,074) | (126,376) |
| Fund balances - beginning of year | 56,275 | 6,860 | 361,292 | 175,193 | 252,344 | 748,733 |
| Fund balances - end of year | \$ 49,584 | \$ 5,137 | \$ 333,655 | \$ 189,024 | \$ 250,270 | \$ 622,357 |

Special Revenue Funds

| Drug Case Forfeitures Fund | Federal Drug Forfeitures Fund | Local Law Enforcement Fund | JAIB Grant Fund | Misc. Grants Fund | SLIB Grants Fund | County Improvements Fund | County Complex Operations Fund | Recreation Board | Totals |
|----------------------------------|-------------------------------------|----------------------------------|-----------------------|-------------------------|------------------------|--------------------------------|---|---------------------|--------------|
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,600,195 | \$ - | \$ - | \$ 3,900,648 |
| - | - | - | - | - | - | - | - | - | 760,215 |
| - | - | 4,218 | - | 146,796 | 534,690 | - | - | - | 864,881 |
| - | - | - | - | - | - | - | - | 1,940 | 574,158 |
| 63,278 | - | - | - | - | - | - | 2,076 | 33 | 111,588 |
| 63,278 | - | 4,218 | - | 146,796 | 534,690 | 2,600,195 | 2,076 | 1,973 | 6,211,490 |
| - | - | - | - | - | - | - | - | - | 9,011 |
| 10,338 | 11,420 | 8,447 | - | - | - | 984,842 | - | - | 3,318,851 |
| - | - | - | - | 138,010 | 534,690 | - | - | 29,370 | 702,070 |
| - | - | - | - | - | - | - | 28,314 | - | 935,303 |
| 1,100 | 14,675 | - | - | 9,893 | - | 655,142 | - | - | 704,810 |
| - | - | - | - | - | - | - | - | - | 1,682 |
| - | - | - | - | - | - | - | - | - | 408 |
| 11,438 | 26,095 | 8,447 | - | 147,903 | 534,690 | 1,639,984 | 28,314 | 29,370 | 5,672,135 |
| 51,840 | (26,095) | (4,229) | - | (1,107) | - | 960,211 | (26,238) | (27,397) | 539,355 |
| - | - | - | - | - | - | - | - | 42,000 | 370,228 |
| - | - | - | - | - | - | - | - | - | (91,268) |
| - | - | - | - | - | - | - | - | 42,000 | 278,960 |
| 51,840 | (26,095) | (4,229) | - | (1,107) | - | 960,211 | (26,238) | 14,603 | 818,315 |
| 30,781 | 56,440 | 39,414 | - | 25,316 | - | 421,394 | 491,064 | 34,485 | 2,699,591 |
| \$ 82,621 | \$ 30,345 | \$ 35,185 | \$ - | \$ 24,209 | \$ - | \$ 1,381,605 | \$ 464,826 | \$ 49,088 | \$ 3,517,906 |

Continued

LARAMIE COUNTY, WYOMING

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014**

| | Special Revenue Funds | | | | | Total |
|--|---------------------------|-------------------------|--------------------------------|----------------------------|----------------------|-------------------|
| | Special Courts Fund | County Roads Fund | Recovery Act Grants Fund | Shooting Sports Fund | SPOT 2012 Fund | |
| Revenues | | | | | | |
| Taxes | \$ - | \$ 1,245,717 | \$ - | \$ - | \$ 2,202,004 | \$ 7,348,369 |
| Licenses and permits | - | - | - | - | - | 760,215 |
| Intergovernmental revenues | 437,814 | 133,169 | 105,455 | - | - | 1,541,319 |
| Charges for services | 13,833 | - | - | 174,307 | - | 762,298 |
| Miscellaneous revenues | - | - | - | 37,991 | 736 | 150,315 |
| Total revenues | 451,647 | 1,378,886 | 105,455 | 212,298 | 2,202,740 | 10,562,516 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | 9,011 |
| Public safety | 518,436 | - | - | - | 130,715 | 3,968,002 |
| Health, welfare and recreation | - | - | 190,471 | 244,033 | - | 1,136,574 |
| Conservation and development | - | - | - | - | - | 935,303 |
| Capital outlay | - | 607,059 | - | - | - | 1,311,869 |
| Debt service: | | | | | | |
| Principal | - | - | - | - | - | 1,682 |
| Interest | - | - | - | - | - | 408 |
| Total expenditures | 518,436 | 607,059 | 190,471 | 244,033 | 130,715 | 7,362,849 |
| Excess (deficiency) of revenues over expenditures | (66,789) | 771,827 | (85,016) | (31,735) | 2,072,025 | 3,199,667 |
| Other Financing Sources (Uses) | | | | | | |
| Transfers in | 65,000 | - | 22,328 | 28,518 | - | 486,074 |
| Transfers out | - | (100,000) | - | - | - | (191,268) |
| Total other financing sources (uses) | 65,000 | (100,000) | 22,328 | 28,518 | - | 294,806 |
| Net change in fund balances | (1,789) | 671,827 | (62,688) | (3,217) | 2,072,025 | 3,494,473 |
| Fund balances (deficit) - beginning of year | 30,453 | 999,395 | 38,537 | 25,286 | 872,433 | 4,665,695 |
| Fund balances (deficits) - end of year | \$ 28,664 | \$ 1,671,222 | \$ (24,151) | \$ 22,069 | \$ 2,944,458 | \$ 8,160,168 |

| Capital Project Funds | | | | | | | Total Nonmajor Governmental Funds |
|---|---|---------------------------------|-----------------------------|---|------------------|-------------------|--|
| Allison Draw Greenway Project Fund | O & M Jail Addition Project Fund | SPOT 2008 Project Fund | Industrial Roads Fund | Juvenile Detention Construction Fund | Total | | |
| \$ - | \$ - | \$ 29,265 | \$ - | \$ - | \$ 29,265 | \$ 7,377,634 | |
| - | - | - | - | - | - | 760,215 | |
| 132,318 | - | - | 1,696,414 | 23,841 | 1,852,573 | 3,393,892 | |
| - | - | - | - | - | - | 762,298 | |
| - | 12,739 | 876 | - | - | 13,615 | 163,930 | |
| <u>132,318</u> | <u>12,739</u> | <u>30,141</u> | <u>1,696,414</u> | <u>23,841</u> | <u>1,895,453</u> | <u>12,457,969</u> | |
| - | - | - | - | - | - | 9,011 | |
| - | - | - | - | - | - | 3,968,002 | |
| - | - | - | - | - | - | 1,136,574 | |
| - | - | - | - | - | - | 935,303 | |
| 314,604 | - | 35,095 | 1,710,509 | - | 2,060,208 | 3,372,077 | |
| - | - | - | - | - | - | 1,682 | |
| - | - | - | - | - | - | 408 | |
| <u>314,604</u> | <u>-</u> | <u>35,095</u> | <u>1,710,509</u> | <u>-</u> | <u>2,060,208</u> | <u>9,423,057</u> | |
| (182,286) | 12,739 | (4,954) | (14,095) | 23,841 | (164,755) | 3,034,912 | |
| 18,058 | - | - | - | - | 18,058 | 504,132 | |
| - | - | - | - | (9,124) | (9,124) | (200,392) | |
| <u>18,058</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(9,124)</u> | <u>8,934</u> | <u>303,740</u> | |
| (164,228) | 12,739 | (4,954) | (14,095) | 14,717 | (155,821) | 3,338,652 | |
| <u>164,228</u> | <u>3,441,059</u> | <u>4,409,585</u> | <u>14,095</u> | <u>(14,717)</u> | <u>8,014,250</u> | <u>12,679,945</u> | |
| \$ - | \$ 3,453,798 | \$ 4,404,631 | \$ - | \$ - | \$ 7,858,429 | \$ 16,018,597 | |

LARAMIE COUNTY, WYOMING

COMBINING STATEMENT OF NET POSITION
 LARAMIE COUNTY LIBRARY SYSTEM
 June 30, 2014

| ASSETS | Laramie County Library System | Component Unit | | Total |
|-------------------------------------|--|--|------------------|----------------------|
| | | Laramie County Library Foundation, Inc. | Eliminations | |
| Cash | \$ 155,667 | \$ 163,192 | \$ - | \$ 318,859 |
| Investments | 2,008,046 | 1,522,571 | - | 3,530,617 |
| Investments held by others | 956,726 | - | (956,726) | - |
| Accounts receivable | 2,363,763 | 8,300 | - | 2,372,063 |
| Accrued interest receivable | 1,255 | - | - | 1,255 |
| Due from other governments | 1,473 | - | - | 1,473 |
| Inventory | 6,449 | - | - | 6,449 |
| Property and equipment | 30,464,779 | - | - | 30,464,779 |
| Accumulated depreciation | (10,129,069) | - | - | (10,129,069) |
| Total assets | 25,829,089 | 1,694,063 | (956,726) | 26,566,426 |
| LIABILITIES | | | | |
| Accounts payable | 5,687 | 1,141 | - | 6,828 |
| Noncurrent liabilities: | | | | |
| Investments held for others | - | 956,726 | (956,726) | - |
| Due within one year | 163,656 | - | - | 163,656 |
| Due in more than one year | - | - | - | - |
| Total liabilities | 169,343 | 957,867 | - | 170,484 |
| DEFERRED INFLOW OF RESOURCES | | | | |
| Unavailable revenue | 2,333,755 | - | - | 2,333,755 |
| NET POSITION | | | | |
| Investment in general fixed assets | 20,335,710 | - | - | 20,335,710 |
| Temporarily restricted | - | 294,748 | - | 294,748 |
| Permanently restricted | - | 307,093 | - | 307,093 |
| Unreserved/unrestricted | 2,990,281 | 134,355 | - | 3,124,636 |
| Total net position | \$ 23,325,991 | \$ 736,196 | \$ - | \$ 24,062,187 |

LARAMIE COUNTY, WYOMING

COMBINING STATEMENT OF ACTIVITIES
 LARAMIE COUNTY LIBRARY SYSTEM
 Year Ended June 30, 2014

| | Laramie County Library System | Component Unit Laramie County Library Foundation, Inc. | Eliminations | Total |
|---|--|---|-----------------|------------------|
| Revenues | | | | |
| Property taxes | \$ 2,055,325 | \$ - | \$ - | \$ 2,055,325 |
| Sales taxes | 573,919 | - | - | 573,919 |
| Other taxes | 509,611 | - | - | 509,611 |
| Charges for services | 330,125 | - | - | 330,125 |
| Grants and contributions | 40,026 | 200,288 | - | 240,314 |
| Unrestricted investment earnings | 6,268 | 12,522 | - | 18,790 |
| Gain on sale of capital assets | 9,923 | 44,424 | - | 54,347 |
| Miscellaneous revenues | 267,291 | 94,168 | (81,787) | 279,672 |
| Total revenues | 3,792,488 | 351,402 | (81,787) | 4,062,103 |
| Expenses | | | | |
| Health, welfare and recreation | 4,740,120 | 256,607 | (81,787) | 4,914,940 |
| Total expenditures | 4,740,120 | 256,607 | (81,787) | 4,914,940 |
| Change in net position | (947,632) | 94,795 | - | (852,837) |
| Net position - beginning of year | 23,456,282 | 641,401 | - | 24,097,683 |
| Prior period adjustment | 817,341 | - | - | 817,341 |
| Net position - beginning of year, as restated | 24,273,623 | 641,401 | - | 24,915,024 |
| Net position - end of year | \$ 23,325,991 | \$ 736,196 | \$ - | \$ 24,062,187 |

LARAMIE COUNTY, WYOMING

COMBINING STATEMENT OF NET POSITION
CHEYENNE REGIONAL MEDICAL CENTER

June 30, 2014

| ASSETS | Cheyenne Regional Medical Center | Component Unit | |
|--|---|---|-----------------------|
| | | Cheyenne Regional Medical Center Foundation | Total |
| Cash and cash equivalents | \$ 18,641,826 | \$ 1,126,291 | \$ 19,768,117 |
| Investments | 143,596,416 | 13,202,564 | 156,798,980 |
| Accounts receivable | 47,175,348 | 827,658 | 48,003,006 |
| Due from Foundation | 231,295 | - | 231,295 |
| Inventory | 7,527,394 | - | 7,527,394 |
| Prepaid expenses | 4,563,723 | - | 4,563,723 |
| Restricted assets: | | | |
| Bond funds | 1,035,675 | - | 1,035,675 |
| Endowment and for capital assets by donor | 8,626,603 | - | 8,626,603 |
| Other | 10,802,279 | 28,748 | 10,831,027 |
| Property and equipment, net | 222,223,063 | 8,680 | 222,231,743 |
| Total assets | 464,423,622 | 15,193,941 | 479,617,563 |
| LIABILITIES | | | |
| Accounts payable | 11,834,476 | 53,818 | 11,888,294 |
| Amount due to Cheyenne Regional Medical Center | - | - | - |
| Estimated third-party payor settlements | 5,292,358 | - | 5,292,358 |
| Other accrued expenses | - | - | - |
| Accrued payroll liabilities and other | 17,153,903 | - | 17,153,903 |
| Accrued interest payable | 734,820 | - | 734,820 |
| Noncurrent liabilities: | | | |
| Due within one year | 2,436,518 | - | 2,436,518 |
| Due in more than one year | 100,474,246 | - | 100,474,246 |
| Total liabilities | 137,926,321 | 53,818 | 137,980,139 |
| NET POSITION | | | |
| Net investment in capital assets | 119,312,299 | 8,680 | 119,320,979 |
| Restricted for: | | | |
| Endowments, nonexpendable | 6,858,115 | - | 6,858,115 |
| Bond indenture agreement, expendable | 1,035,675 | - | 1,035,675 |
| Donor for specified purposes, expendable | 1,768,488 | - | 1,768,488 |
| Temporarily restricted | - | 6,142,178 | 6,142,178 |
| Permanently restricted | - | 3,204,957 | 3,204,957 |
| Unrestricted | 197,522,724 | 5,784,308 | 203,307,032 |
| Total net position | \$ 326,497,301 | \$ 15,140,123 | \$ 341,637,424 |

LARAMIE COUNTY, WYOMING

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
CHEYENNE REGIONAL MEDICAL CENTER

Year Ended June 30, 2014

| | | <u>Component Unit</u> | |
|--|---|---|-----------------------|
| | Cheyenne Regional Medical Center | Cheyenne Regional Medical Center Foundation | Total |
| Operating Revenues | | | |
| Charges for services | \$ 275,315,894 | \$ - | \$ 275,315,894 |
| Other revenue | 14,759,786 | 972,771 | 15,732,557 |
| Gifts and contributions | - | 471,518 | 471,518 |
| Total revenues | <u>290,075,680</u> | <u>1,444,289</u> | <u>291,519,969</u> |
| Operating Expenses | | | |
| Personnel services | 167,063,795 | - | 167,063,795 |
| Contractual services | 44,526,048 | - | 44,526,048 |
| Material and supplies | 62,837,854 | - | 62,837,854 |
| Depreciation and amortization | 20,746,242 | - | 20,746,242 |
| Cheyenne Regional Medical Center Foundation programs | - | 1,829,668 | 1,829,668 |
| Management, general and fundraising | - | 1,014,294 | 1,014,294 |
| Total operating expenses | <u>295,173,939</u> | <u>2,843,962</u> | <u>298,017,901</u> |
| Operating (loss) | <u>(5,098,259)</u> | <u>(1,399,673)</u> | <u>(6,497,932)</u> |
| Nonoperating Revenues (Expenses) | | | |
| Interest income | 4,819,664 | - | 4,819,664 |
| Contributions from Foundation | 2,570,572 | - | 2,570,572 |
| Investment gains and losses | 12,404,549 | 1,298,317 | 13,702,866 |
| Purchase of member units in Cheyenne Medical Plaza Surgery Center, LLC | - | - | - |
| Distribution to noncontrolling interest in Cheyenne Medical Plaza Surgery Center, LLC | - | - | - |
| Government grant | - | 344,214 | 344,214 |
| Additions to permanently restricted funds | - | - | - |
| Impairment of capital assets | - | - | - |
| Interest expense | (3,037,497) | - | (3,037,497) |
| Total nonoperating revenues | <u>16,757,288</u> | <u>1,642,531</u> | <u>18,399,819</u> |
| Net income | 11,659,029 | 242,858 | 11,901,887 |
| Net position - beginning of year | <u>314,838,272</u> | <u>14,897,265</u> | <u>329,735,537</u> |
| Net position - end of year | <u>\$ 326,497,301</u> | <u>\$ 15,140,123</u> | <u>\$ 341,637,424</u> |

SINGLE AUDIT SECTION

LARAMIE COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2014

| Federal/State Grantor/Program Title | Federal CFDA Number | Federal/State Grant Number | Expenditures of Federal Awards |
|---|---------------------------|----------------------------------|--------------------------------------|
| U.S. Department of Agriculture | | | |
| Passed through the Wyoming Office of State Lands and Investments | | | |
| State Forestry FY12 | 10.664 | 12-DG-11020000-031 | \$ 8,043 |
| State Forestry FY13 | 10.664 | 13-DG-11020000-036 | 10,000 |
| Total U.S. Department of Agriculture | | | 18,043 |
| U.S. Department of Housing and Urban Development | | | |
| Passed through the Wyoming Business Council | | | |
| Community Development Block Grants-Meals on Wheels | 14.228 | None | 175,207 |
| Community Development Block Grants-Homeless Youth | 14.228 | None | 2,513 |
| Community Development Block Grants-WYFHOP | 14.228 | None | 5,000 |
| Total U.S. Department of Housing and Urban Development | | | 182,720 |
| U.S. Department of Justice | | | |
| Passed through the Attorney General Division Of Victim Services | | | |
| VOCA FY14 | 16.575 | 2011-VA-GX-0026 | 4,376 |
| Passed through the Volunteers of American Northern Rockies | | | |
| Juvenile Justice and Delinquency Prevention - Allocation to States-OJJDP 13 | 16.540 | 2010-JF-FX-K003 | 9,395 |
| Juvenile Justice and Delinquency Prevention - Allocation to States-OJJDP 14 | 16.540 | 2011-JF-FX-K006 | 27,605 |
| <i>Total Juvenile Justice and Delinquency Prevention</i> | | | <u>37,000</u> |
| Public Safety Partnership and Community Policing Grants (ARRA) COPS 09 | 16.710 | 2009RKWX0950 | 14,665 |
| Public Safety Partnership and Community Policing Grants COPS 11 | 16.710 | 2011UMWX0206 | 141,003 |
| <i>Total Public Safety Partnership and Community Policing Grants</i> | | | <u>155,668</u> |
| Edward Byrne Memorial Justice Assistance Grant Program-11 | 16.738 | 2011-DJ-BX-2979 | 6,367 |
| Edward Byrne Memorial Justice Assistance Grant Program-12 | 16.738 | 2012-DJ-BS-0647 | 29,909 |
| Edward Byrne Memorial Justice Assistance Grant Program-13 | 16.738 | 2013-DJ-BX-0591 | 43,981 |
| <i>Total JAG Program</i> | | | <u>80,257</u> |
| Total U.S. Department of Justice | | | 277,301 |
| U.S. Department of Transportation | | | |
| Passed through the Wyoming Department of Transportation | | | |
| Highway Planning and Construction (Federal-Aid Highway Program-TEAL) | 20.205 | TL12006 | 316,063 |
| Highway Planning and Construction (Federal-Aid Highway Program-Safe Routes) | 20.205 | SR12008 | 35,766 |
| <i>Total Highway Planning and Construction</i> | | | <u>351,829</u> |
| Passed through the Wyoming Office of Homeland Security | | | |
| Interagency Hazardous Materials Public Sector Training and Planning-HMEP 14 | 20.703 | 14-DOT-LAR-HM-HMP14 | 1,332 |
| Total U.S. Department of Transportation | | | 353,161 |

Continued

LARAMIE COUNTY, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year Ended June 30, 2014

| Federal/State Grantor/Program Title | Federal CFDA Number | Federal/State Grant Number | Expenditures of Federal Awards |
|--|---------------------------|----------------------------------|--------------------------------------|
| U.S. Department of Health and Human Services | | | |
| Passed through the Wyoming Department of Health Public Health Emergency Preparedness | 93.069 | | \$ 209,600 |
| Passed through Wyoming Reproductive Health Council Family Planning Services - Title X | 93.217 | | 149,603 |
| Passed through the Wyoming Department of Health Temporary Assistance for Needy Families | 93.558 | | 187,281 |
| Passed through the Wyoming Department of Family Services Temporary Assistance for Needy Families-TANF13 | 93.558 | | 7,863 |
| Temporary Assistance for Needy Families-TANF14 | 93.558 | | 76,955 |
| <i>Total TANF</i> | | | <u>272,099</u> |
| Total U.S. Department of Health and Human Services | | | <u>631,302</u> |
| U.S. Department of Homeland Security | | | |
| Passed through the Wyoming Office of Homeland Security Emergency Management Performance Grants-EMPG 13 | 97.042 | 13-GPD-LAR-EM-GCF13 | 60,000 |
| Passed through the Wyoming Office of Homeland Security Homeland Security Grant Program-CC 11 | 97.067 | 11-GPD-LAR-CC-HCC11 | 3,675 |
| Homeland Security Grant Program-CC 12 | 97.067 | 12-GPD-LAR-CC-HCC12 | 4,593 |
| Homeland Security Grant Program-Coroner 11 | 97.067 | 11-GPD-LAR-LC-HLE11 | 1,675 |
| Homeland Security Grant Program-Coroner 13 | 97.067 | 13-GPD-LAR-LC-HLC13 | 1,143 |
| Homeland Security Grant Program-General 11 | 97.067 | 11-GPD-LAR-SC-HSG11 | 84,325 |
| Homeland Security Grant Program-General 12 | 97.067 | 12-GPD-LAR-SC-HSG12 | 26,674 |
| Homeland Security Grant Program-General 13 | 97.067 | 13-GPD-LAR-SC-HSG13 | 28,472 |
| Homeland Security Grant Program-Sheriff 13 | 97.067 | 13-GPD-LAR-LS-HLE13 | 16,511 |
| <i>Total Homeland Security Grant Program</i> | | | <u>167,068</u> |
| Total U.S. Department of Homeland Security | | | <u>227,068</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 1,689,595</u> |

LARAMIE COUNTY, WYOMING

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of Laramie County, Wyoming and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

**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 Board of County Commissioners
Laramie County, Wyoming
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, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laramie County, Wyoming (the "County") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 25, 2015. Our report includes a reference to other auditors who audited the financial statements of the Cheyenne Regional Medical Center, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those other auditors.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2014-003 to be a material weakness.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2014-001 and 2014-002 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2014-004.

The County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "McGee, Hearne & Paiz, LLP". The signature is written in a cursive style.

Cheyenne, Wyoming
March 25, 2015

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

Honorable Board of County Commissioners
Laramie County, Wyoming
Cheyenne, Wyoming

Report on Compliance for Each Major Federal Program

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

The County's basic financial statements include the operations of the Cheyenne Regional Medical Center, a discretely presented component unit. Our audit, described below, did not include the operations of the Cheyenne Regional Medical Center because those financial statements were audited by other auditors.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questions costs as items 2014-005 and 2014-006, that we consider to be significant deficiencies.

The County's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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

Mc Gee, Hearne & Paiz, LLP

Cheyenne, Wyoming
March 25, 2015

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2014

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

A. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? Yes No

B. Federal Awards

Internal control over major programs:

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

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

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

Identification of major programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> |
|---------------------|---|
| 16.710 | Public Safety Partnership and Community Policing Grants |
| 20.205 | Highway Planning and Construction |
| 93.558 | Temporary Assistance for Needy Families |
| 97.067 | Homeland Security Grant Program |

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

Auditee qualified as low-risk auditee? Yes No

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

II. FINANCIAL STATEMENT FINDINGS

2014-001: Centralization of Accounting Information

Condition: During the course of our audit, we identified instances in which accounting information from certain departments of the County and component units was not reported to one centralized location whereby a designated County department and/or individual can ensure accurate and complete accounting and recording of all County transactions. Specifically, cash accounts held by the Clerk of District Court and Sheriff's Office were not captured and reflected in the County's main accounting system. In addition, component unit activity was not obtained and reviewed by the County for proper inclusion in the County's financial statements.

Criteria: Under professional standards, the external auditor cannot be considered a component of an entity's internal control processes. However, we played a significant role in the gathering of all information necessary for purposes of ensuring the propriety and completeness of the financial statements.

Cause: The County does not have a system in place to aggregate, report, and review accounting transactions initiated by all departments and component units of the County in one centralized location.

Effect: Decentralized accounting functions in various departments of the County and component units increases the risk of incomplete and/or inaccurate financial statements. Although the external auditor has historically fulfilled the role of gathering accounting information from certain departments and component units, this approach is considered to be a deficiency in the County's internal controls and systems under professional standards.

Recommendation: We recommend the County consider designating a central department and/or individual who bears prime responsibility for the collection and reporting of all County accounting transactions.

Auditee Response: *W.S. 16-4-123 (d) contemplates that various members of the governing body, or other officer, employee or agent of any department, board, commission or other agency maintains and "furnishes to the auditor or his employee . . . information". And the consequences of failing to do so can result in immediate removal from office or employment. Therefore, the auditor has authority to demand information for the annual financial statement from all the various county departments and component units that the statutorily designated budget officer does not. The recommendation that the County designate a central department and/or individual who bears prime responsibility for the collection and reporting of all County accounting transactions can only be met by one of two options: 1) the budget officer can be designated as the individual with that responsibility, but a legislative change must occur to provide authority to that individual and an increase in qualified staffing would be required; or 2) the County can engage two accounting firms; one to provide year end accounting assistance and assist in the financial statement preparation and the second firm to audit the financial statement. The budget officer will recommend to the Board of County Commissioners that option 2 be exercised since it would not be possible to have legislation enacted in time for compliance by the end of fiscal year 2015.*

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

2014-002: Audit Adjustments – County

Condition: As part of our audit, significant adjustments were proposed and recorded within the County in order to properly state the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Criteria: Under professional standards, the control deficiency exists as County personnel did not identify the adjusting journal entries, which were significant to the County's financial statements prepared in accordance with GAAP.

Cause: As a result of changes made to processes during the current year, such as payroll, certain adjustments were required in fiscal year 2014 that had not been required in prior years. It was predominately in this area of change where adjustments were not identified by County personnel.

Effect: A significant journal entry was posted relating to accrued payroll.

Recommendation: We recommend the County continually scrutinize its established policies and procedures to ensure that complete and accurate information is available and evaluated in a timely manner to properly record transactions in accordance with GAAP, specifically including an assessment of where changes in processes have occurred compared to the prior year in order to capture new adjustments that are required to be made.

Auditee Response: *Beginning in July 2013, the County changed its payroll processing from a monthly salary to a bi-weekly hourly basis for all non-exempt personnel. This was done to come into better compliance with the Fair Labor Standards Act, particularly for timely payment of overtime hours worked. This was a unique circumstance which won't be repeated.*

2014-003: Audit Adjustments – Component Units

Condition: As part of our audit, significant and material adjustments were proposed and recorded within the County's component units in order to properly state the financial statements in accordance with GAAP.

Criteria: Under professional standards, the control deficiency exists as County component unit personnel did not identify the adjusting journal entries, which were significant to the County's financial statements prepared in accordance with GAAP.

Cause: County component unit personnel have considerable operational experience, but have limited experience in compiling financial information in accordance with GAAP.

Effect: Significant adjustments identified during the audit pertaining to the component units included, but were not limited to:

- Adjusting net position balances to ensure they properly roll forward from the prior year.
- Properly recording additions and deletions of property and equipment.
- Adjustments to various receivables and payables, including a prior period adjustment relating to an unrecorded receivable.

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

- Properly accounting for capital leases.
- Accruing payroll related liabilities.

Recommendation: We recommend that County component unit personnel seek additional accounting training and/or assistance from a third party with adequate background and competencies regarding financial reporting. These people should then be involved in establishing policies and procedures to ensure that complete and accurate information is available to properly record transactions in accordance with GAAP. These policies and procedures would include processes to ensure that all financial statement balances are properly supported by accurate records, balances are adjusted to the proper amounts, and reconciliations are performed as necessary.

Auditee Response: *The recommendation was that either component unit personnel seek additional accounting training or assistance from a third party for recording transactions in accordance with GAAP. The budget officer will recommend to the Board of County Commissioners that either: 1) additional staff be hired in the county clerk's office to assist the component units with recording transactions; or 2) the County can engage two accounting firms; one to provide year end accounting assistance and assist in the financial statement preparation and the second firm to audit the financial statement. The budget officer will recommend to the Board of County Commissioners that option 2 be exercised for fiscal year 2015.*

2014-004: Collateralization of Deposits

Condition: As of June 30, 2014, the Laramie County Fair Board and Laramie County Landfill Board were undercollateralized by approximately \$80,300 and \$34,900 within their accounts at First Interstate Bank and Wyoming Bank & Trust, respectively.

Criteria: The County and its component units are required by Wyoming State Statute to maintain collateral on depository balances which exceed Federal depository insurance limits.

Cause: The Laramie County Fair Board and Laramie County Landfill Board do not have a system in place to periodically monitor collateral levels provided by the bank.

Effect: Should the financial institutions utilized by the Laramie County Fair Board and Laramie County Landfill Board fail, any funds which are over the Federal deposit insurance limits could be lost unless they are appropriately collateralized.

Recommendation: We recommend the Laramie County Fair Board and Laramie County Landfill Board implement procedures to ensure that their depository balances are adequately collateralized at all times.

Auditee Response: *The Laramie County Fair Board started a building fund to save money for the purpose of moving certain fair related activities from an in-town to an out-of-town site. The Laramie County Landfill Board began receiving optional sales tax money for the purpose of purchasing equipment. It will take both entities several years to save the money necessary to achieve their goals. As a result of starting these funds, accounts were undercollateralized. This has been brought to the attention of the involved boards and they are taking action with their financial institutions to be properly collateralized.*

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

II. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

2014-005: Schedule of Expenditures of Federal Awards

Condition: The County did not provide a schedule of expenditures of Federal awards (SEFA) which properly identified all Federal funds expended. During our testing performed on the initial SEFA provided for audit, we noted the following:

1. During our reconciliation of the County's general ledger to the initial SEFA provided, we noted the following Federal programs in which the Federal expenditures as reported on the SEFA were not accurate as amounts were either incorrectly reported on the cash basis of accounting or included non-Federal matching contributions:
 - CFDA 16.738 – Edward Byrne Memorial Justice Assistance Grant Program (2012-DJ-BX-0647)
 - CFDA 16.710 – Public Safety Partnership and Community Policing Grants (2011UMWX-0206; 2009RKWX-0950)
 - CFDA 97.042 – Emergency Management Performance Grants (13GPD-LAR-EM-GCF13)
 - CFDA 14.228 – Community Development Block Grants (Homeless Youth CDBG; Meals on Wheels CDBG)
 - CFDA 16.540 – Juvenile Justice and Delinquency Prevention (2011-JF-FX-K006)
 - CFDA 97.067 – Homeland Security Grant Program (11-GPD-LAR-SC-HSG11; 12-GPD-LAR-SC-HSG12; 13-GPD-LAR-SC-HSG13)
 - CFDA 93.558 – Temporary Assistance for Needy Families (passed through the Wyoming Department of Family Services) (TANF – WDFS)
 - CFDA 20.205 – Highway Planning and Construction (TL12006)
 - CFDA 16.575 – Crime Victim Assistance (2011-VA-GX-0026)

2. The following three U.S. Department of Health and Human Services programs were not reported on the initial SEFA as these awards were administered by the City of Cheyenne-Laramie County Health Board:
 - CFDA 93.069 – Public Health Emergency Preparedness (passed through the Wyoming Department of Health)
 - CFDA 93.217 – Family Planning Services – Title X (passed through the Wyoming Reproductive Health Council)
 - CFDA 93.558 – Temporary Assistance for Needy Families (passed through the Wyoming Department of Health)

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued) Year Ended June 30, 2014

Criteria: Per 31 USC 7502 (Single Audit Act Amendments of 1996 (Pub. L. 104-156)), each non-Federal entity that expends a total amount of Federal awards equal to or in excess of \$500,000 shall provide its auditor a schedule of Federal expenditures that is presented fairly in all material respects in relation to the financial statements taken as a whole.

As clarified in the OMB Circular A-133 Subpart C. 300, the auditee shall identify in its accounts all Federal awards received and expended and the Federal programs under which they were received. Federal program and award identification shall include, as applicable the CFDA title and number, award number and year, name of Federal agency, and name of the pass-through agency

Cause: We noted that the control system in place to ensure the compilation of a complete, accurate SEFA is not effectively designed. The County does not have procedures established to properly reconcile the SEFA to the general ledger. In addition, the County does not have a system in place to communicate periodically with the component units in order to aggregate, report, and review expenditures of Federal awards in one centralized location.

Effect: An inaccurate or incomplete schedule of expenditures of Federal awards could result in the improper identification and/or exclusion of major Federal programs and failure to comply with the Single Audit requirements.

Recommendation: We recommend that the County re-assess the control system in place over the preparation of the SEFA to ensure all required components can be identified and included on an annual basis. The County should determine if any additional procedures or review processes should be implemented to ensure that the SEFA is accurate and complete. We also recommend the County have one person and/or department responsible for the accumulation and preparation of a complete and accurate SEFA, including all Federal funds expended by the component units.

Questioned Costs: Not Applicable

Auditee Response: *W.S. 16-4-123 (d) contemplates that various members of the governing body, or other officer, employee or agent of any department, board, commission or other agency maintains and “furnishes to the auditor or his employee . . . information”. And the consequences of failing to do so can result in immediate removal from office or employment. Therefore, the auditor has authority to demand information from all the various county departments and component units for compilation of the SEFA that the statutorily designated budget officer does not. The recommendation that the County designate a central department and/or individual for the accumulation and preparation of a complete and accurate SEFA, including all Federal funds expended by the component units can only be met by one of two options: 1) all grants, including those awarded to component units must be administered by the grants manager and the county budget officer which would result in additional, qualified personnel; or 2) the County can engage two accounting firms; one to provide year end accounting assistance and assist in the financial statement preparation and the second firm to audit the financial statement. The budget officer will recommend to the Board of County Commissioners that option 2 be exercised for fiscal year 2015.*

LARAMIE COUNTY, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2014

**2014-006: Temporary Assistance for Needy Families - Activities Allowed or Unallowed;
Allowable Costs/Cost Principles**

| |
|--|
| Catalog of Federal Assistance (CFDA) Number and Title: 93.558 Temporary Assistance for Needy Families |
| Federal Agency Name: U.S. Department of Health and Human Services |
| Pass-Through Entity Name (if applicable): Wyoming Department of Health |
| Award Year(s): July 1, 2013 – June 30, 2014 |

Condition: Of the 20 expenditures selected for testing of compliance with activities allowed or unallowed and allowable costs/cost principles, we noted eight expenditures in which the amount charged to the award per the MCH/TANF report was not fully supported by the time and effort reports for the applicable time period.

Criteria: All amounts directly charged to a Federal grant should have supporting documentation whether it is an invoice or time and effort report.

Cause: On a monthly basis, the City of Cheyenne-Laramie County Health Board (“Health Board”) requests reimbursement of expenses from the Wyoming Department of Health. The request for reimbursement is supported by the MCH-TANF Report (which details Service, PHNI Code, Funding Source, Total Hours (County and Grant Employees), Total Hours (State Employees), Rates, and Total Cost for the Service). In order to determine who provided the specific service, the Health Board provided copies of the Nurse Domain Reports (NDR’s), and as identified above there were eight differences between the NDR’s and the Hours Reported on the MCH-TANF Report. The Health Board followed up with the Wyoming Department of Health and were informed that the NDR’s cannot be relied upon and should not be relied upon for audit evidence.

Effect: The Health Board is unable to provide specific support for hours charged to the grant.

Recommendation: Since the Wyoming Department of Health wants the Health Board to use the MCH-TANF Financial Report, as supported by the MCH-TANF Report generated by the PHNI System, we recommend that the Health Board work with the Department of Health to determine what they need to do to provide and maintain specific support for the hours and costs charged to the grant as currently the only report available to support hours charged to the grant by person is the NDR.

Questioned Costs: \$478

Auditee Response: *We agree with the auditor’s finding concerning the TANF reporting system lacking the proper supporting documentation for reimbursement (staff hours, coding and cost) purposes. Since this is a Wyoming Department of Health (WDH) reporting system, we will be contacting WDH and work with them to provide the Health Board a more efficient reporting system to maintain the supporting documentation for the hours worked and cost charge in the TANF grant.*

LARAMIE COUNTY, WYOMING

SUMMARY SCHEDULE OF PRIOR FEDERAL AUDIT FINDINGS
Year Ended June 30, 2014

There were no Federal audit findings in the prior year.