

CITY OF CHEYENNE, WYOMING

FINANCIAL AND COMPLIANCE REPORT

JUNE 30, 2025

TABLE OF CONTENTS

<u>INDEPENDENT AUDITOR'S REPORT</u>	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS <i>(Required Supplementary Information)</i>	4-14
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	15-16
Statement of Activities	17-18
Fund Financial Statements	
Balance Sheet - Governmental Funds	19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Net Position - Proprietary Funds	23-24
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	25
Statement of Cash Flows - Proprietary Funds	26-27
Statement of Fiduciary Net Position	28
Statement of Changes in Fiduciary Net Position	29
Notes to Financial Statements	30-74
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - General Fund	75
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - Miscellaneous Federal Grants Fund	76
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	77
Schedule of the City's Proportionate Share of the Net Pension Liability	78-79
Schedule of the City's Contributions	80-81
Notes to Required Supplementary Information	82-86
COMBINING AND OTHER INDIVIDUAL FUND AND OTHER SUPPLEMENTARY INFORMATION	
Nonmajor Governmental Funds Summary	87-88
Combining Balance Sheet - Nonmajor Governmental Funds	89-91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	92-94
Nonmajor Proprietary Funds Summary	95
Combining Statement of Net Position - Nonmajor Proprietary Funds	96

Continued

TABLE OF CONTENTS, *Continued*

COMBINING AND OTHER INDIVIDUAL FUND AND OTHER SUPPLEMENTARY INFORMATION, <i>Continued</i>	
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position -	
Nonmajor Proprietary Funds	97
Combining Statement of Cash Flows - Nonmajor Proprietary Funds	98
Fiduciary Funds Summary	99
Combining Statement of Fiduciary Net Position	100
Combining Statement of Changes in Fiduciary Net Position	101
SINGLE AUDIT SECTION	
Schedule of Expenditures of Federal Awards	102-106
Notes to Schedule of Expenditures of Federal Awards	107
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 <i>GOVERNMENT AUDITING STANDARDS</i>	108-109
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE	110-112
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	113
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS	114



MHP Assurance Services, LLP

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cheyenne, Wyoming (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Cheyenne Downtown Development Authority (the DDA), which represents 100% of the discretely presented component unit, as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the DDA, is based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MHP Assurance Services, LLP

Cheyenne, Wyoming
December 23, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

The City of Cheyenne, Wyoming (the City) offers readers of the City's financial statements this narrative overview and analysis of the financial activities as of and for the fiscal year ended June 30, 2025. In addition to this overview and analysis based on currently known facts, decisions, and conditions, the City would encourage readers to consider the information presented in the City's basic financial statements, which begin on page 15 of this report.

Financial Highlights

The City's total net position (governmental and business-type combined) increased by \$56.56 million (6.70%) from 2024 to 2025. The governmental net position increased by \$35.79 million (8.39%). The business-type net position increased by \$20.77 million (4.97%).

- The General Fund, the City's primary operating fund, reported an increase in fund balance of \$12.54 million on a current financial resource basis. As of June 30, 2025, the unassigned fund balance for the General Fund was \$56.65 million or 284 days of total General Fund expenditures of \$72.78 million. The City Council has a requirement, by resolution, to maintain an unassigned fund balance of 120 days of operating expenditures in the General Fund.

Overview of the Financial Statements

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

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

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

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

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

Fund financial statements: Traditional users of the City's financial statements will find the fund financial statement presentation more familiar. The focus is now on major funds rather than fund types.

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. A major fund should generally meet both of the following criteria: (1) total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets and deferred outflows, liabilities and deferred inflows, etc.) for that fund type (i.e., governmental or enterprise funds), and (2) total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 22 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the Miscellaneous Federal Grants Fund, the One-Percent Sales Tax Fund, and the Specific-Purpose Option Tax Fund, all of which are considered to be major funds. Data from the other 18 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison schedules have been provided for the General Fund and the Miscellaneous Federal Grants Fund to demonstrate compliance with these budgets.

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

Proprietary funds: The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Board of Public Utilities, Solid Waste Fund, Civic Center, and Ice and Events Center. The Internal Service Fund is used to account for activities of the City's Fleet Maintenance Center. Fleet maintenance is allocated based on other funds' usage on the proprietary fund Statement of Net Position and proprietary fund Statement of Activities.

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

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

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

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

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

Notes to the financial statements: The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 74 of this report.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City's net position, just over 74% reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment) less any related debt used to acquire those assets that are still outstanding and any accounts or retainage payable related to those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt and accounts or retainage payable, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

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

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

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current assets	\$ 195,525	\$ 185,613	\$ 138,068	\$ 119,656	\$ 333,593	\$ 305,269
Noncurrent assets	338,501	322,542	371,726	375,548	710,227	698,090
Total assets	534,026	508,155	509,794	495,204	1,043,820	1,003,359
Deferred outflows of resources	8,314	11,365	1,961	1,595	10,275	12,960
Current liabilities	10,543	23,989	16,451	18,886	26,994	42,875
Noncurrent liabilities	44,491	44,114	54,731	59,126	99,222	103,240
Total liabilities	55,034	68,103	71,182	78,012	126,216	146,115
Deferred inflows of resources	25,061	24,960	2,155	1,139	27,216	26,099
Net position:						
Net investment in capital assets	331,207	312,062	335,544	332,204	666,751	644,266
Restricted	101,811	92,576	500	500	102,311	93,076
Unrestricted	29,227	21,819	102,374	84,944	131,601	106,763
Total net position	\$ 462,245	\$ 426,457	\$ 438,418	\$ 417,648	\$ 900,663	\$ 844,105

A portion of the City's net position, 11.36%, represents resources that are subject to external restrictions on how they may be used. Currently in a surplus position, the remaining balance of unrestricted net position, \$131.60 million, is intended to be utilized to meet the government's ongoing obligations to citizens and creditors subject to the City's fund designations and fiscal policies.

Net position in the City's governmental activities increased by \$35.79 million during fiscal year 2025, compared to an increase of \$46.81 million in the prior year. Net position in the City's business-type activities increased by \$20.77 million during fiscal year 2025, compared to an increase of \$18.70 million in the prior year.

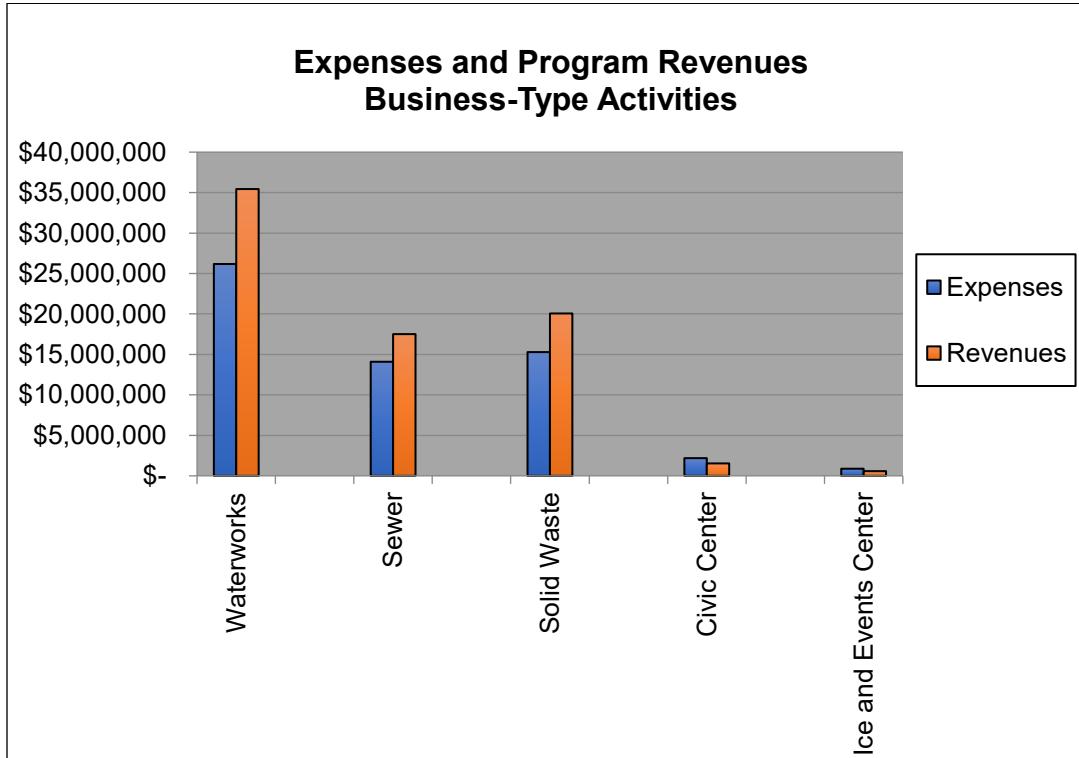
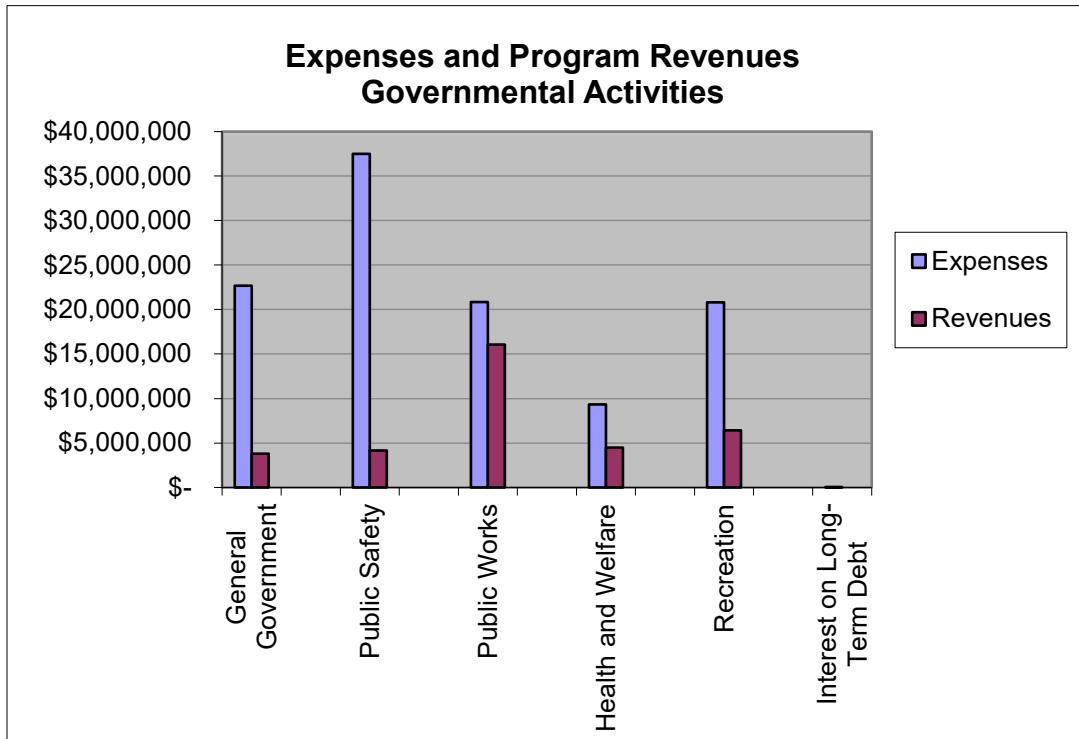
CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

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

Changes in Net Position									
(Amounts expressed in thousands; totals may not add due to rounding)									
	Governmental Activities		Business-Type Activities		Total		2025	2024	
	2025	2024	2025	2024	2025	2024			
Revenues:									
Program revenues:									
Charges for services	\$ 21,872	\$ 18,164	\$ 62,997	\$ 57,017	\$ 84,869	\$ 75,181			
Operating grants and contributions	8,776	8,543	7,531	4,748	16,307	13,291			
Capital grants and contributions	4,288	3,909	4,603	7,076	8,891	10,985			
General revenues:									
Property taxes and other taxes	12,157	18,893	-	-	12,157	18,893			
Sales taxes	70,285	72,774	-	-	70,285	72,774			
Intergovernmental	8,788	7,967	-	-	8,788	7,967			
Other	19,132	10,403	4,965	4,036	24,097	14,439			
Total revenues	145,298	140,653	80,096	72,877	225,394	213,530			
Expenses:									
Civic Center	-	-	2,186	1,898	2,186	1,898			
General government	22,676	24,803	-	-	22,676	24,803			
Health and welfare	8,335	2,063	-	-	8,335	2,063			
Interest on long-term debt	38	70	-	-	38	70			
Public safety	37,515	27,934	-	-	37,515	27,934			
Public works	20,848	12,614	-	-	20,848	12,614			
Recreation	20,794	26,138	-	-	20,794	26,138			
Sewer	-	-	14,097	13,068	14,097	13,068			
Solid Waste	-	-	15,291	13,550	15,291	13,550			
Waterworks	-	-	26,177	25,057	26,177	25,057			
Ice and Events Center	-	-	879	821	879	821			
Total expenses	110,206	93,622	58,630	54,394	168,836	148,016			
Increase in net position before transfers	35,092	47,031	21,466	18,483	56,558	65,514			
Transfers	696	(220)	(696)	220	-	-			
Change in net position	35,788	46,811	20,770	18,703	56,558	65,514			
Net position, beginning of year	426,457	379,646	417,648	398,945	844,105	778,591			
Net position, end of year	\$ 462,245	\$ 426,457	\$ 438,418	\$ 417,648	\$ 900,663	\$ 844,105			

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025



CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

Financial Analysis of the City's Funds

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

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$176,998,047. Approximately 31% of this total amount, \$54,011,997, constitutes the unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is nonspendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchase orders of the prior period or pay debt service, or has been dedicated to other uses.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$56,648,074, while the total fund balance reached \$68,352,177. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to the total fund expenditures. The unassigned fund balance represents 77.83% of the total General Fund expenditures, while the total fund balance represents 93.92% of that same amount. This compares to 74.03% and 80.69%, respectively, in the prior year.

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

The unrestricted net position of the Waterworks Fund and the Sewer Fund at the end of the year amounted to \$69,877,146, the Solid Waste Fund was \$32,439,981, and the Civic Center Fund and the Ice and Events Center Fund amounted to (\$667,876). Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the original and final amended budgeted expenditures were \$8,596,975. The major expenditure increases follow:

- \$1,053,750 in carryover projects.
- \$1,196,572 in encumbrances.
- \$255,462 for the abatement of railcar asbestos and lead paint for the 15th Street project.
- \$1,621,793 to provide a \$2,000 bonus for full-time employees and a \$1,000 bonus for part-time employees.
- \$150,000 for additional Police Department overtime expenses.
- \$2,073,049 for the construction of the new gymnastics facility.
- \$180,652 for concrete repairs and replacement on the public sidewalk on Vandehei Avenue between Yellowstone Road and Stockman Street.
- \$115,105 for drainage improvements to Child's Draw.
- \$198,674 for additional Fire Department overtime expenses.
- \$300,000 for the design and installation of a new boiler for the Johnson Pool facility.
- \$150,000 for grant match obligations for the Cheyenne Transit Program.
- \$439,539 for design services for the restoration of the pumphouse.
- \$109,300 to purchase new vehicles for the Compliance Department.

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

- \$188,480 for unbudgeted terminated employee vacation and sick leave accrual payouts.
- \$247,638 for higher fleet fuel, labor and parts costs.
- \$62,602 for unbudgeted deductible and non-insured loss expenditures.
- \$62,056 for higher electric and natural gas utility costs.
- \$33,950 for unbudgeted vandalism and theft expenditures.

Of this increase, \$8,446,977 was budgeted from the available fund balance. Expenditures were less than budgetary estimates, thus eliminating the need to further draw upon the existing fund balance for operations.

Capital Asset and Debt Administration

Capital assets: The City's investment in capital assets for its governmental and business-type activities amounted to \$666,750,930 (net of accumulated depreciation and related debt) as of June 30, 2025. This investment in capital assets included land, buildings, utility plant in service, improvements, machinery and equipment, park facilities, and roads. The total increase in the City's investment in capital assets for the current fiscal year was 3.49%.

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

- Replacement of public safety, public works and recreation vehicles and equipment.
- Development of various recreation and quality-of-life projects, including improvements to the Dutcher Athletic Complex, Pioneer Park turf replacement, completed construction of a new gymnastics facility, Belvoir Ranch projects, upgrading lighting at the Cheyenne Civic Center, restoration of the Historic Pumphouse, and the Reed Avenue Rail Corridor.
- Remodeling of the Downtown Depot Museum.
- Land purchased for future Fire Station #6.
- A variety of drainage and street construction projects, including the Dell Range and Van Buren project, the Christensen Road Overpass Phase II project, the Powderhouse and Carlson Road project, the Fifth Street bridge over Crow Creek project, Charles Street drainage improvements, 19th Street drainage and improvements, 7th Street drainage and improvements, Paul Smith drainage improvements, the road paved to the Cheyenne National Cemetery, U.S. Highway 30 reconstruction, the Storey Boulevard extension, Child's Draw drainage improvements, the HAWK Crosswalk Systems at both Pershing/McCann and Western Hills Boulevard, and various traffic signal upgrades.
- Re-roofing Fire Station #1.
- Various building and system additions and improvements for the Board of Public Utilities.

Capital Assets, Net of Depreciation
(Amounts expressed in thousands; totals may not add due to rounding)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land and water rights	\$ 20,593	\$ 19,307	\$ 14,028	\$ 14,028	\$ 34,621	\$ 33,335
Construction in progress	13,594	13,612	10,332	9,161	23,926	22,773
Buildings and improvements	189,536	180,463	47,213	47,213	236,749	227,676
Utility plant in service	-	-	640,672	630,150	640,672	630,150
Machinery and equipment	60,951	55,387	30,954	29,394	91,905	84,781
Infrastructure	282,644	270,966	-	-	282,644	270,966
Less accumulated depreciation	(232,007)	(218,186)	(371,933)	(354,907)	(603,940)	(573,093)
Total	\$ 335,311	\$ 321,549	\$ 371,266	\$ 375,039	\$ 706,577	\$ 696,588

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

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

Long-term debt: The City's debt represents bonds and loans secured solely by specified revenue sources (i.e., revenue bonds).

	Outstanding Debt - General Obligation Bonds, Revenue Bonds, and Loans							
	Governmental Activities		Business-Type Activities		Total			
	2025	2024	2025	2024	2025	2024	2025	2024
Loans and finance/lease-purchases payable	\$ 4,133,334	\$ 4,376,471	\$ 34,351,890	\$ 40,069,946	\$ 38,485,224	\$ 44,446,417		
Revenue bonds	3,025,000	3,685,000	468,551	1,423,551	3,493,551	5,108,551		
Total	\$ 7,158,334	\$ 8,061,471	\$ 34,820,441	\$ 41,493,497	\$ 41,978,775	\$ 49,554,968		

The City's total debt decreased by \$7,576,193 or 15.29% during the current fiscal year.

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

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

Economic Factors and Next Year's Budgets and Rates

The City's original approved fiscal year 2025 budget for the General Fund totaled \$71,647,649, compared to an original budget of \$66,215,278 in fiscal year 2024. This represented a 8.20% increase.

In fiscal year 2025, actual revenues received were much higher than the City's conservative revenue forecasts. The City received a total of \$85,113,658 in revenue, which was \$668,260 higher than the final approved budgeted revenue and \$4,610,805 higher than what was received in fiscal year 2024.

Largely driven by revenue growth, the City of Cheyenne experienced a fiscally positive fiscal year 2025. Revenues were higher in many categories. This growth was driven primarily by permits and plan reviews for major technology infrastructure projects within the City, including the Microsoft and Meta data centers, which caused building permit revenue to soar by \$3,755,969 more compared to the previous fiscal year.

Sales and use tax revenues, the City's largest revenue source, decreased \$883,167 compared to fiscal year 2024. When City administration developed the fiscal year 2025 budget, sales and use tax projections were adjusted downward in anticipation of economic changes. A significant portion of the decrease is attributable to reduced oil and gas sales tax collections, reflecting lower taxable activity in the energy sector due to declines in production and prices.

Interest revenue saw substantial growth in fiscal year 2025, with an increase of \$619,837 compared to fiscal year 2024. This significant rise can be attributed to three key factors, including increased city investments, higher prevailing interest rates and enhanced cash management strategies to allow for better utilization of higher-yielding accounts, in accordance with the City's Investment Policy. These combined efforts resulted in maximizing returns on the City's financial assets.

Gas and electric franchise fees were one of the larger revenue sources in fiscal year 2025 and showed significant growth compared to fiscal year 2024, with an increase of \$1,463,373. This increase is largely attributable to the annexation of the North Range Business Park, which brought several electricity-intensive businesses, including the Walmart Distribution Center, Microsoft Data Center, and others, into the City limits.

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

Property taxes have also seen continued increases over the past few years. The City collected \$298,032 more in property taxes compared to the previous fiscal year. Property tax revenue continues to climb each year because of the sharp increase in property values.

Historic horse racing revenues increased by \$1,188,134 in fiscal year 2025 compared to fiscal year 2024. The increase reflects new gaming facilities opening within City limits over the past couple of years and growth in this form of pari-mutuel wagering.

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

The City's total General Fund budget expenditures were \$72,418,461, which were \$7,826,163 less than the \$80,244,624 final approved budget. This is due to a combination of factors but primarily was the result of various budgeted positions that were vacant and several one-time capital projects that were budgeted in full but not completed by June 30, 2025. In comparison, during fiscal year 2024, the City had \$70,193,119 in General Fund expenditures. Therefore, in fiscal year 2025, the City expended \$2,225,342 more compared to fiscal year 2024.

With the City's continued growth, efforts must be made to regularly analyze the staffing required to meet the needs of its increasing population and the Governing Body's priorities. As a result of this population growth, a continual decrease of staff per capita has occurred. To address this, the Governing Body approved adding 16.8 full-time-equivalent positions in fiscal year 2025.

The City's Governing Body is committed to increasing employee compensation to assist with attracting and retaining quality staff. To accomplish this, in January 2025, the Governing Body approved a one-time payment in the amount of \$2,000 for all permanent full-time employees and \$1,000 for all permanent part-time employees, excluding elected officials.

In fiscal year 2025, the City's required local match for its Federal Transit Administration (FTA) grants increased by \$428,558 compared to fiscal year 2024, primarily due to higher program expenditures and the expiration of a prior COVID-19 relief FTA grant funded at a 100% Federal share. In fiscal year 2026, this match obligation is expected to increase even further because the Transit Division missed the operational grant application deadline, resulting in the loss of FTA funding since August of fiscal year 2026.

The General Fund had a \$1,348,939 payroll accrual expense in fiscal year 2025 to align payroll costs with the timing of actual hours worked and comply with accounting standards. For many years, the City has paid non-exempt employees a fixed monthly amount based on an annualized 2,080-hour schedule rather than the hours actually worked in each month. This practice resulted in payroll being processed and paid before all hours in the month were verified, occasionally creating timing and compliance issues. Beginning in January 2025, the City transitioned to paying non-exempt employees based on the actual hours recorded in the Paycom payroll system. Pay periods shifted from the first through the last day of the month to a 21st-20th cycle. Full-time, non-uniformed employees could elect to be paid either monthly or semimonthly, while new hires after December 20, 2024 are automatically paid semimonthly. This accrual ensures that payroll expenses for hours worked between June 21 and June 30, 2025 are recorded in the correct fiscal year, although actual payment will occur in July.

CITY OF CHEYENNE, WYOMING
MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

The original adopted General Fund fiscal year 2024 budget included \$403,298 to be used from fund balance to pay for various expenditures. Senate File 0039, approved in the 2022 State Legislative session, provided a \$75 million cash infusion to the Paid Firemen's Pension Plan A's previously underfunded reserve, which included a \$20 million state loan to be repaid over 20 years at 0% interest by nine legacy employers, including the City. The City's share of this loan repayment is 24.31%, resulting in an annual payment of \$243,138. In 2021, Mayor Collins assigned \$2 million in reserves to cover these payments for eight years, beginning with the first payment made in fiscal year 2023.

In addition, the annual payment related to the purchase of 120 new Axon 4 Body-Worn Video Cameras for the Cheyenne Police Department was also budgeted from the General Fund balance. These cameras are critical for promoting accountability for both law enforcement officers and the public. Contract 7898, approved by the Governing Body in fiscal year 2024, totals \$800,798 and is structured to be paid in five equal annual installments of \$160,160 beginning in fiscal year 2024.

Requests for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the City Treasurer, City of Cheyenne, 2101 O'Neil Avenue, Room 309, Cheyenne, Wyoming 82001.

BASIC FINANCIAL STATEMENTS

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET POSITION June 30, 2025

	Primary Government			Component Unit	
			Total	Cheyenne Downtown Development Authority	
	Governmental Activities	Business-Type Activities			
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 4,818,225	\$ 6,113,322	\$ 10,931,547	\$ 465,186	
Cash held by fiscal agent	-	-	-	13,127	
Investments, at fair value	73,993,070	116,391,323	190,384,393	1,057,640	
Restricted assets:					
Cash and cash equivalents	5,550,469	1,582,029	7,132,498	-	
Investments, at fair value	85,937,541	-	85,937,541	-	
Due from other governments	1,198	543,438	544,636	2,500	
Receivables:					
Accrued interest	482,812	127,979	610,791	-	
Accounts, customers, net	1,507,601	2,735,445	4,243,046	-	
Estimated unbilled usage	-	3,321,357	3,321,357	-	
Sanitation receivable and unbilled usage	-	2,210,610	2,210,610	-	
Property tax receivable	9,228,177	-	9,228,177	491,361	
Internal balances	(3,058,710)	3,058,710	-	-	
Intergovernmental receivable	15,687,086	-	15,687,086	-	
Prepaid expenses	1,197,471	795,257	1,992,728	23,175	
Inventories	82,077	1,139,598	1,221,675	-	
Current portion of lease receivable	98,106	48,883	146,989	-	
Total current assets	195,525,123	138,067,951	333,593,074	2,052,989	
Noncurrent Assets					
Capital assets not being depreciated:					
Land	20,593,117	12,230,233	32,823,350	-	
Construction in progress	13,593,920	10,332,347	23,926,267	-	
Water rights	-	1,797,968	1,797,968	-	
Capital assets being depreciated:					
Utility plant in service	-	640,671,460	640,671,460	-	
Machinery and equipment	22,070,383	10,703,201	32,773,584	-	
Transportation equipment	33,355,521	17,644,792	51,000,313	-	
Buildings and improvements	189,535,999	47,212,800	236,748,799	-	
Office furniture and equipment	5,525,042	2,606,090	8,131,132	-	
Infrastructure	282,644,079	-	282,644,079	-	
Accumulated depreciation	(232,007,561)	(371,933,135)	(603,940,696)	-	
Lease receivable, less current portion	894,563	459,789	1,354,352	-	
Net pension asset	2,296,410	-	2,296,410	-	
Total noncurrent assets	338,501,473	371,725,545	710,227,018	-	
Total assets	534,026,596	509,793,496	1,043,820,092	2,052,989	
DEFERRED OUTFLOWS OF RESOURCES	8,314,189	1,960,904	10,275,093	-	

Continued

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET POSITION, *Continued* June 30, 2025

	Primary Government			Component Unit	
			Business-Type Activities	Total	Cheyenne
	Governmental Activities				Downtown
LIABILITIES					Development Authority
Current Liabilities					
Accounts payable	\$ 4,826,496	\$ 3,607,853	\$ 8,434,349	\$ -	-
Retainage payable	274,720	28,306	303,026		-
Accrued interest	7,291	243,980	251,271		-
Accrued salaries, including compensated absences and early retirement	2,348,097	494,414	2,842,511		-
Unearned fees and deposits	-	6,434,596	6,434,596		-
Unearned revenue	2,139,130	13,703	2,152,833	25,000	
Current portion of bonds and loans payable	948,137	5,628,223	6,576,360		-
Total current liabilities	10,543,871	16,451,075	26,994,946		25,000
Noncurrent Liabilities					
Landfill closure and post-closure costs	-	10,216,212	10,216,212		-
Net pension liability	27,730,624	12,860,387	40,591,011		-
Total OPEB liability	4,849,316	-	4,849,316		-
Accrued compensated absences	5,700,833	2,462,153	8,162,986		-
Bonds and loans payable, less current portion	6,210,197	29,192,218	35,402,415		-
Total noncurrent liabilities	44,490,970	54,730,970	99,221,940		-
Total liabilities	55,034,841	71,182,045	126,216,886		25,000
DEFERRED INFLOWS OF RESOURCES	25,060,917	2,154,413	27,215,330		489,848
NET POSITION					
Net Investment in Capital Assets	331,206,620	335,544,310	666,750,930		-
Restricted for:					
Debt service and capital improvements	1,172,769	500,000	1,672,769		-
Legal restrictions	3,360,912	-	3,360,912		-
Voter-approved tax projects	97,277,653	-	97,277,653		-
Unrestricted	29,227,073	102,373,632	131,600,705		1,538,141
Total net position	\$ 462,245,027	\$ 438,417,942	\$ 900,662,969		\$ 1,538,141

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF ACTIVITIES

Year Ended June 30, 2025

Program Revenues						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Functions/Programs						
Primary government:						
Governmental activities:						
General government	\$ 22,676,008	\$ 1,828,133	\$ 1,768,813	\$ 206,103		
Public safety	37,514,476	787,462	2,774,181	599,925		
Public works	20,848,451	14,035,760	837,704	1,204,895		
Health and welfare	8,335,309	1,660	3,314,913	1,158,740		
Recreation	20,794,189	5,218,453	80,524	1,118,389		
Interest on long-term debt	37,704	-	-	-		
Total governmental activities	110,206,137	21,871,468	8,776,135	4,288,052		
Business-type activities:						
Waterworks	26,177,122	25,083,932	6,666,780	3,687,403		
Sewer	14,097,242	15,733,555	863,748	915,720		
Solid Waste	15,290,709	20,064,500	-	-		
Civic Center	2,185,434	1,535,534	-	-		
Ice and Events Center	879,231	579,339	-	-		
Total business-type activities	58,629,738	62,996,860	7,530,528	4,603,123		
Total primary government	\$ 168,835,875	\$ 84,868,328	\$ 16,306,663	\$ 8,891,175		
Governmental component unit:						
Downtown Development Authority	\$ 445,806	\$ -	\$ 25,000	\$ -		
General Revenues						
Property taxes and other taxes						
Sales taxes						
Franchise taxes						
Motor vehicle taxes						
Intergovernmental funds and shared revenues not restricted to specific programs						
Unrestricted investment earnings						
Insurance proceeds						
(Loss) on sale of capital assets						
Miscellaneous revenue						
Transfers						
Total general revenues and transfers						
Change in net position						
Net Position, beginning of year						
Prior-period restatement (Note 1)						
Net Position, beginning of year, as restated						
Net Position, end of year						

See Notes to Financial Statements.

Net (Expenses) Revenues and Changes in Net Position				Component Unit			
Primary Government			Cheyenne				
Governmental Activities	Business-Type Activities	Total	Downtown Development Authority				
\$	\$	\$	\$	\$	\$		
(18,872,959)	-	(18,872,959)	-	-	-		
(33,352,908)	-	(33,352,908)	-	-	-		
(4,770,092)	-	(4,770,092)	-	-	-		
(3,859,996)	-	(3,859,996)	-	-	-		
(14,376,823)	-	(14,376,823)	-	-	-		
(37,704)	-	(37,704)	-	-	-		
<u>(75,270,482)</u>	<u>-</u>	<u>(75,270,482)</u>	<u>-</u>	<u>-</u>	<u>-</u>		
-	9,260,993	9,260,993	-	-	-		
-	3,415,781	3,415,781	-	-	-		
-	4,773,791	4,773,791	-	-	-		
-	(649,900)	(649,900)	-	-	-		
-	(299,892)	(299,892)	-	-	-		
<u>-</u>	<u>16,500,773</u>	<u>16,500,773</u>	<u>-</u>	<u>-</u>	<u>-</u>		
<u>(75,270,482)</u>	<u>16,500,773</u>	<u>(58,769,709)</u>	<u>-</u>	<u>-</u>	<u>-</u>		
			(420,806)				
12,156,760	-	12,156,760	475,849				
70,284,984	-	70,284,984	-				
6,904,919	-	6,904,919	-				
1,768,628	-	1,768,628	-				
8,788,412	-	8,788,412	-				
7,943,068	5,423,417	13,366,485	52,739				
78,625	-	78,625	-				
(192,430)	(458,352)	(650,782)	-				
2,629,143	-	2,629,143	197				
695,669	(695,669)	-	-				
<u>111,057,778</u>	<u>4,269,396</u>	<u>115,327,174</u>	<u>528,785</u>				
<u>35,787,296</u>	<u>20,770,169</u>	<u>56,557,465</u>	<u>107,979</u>				
426,457,731	417,647,773	844,105,504	1,449,461				
-	-	-	(19,299)				
<u>426,457,731</u>	<u>417,647,773</u>	<u>844,105,504</u>	<u>1,430,162</u>				
<u>\$ 462,245,027</u>	<u>\$ 438,417,942</u>	<u>\$ 900,662,969</u>	<u>\$ 1,538,141</u>				

CITY OF CHEYENNE, WYOMING

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	General Fund	Miscellaneous Federal Grants Fund	One-Percent Sales Tax Fund	Specific-Purpose Option Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 1,426,620	\$ 12,926	\$ -	\$ -	\$ 2,970,840	\$ 4,410,386
Investments, at fair value	64,030,056	255,284	-	-	9,509,928	73,795,268
Cash and Cash Equivalents, restricted	28,371	-	2,497,205	3,003,180	21,713	5,550,469
Investments, at fair value, restricted	520,160	-	69,335,627	15,515,134	566,620	85,937,541
Receivables						
Accrued interest	237,492	-	202,771	33,392	9,157	482,812
Property tax	9,228,177	-	-	-	-	9,228,177
Customers	1,194,424	-	51,709	-	261,468	1,507,601
Lease receivable	992,669	-	-	-	-	992,669
Due From Other Funds	231,216	-	-	-	-	231,216
Due From Other Governments	7,056,372	599,089	3,812,792	2,828,500	1,390,333	15,687,086
Prepaid Expenditures	653,005	427,675	27,445	1,919	81,793	1,191,837
Total assets	\$ 85,598,562	\$ 1,294,974	\$ 75,927,549	\$ 21,382,125	\$ 14,811,852	\$ 199,015,062
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 2,996,073	\$ 144,391	\$ 625,270	\$ 324,553	\$ 521,636	\$ 4,611,923
Retainage payable	21,810	13,590	52,951	146,256	32,430	267,037
Accrued interest	7,291	-	-	-	-	7,291
Accrued salaries, including vacation and sick leave	1,369,116	3,666	25,246	13,695	154,081	1,565,804
Due to other funds	2,215,363	600,000	-	-	480,000	3,295,363
Unearned revenue	562,722	664,713	-	-	911,695	2,139,130
Total liabilities	7,172,375	1,426,360	703,467	484,504	2,099,842	11,886,548
Deferred Inflows of Resources						
Lease revenue	948,319	-	-	-	-	948,319
Unavailable revenues	-	56,457	-	-	-	56,457
Unavailable property tax revenue	9,125,691	-	-	-	-	9,125,691
Total deferred inflows of resources	10,074,010	56,457	-	-	-	10,130,467
Fund Balances						
Nonspendable	655,740	427,675	27,445	1,919	81,793	1,194,572
Restricted	1,172,769	1,694,043	75,196,637	20,895,702	2,852,183	101,811,334
Committed	3,891,657	-	-	-	9,615,994	13,507,651
Assigned	5,983,937	-	-	-	488,556	6,472,493
Unassigned	56,648,074	(2,309,561)	-	-	(326,516)	54,011,997
Total fund balances	68,352,177	(187,843)	75,224,082	20,897,621	12,712,010	176,998,047
Total liabilities, deferred inflows of resources, and fund balances	\$ 85,598,562	\$ 1,294,974	\$ 75,927,549	\$ 21,382,125	\$ 14,811,852	\$ 199,015,062

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET

TO THE STATEMENT OF NET POSITION

June 30, 2025

Total fund balances - governmental funds	\$ 176,998,047
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.	335,310,500
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	146,814
Long-term liabilities for compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(6,483,126)
Pension and OPEB plan accounts, such as deferred inflows/outflows of resources, the net pension liability, and the total OPEB liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.	
Net pension asset	2,296,410
Net pension liability	(27,730,624)
Total OPEB liability	(4,849,316)
Deferred outflows of resources	8,314,189
Deferred inflows of resources	(14,723,513)
Long-term liabilities, including loans and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds payable	(3,025,000)
Paid Firemen's Pension Plan A loan	(4,133,334)
Deferred inflows of resources related to the public-public partnership are not reported in the funds.	(353,751)
An Internal Service Fund is used by management to charge the costs of certain activities to individual funds. The assets and liabilities of this Internal Service Fund are allocated 37% to governmental activities based on usage in the Statement of Net Position.	477,731
Net position of governmental activities	<u>\$ 462,245,027</u>

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN

FUND BALANCES - GOVERNMENTAL FUNDS

Year Ended June 30, 2025

	General Fund	Miscellaneous Federal Grants Fund	One-Percent Sales Tax Fund	Specific-Purpose Option Tax Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes and special assessments	\$ 17,998,581	\$ -	\$ -	\$ -	\$ -	\$ 17,998,581
Licenses and permits	14,319,504	-	-	-	-	14,319,504
Intergovernmental	44,800,333	6,047,156	21,699,314	16,097,106	6,433,332	95,077,241
Charges for services	2,590,797	-	-	-	4,330,889	6,921,686
Fines and forfeitures	705,601	-	-	-	-	705,601
Investment income	2,986,740	54,015	3,625,542	769,162	507,609	7,943,068
Miscellaneous	2,094,474	-	-	-	508,365	2,602,839
Total revenues	85,496,030	6,101,171	25,324,856	16,866,268	11,780,195	145,568,520
Expenditures						
Current:						
General government	16,486,085	3,700,062	276,724	305,313	-	20,768,184
Public safety	32,756,022	1,445,170	342,682	14,065	1,698,563	36,256,502
Public works	5,931,353	1,599	8,249,617	7,726,958	856,819	22,766,346
Health and welfare	2,838,172	-	793,712	311,996	4,363,046	8,306,926
Recreation	9,895,542	55,000	340,614	3,097,398	3,745,887	17,134,441
Capital outlay	3,938,335	1,251,081	11,997,044	933,022	1,828,222	19,947,704
Debt service:						
Principal retirements	903,137	-	-	-	-	903,137
Interest payments	32,179	-	-	5,114	411	37,704
Total expenditures	72,780,825	6,452,912	22,000,393	12,393,866	12,492,948	126,120,944
Excess (deficiency) of revenues over expenditures	12,715,205	(351,741)	3,324,463	4,472,402	(712,753)	19,447,576
Other Financing Sources (Uses)						
Transfers in	1,291,348	-	-	-	1,032,456	2,323,804
Transfers out	(1,542,891)	-	(40,742)	-	(44,502)	(1,628,135)
Insurance proceeds	78,625	-	-	-	-	78,625
Proceeds from sales of assets	2,556	-	-	-	2,050	4,606
Total other financing (uses) sources	(170,362)	-	(40,742)	-	990,004	778,900
Net change in fund balances	12,544,843	(351,741)	3,283,721	4,472,402	277,251	20,226,476
Fund Balances, beginning of year	55,807,334	163,898	71,940,361	16,425,219	12,434,759	156,771,571
Fund Balances, end of year	\$ 68,352,177	\$ (187,843)	\$ 75,224,082	\$ 20,897,621	\$ 12,712,010	\$ 176,998,047

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

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

Year Ended June 30, 2025

Net change in fund balances - total governmental funds	\$ 20,226,476
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases and contributions exceeded depreciation and disposals in the current period.	
Donated assets	21,721
Capital outlay	29,137,443
Depreciation expense	(15,199,942)
Disposal of assets	(197,965)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(223,304)
Expenses for accrued compensated absences reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(1,247,433)
The change in the net pension and total OPEB liability and pension- and OPEB-related outflows and inflows are not reported in the governmental funds. This is the net effect of the change in these balances in the Statement of Net Position.	2,230,957
The issuance of long-term debt (e.g., bonds, finance purchases, loans) provides current financial resources to governmental funds, while the repayment of debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities. This amount is the net effect of the differences in the treatment of long-term debt and related items.	903,137
Revenue related to the public-public partnership does not provide current financial resources and, therefore, is not included in the governmental funds.	44,635
The Internal Service Fund is accounted for as a proprietary fund and, therefore, is not included in the governmental funds.	91,571
Change in net position of governmental activities	<u>\$ 35,787,296</u>

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET POSITION - PROPRIETARY FUNDS June 30, 2025

	Business-Type Activities						Internal Service Fund	
	Enterprise Funds							
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals			
ASSETS								
Current Assets								
Cash and cash equivalents	\$ 4,471,663	\$ 769,221	\$ 162,607	\$ 15,403	\$ 5,418,894	\$ 1,102,267		
Due from other funds	215,363	-	-	-	215,363	-		
Investments, at fair value	58,247,686	18,276,413	39,487,869	42,558	116,054,526	534,599		
Restricted assets:								
Cash and cash equivalents	1,582,029	-	-	-	1,582,029	-		
Due from other governments	465,258	76,141	-	-	541,399	3,237		
City sanitation account	2,210,610	-	-	-	2,210,610	-		
Receivables:								
Accrued interest	-	-	127,979	-	127,979	-		
Accounts, customers, net	1,654,154	1,065,263	12,584	3,444	2,735,445	-		
Estimated unbilled usage	2,230,829	1,090,528	-	-	3,321,357	-		
Current portion of lease receivable	48,883	-	-	-	48,883	-		
Due from other funds	-	-	7,153,173	-	7,153,173	14,695		
Inventories	959,039	40,805	-	-	999,844	221,831		
Prepaid expenses	578,016	197,957	8,326	1,365	785,664	15,227		
Total current assets	72,663,530	21,516,328	46,952,538	62,770	141,195,166	1,891,856		
Noncurrent Assets								
Capital assets:								
Land	4,629,495	545,002	6,512,000	346,861	12,033,358	312,500		
Utility plant in service	459,888,796	179,305,308	1,477,356	-	640,671,460	-		
Water rights	1,797,968	-	-	-	1,797,968	-		
Machinery and equipment	560,071	147,426	8,311,077	1,303,366	10,321,940	605,176		
Transportation equipment	3,006,158	1,388,121	12,909,684	12,872	17,316,835	520,566		
Buildings and improvements	6,510,065	2,186,244	30,120,490	7,572,350	46,389,149	1,307,383		
Office furniture and equipment	1,672,406	563,469	10,784	355,708	2,602,367	5,909		
Construction in progress	9,139,225	985,814	1,221	206,087	10,332,347	-		
Accumulated depreciation	(249,981,625)	(91,714,468)	(22,481,562)	(6,614,874)	(370,792,529)	(1,810,486)		
Total capital assets	237,222,559	93,406,916	36,861,050	3,182,370	370,672,895	941,048		
Lease receivable, less current portion	459,789	-	-	-	459,789	-		
Total noncurrent assets	237,682,348	93,406,916	36,861,050	3,182,370	371,132,684	941,048		
Total assets	310,345,878	114,923,244	83,813,588	3,245,140	512,327,850	2,832,904		
DEFERRED OUTFLOWS OF RESOURCES	1,070,585	348,512	541,807	-	1,960,904	-		

Continued

CITY OF CHEYENNE, WYOMING

STATEMENT OF NET POSITION - PROPRIETARY FUNDS, *Continued* June 30, 2025

	Business-Type Activities						
	Enterprise Funds						
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals	Internal Service Fund	
LIABILITIES							
Current Liabilities							
Accounts payable	\$ 1,608,554	\$ 1,025,287	\$ 538,326	\$ 70,332	\$ 3,242,499	\$ 579,927	
Retainage payable	-	-	15,224	-	15,224	20,765	
Accrued interest	116,877	127,103	-	-	243,980	-	
Unearned revenue	-	-	-	13,703	13,703	-	
Due to other funds	3,804,973	4,111	-	510,000	4,319,084	-	
Unearned fees and deposits	5,646,508	788,088	-	-	6,434,596	-	
Accrued salaries, including vacation and sick leave	121,310	40,436	245,003	67,567	474,316	31,902	
Current portion of general obligation and loan debt	2,318,419	3,309,804	-	-	5,628,223	-	
Total current liabilities	13,616,641	5,294,829	798,553	661,602	20,371,625	632,594	
Noncurrent Liabilities							
Accrued compensated absences	1,149,967	812,468	361,720	69,044	2,393,199	109,450	
Landfill closure and post-closure costs	-	-	10,216,212	-	10,216,212	-	
Net pension liability	7,189,363	2,396,455	3,274,569	-	12,860,387	-	
General obligation and loan debt, unamortized bond premium, net of current portion	17,911,341	11,280,877	-	-	29,192,218	-	
Total noncurrent liabilities	26,250,671	14,489,800	13,852,501	69,044	54,662,016	109,450	
Total liabilities	39,867,312	19,784,629	14,651,054	730,646	75,033,641	742,044	
DEFERRED INFLOWS OF RESOURCES							
Lease Revenue	510,683	-	-	-	510,683	-	
Pension Contributions	918,897	306,299	418,534	-	1,643,730	-	
Total deferred inflows of resources	1,429,580	306,299	418,534	-	2,154,413	-	
NET POSITION							
Net Investment in Capital Assets	216,657,578	78,265,675	36,845,826	3,182,370	334,951,449	941,048	
Restricted for Capital Improvements	500,000	-	-	-	500,000		
Unrestricted	52,961,993	16,915,153	32,439,981	(667,876)	101,649,251	1,149,812	
Total net position	\$ 270,119,571	\$ 95,180,828	\$ 69,285,807	\$ 2,514,494	437,100,700	\$ 2,090,860	
Adjustment to report the portion of the internal balance for the net effect of the activity between the Internal Service Fund and the enterprise funds over time					1,317,242		
Net position of business-type activities					\$ 438,417,942		

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - PROPRIETARY FUNDS Year Ended June 30, 2025

	Business-Type Activities						Internal Service Fund	
	Enterprise Funds							
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals			
Operating Revenues								
Sales and charges for services	\$ 24,447,481	\$ 14,702,955	\$ 19,807,251	\$ 2,002,615	\$ 60,960,302	\$ 5,536,225		
Fees and miscellaneous	636,451	1,030,600	257,249	112,258	2,036,558	477		
Total operating revenues	25,083,932	15,733,555	20,064,500	2,114,873	62,996,860		5,536,702	
Operating Expenses								
Waterworks	16,070,508	-	-	-	16,070,508	-		
Sewer	-	9,094,466	-	-	9,094,466	-		
Sanitation collection	-	-	8,237,393	-	8,237,393	-		
Recycling/compost	-	-	718,978	-	718,978	-		
Landfill	-	-	3,379,074	-	3,379,074	-		
Belvoir Ranch	-	-	224,071	-	224,071	-		
Fleet maintenance	-	-	-	-	-	5,170,994		
Culture and recreation	-	-	-	2,760,121	2,760,121	-		
Depreciation	9,851,603	4,737,571	2,933,265	304,544	17,826,983	61,141		
Total operating expenses	25,922,111	13,832,037	15,492,781	3,064,665	58,311,594		5,232,135	
Operating (loss) income	(838,179)	1,901,518	4,571,719	(949,792)	4,685,266		304,567	
Nonoperating Income (Expenses)								
Gain (loss) on sale of assets	25,851	18,536	(502,739)	-	(458,352)	7,682		
System development fees	6,666,780	863,748	-	-	7,530,528	-		
Investment income (loss):								
Interest income	3,037,621	719,630	1,417,742	2,019	5,177,012	8,498		
Net (decrease) increase in fair value of investments	(304,279)	23,998	526,686	-	246,405	-		
Interest expense	(255,011)	(265,205)	-	-	(520,216)	-		
Total nonoperating income	9,170,962	1,360,707	1,441,689	2,019	11,975,377		16,180	
Income (loss) before contributions and transfers	8,332,783	3,262,225	6,013,408	(947,773)	16,660,643		320,747	
Capital Grants	2,529,925	-	-	-	2,529,925	-		
Donated Utilities and Other Assets	1,157,478	915,720	-	-	2,073,198	-		
Transfers In	-	-	-	551,177	551,177	-		
Transfers Out	-	-	(950,971)	(295,875)	(1,246,846)	-		
Change in net position	12,020,186	4,177,945	5,062,437	(692,471)	20,568,097		320,747	
Net Position, beginning of year	258,099,385	91,002,883	64,223,370	3,206,965			1,770,113	
Net Position, end of year	\$ 270,119,571	\$ 95,180,828	\$ 69,285,807	\$ 2,514,494			\$ 2,090,860	
Adjustment to report the portion of the internal balance for the net effect of the activity between the Internal Service Fund and the enterprise funds over time					202,072			
Change in net position of business-type activities					\$ 20,770,169			

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

Year Ended June 30, 2025

	Business-Type Activities						Internal Service Fund	
	Enterprise Funds							
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals			
Cash Flows From Operating Activities								
Cash received from customers	\$ 24,985,555	\$ 15,399,722	\$ 20,151,359	\$ 2,087,178	\$ 62,623,814	\$ -	5,536,642	
Cash received from interfund charges	-	-	-	-	-	-	(3,483,632)	
Cash payments to suppliers	(5,597,128)	(2,982,388)	(5,216,487)	(1,533,910)	(15,329,913)	-	(1,139,230)	
Cash payments to employees	(10,069,573)	(5,814,697)	(6,423,730)	(1,167,811)	(23,475,811)	-	-	
Change in City sanitation account	138,927	-	-	-	138,927	-	-	
Net cash provided by (used in) operating activities	9,457,781	6,602,637	8,511,142	(614,543)	23,957,017	913,780		
Cash Flows From Noncapital Financing Activities								
(Payments on) proceeds from amounts due from other funds	-	-	(3,653,226)	459,000	(3,194,226)	-	(715)	
Transfers to other funds	-	-	(950,971)	(295,875)	(1,246,846)	-	-	
Transfers from other funds	-	-	-	551,177	551,177	-	-	
Net cash (used in) provided by noncapital financing activities	-	-	(4,604,197)	714,302	(3,889,895)	(715)		
Cash Flows From Capital and Related Financing Activities								
System development fees	5,722,800	1,073,989	-	-	6,796,789	-	-	
Proceeds from issuance of debt	1,960,673	-	-	-	1,960,673	-	-	
Acquisition and construction of capital assets	(9,186,034)	(1,850,334)	(1,540,215)	(240,586)	(12,817,169)	(178,421)	-	
Principal paid on revenue bonds and loan debt maturities	(2,829,934)	(3,250,137)	-	-	(6,080,071)	-	-	
Capital grants	1,242,881	-	-	-	1,242,881	-	-	
Proceeds from sale of capital assets	25,851	18,536	-	-	44,387	7,682	-	
Interest paid on debt	(210,821)	(265,362)	-	-	(476,183)	-	-	
Net cash (used in) capital and related financing activities	(3,274,584)	(4,273,308)	(1,540,215)	(240,586)	(9,328,693)	(170,739)		
Cash Flows From Investing Activities								
Interest on cash accounts and investments	2,733,342	743,628	1,393,891	2,019	4,872,880	8,498	-	
Purchase of investments	(11,033,342)	(2,443,628)	(5,374,110)	(1,898)	(18,852,978)	(419,827)	-	
Net cash (used in) provided by investing activities	(8,300,000)	(1,700,000)	(3,980,219)	121	(13,980,098)	(411,329)		
Net (decrease) increase in cash and cash equivalents	(2,116,803)	629,329	(1,613,489)	(140,706)	(3,241,669)	330,997		
Cash and Cash Equivalents, beginning of year	8,170,495	139,892	1,776,096	156,109	10,242,592	771,270	-	
Cash and Cash Equivalents, end of year	\$ 6,053,692	\$ 769,221	\$ 162,607	\$ 15,403	\$ 7,000,923	\$ 1,102,267		

Continued

CITY OF CHEYENNE, WYOMING

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS, *Continued* Year Ended June 30, 2025

	Business-Type Activities						Internal Service Fund	
	Enterprise Funds							
	Waterworks Fund	Sewer Fund	Solid Waste Fund	Other Proprietary Funds	Totals			
Reconciliation of Operating (Loss) Income to Net Cash								
Provided by (Used in) Operating Activities								
Operating (loss) income	\$ (838,179)	\$ 1,901,518	\$ 4,571,719	\$ (949,792)	\$ 4,685,266	\$ 304,567		
Adjustments to reconcile operating (loss) income to net cash provided by (used in) operating activities:								
Depreciation	9,851,603	4,737,571	2,933,265	304,544	17,826,983	61,141		
Pension liability	(476,767)	(158,922)	(147,986)	-	(783,675)	-		
Deferred outflows - pension	(219,795)	(73,265)	(121,743)	-	(414,803)	-		
Deferred inflows - pension	613,666	204,555	282,263	-	1,100,484	-		
Deferred inflows - leases	(67,343)	-	(17,945)	-	(85,288)	-		
(Decrease) increase in cash and cash equivalents resulting from changes in operating assets and liabilities:								
Receivables	(31,034)	(333,833)	104,804	1,024	(259,039)	(60)		
Inventories	311,870	7,505	-	-	319,375	91,197		
Prepaid expenses	(62,729)	(25,395)	(4,797)	16,935	(75,986)	4,380		
Accounts payable	(40,791)	161,447	202,046	(2,288)	320,414	408,532		
Due to other funds	12,334	4,111	-	-	16,445	-		
Landfill closure and post-closure costs	-	-	490,652	-	490,652	-		
City sanitation account	138,927	-	-	-	138,927	-		
Accrued salaries, including vacation and sick leave	266,019	177,345	218,864	43,751	705,979	44,023		
Uneamed revenue	-	-	-	(28,717)	(28,717)	-		
Net cash provided by (used in) operating activities	\$ 9,457,781	\$ 6,602,637	\$ 8,511,142	\$ (614,543)	\$ 23,957,017	\$ 913,780		
Noncash Investing, Capital and Noncapital Financing Activities								
Amortization of deferred refunding loss and debt premiums	\$ (49,206)	\$ -	\$ -	\$ -	\$ (49,206)	\$ -		
Donated asset acquisitions	1,157,478	915,720	-	-	2,073,198	-		
Debt forgiveness	750,000	-	-	-	750,000	-		
Capital assets transferred from other funds	-	-	2,511	-	2,511	-		
Change in fair value of investments	(304,279)	23,998	526,686	-	246,405	-		
Purchase of capital assets in accounts payable	360,271	550,560	15,224	-	926,055	-		
Trade-in value received on disposal of capital assets	-	-	210,000	-	210,000	-		

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF FIDUCIARY NET POSITION
June 30, 2025

		Other Employee Benefit Trust Fund	Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 263,676	
Investments, at fair value	-	37,238	
Cash and Cash Equivalents, restricted	1,123,482	-	
Investments, at fair value, restricted	5,093,048	-	
Due From Other Governments	-	354	
Receivables			
Accounts, customers	6,257	-	
Stop loss	338,140	-	
Total assets	6,560,927	301,268	
LIABILITIES			
Accounts Payable	23,658	75	
Accrued Liabilities	1,250,738	-	
Unearned Revenue	883,350	-	
Total liabilities	2,157,746	75	
NET POSITION			
Restricted for			
Organizations	-	301,193	
Health benefits	4,403,181	-	
Total net position	\$ 4,403,181	\$ 301,193	

See Notes to Financial Statements.

CITY OF CHEYENNE, WYOMING

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended June 30, 2025

	Other Employee Benefit Trust Fund	Custodial Funds
Additions		
Contributions	\$ 11,529,989	\$ -
Miscellaneous	2,268	18,642
Property taxes	-	70,819
Earnings on investments	231,914	1,929
Total additions	11,764,171	91,390
Deductions		
Distributions to organizations	-	33,892
Benefits to plan members	10,786,249	-
Professional services	123,820	-
Total deductions	10,910,069	33,892
Change in net position	854,102	57,498
Net Position, beginning of year	<u>3,549,079</u>	<u>243,695</u>
Net Position, end of year	<u>\$ 4,403,181</u>	<u>\$ 301,193</u>

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 1. Reporting Entity and Significant Accounting Policies

Reporting entity: The City of Cheyenne, Wyoming (the City or the City of Cheyenne) is a municipal corporation governed by an elected mayor and nine elected City Council members. The accompanying financial statements present the government and its component unit. As required by accounting principles generally accepted in the United States of America, these financial statements include all of the governmental and business-type activities relevant to the operations of the City. The accompanying financial statements of the City are to include those separately administered organizations for which the elected officials of the City are financially accountable or those that it would be misleading to exclude. Financial accountability is determined based on the appointment of a voting majority of the governing board and either the City's ability to impose its will or the presence of a potential financial benefit or burden to the City. The City of Cheyenne's Board of Public Utilities (the Board) is not a separate legal entity; as such, the Board's information is reported as proprietary funds of the City. The Board's finances are overseen by a finance department separate from the management of the City's other funds. The Board also issues stand-alone audited financial statements for the Waterworks and Sewer Funds. Additional inquiries regarding the Board or its stand-alone audited financial statements may be directed to the Board of Public Utilities, Administration Manager, 2416 Snyder Avenue, Cheyenne, Wyoming 82001.

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

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

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

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

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

Separate fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental funds, major individual enterprise funds, and Internal Service Funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period they are earned, while expenses are recognized in the period the liability is incurred.

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

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

The City reports the following major governmental funds:

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

- *Miscellaneous Federal Grants Fund*: The Miscellaneous Federal Grants Fund accounts for proceeds of Federal grant revenue sources that are restricted externally by the respective awarding agencies in order to administer Federal programs.
- *One-Percent Sales Tax Fund*: The One-Percent Sales Tax Fund accounts for the City's share of revenue received and expenditures made with the general-purpose optional 1% sales tax approved by the voters.
- *Specific-Purpose Option Tax Fund*: The Specific-Purpose Option Tax Fund accounts for the City's share of revenue received and expenditures made with the specific-purpose option sales tax approved by the voters for specific capital projects.

The City reports the following major proprietary funds:

- *Waterworks Fund*: The Waterworks Fund accounts for the operation of the water distribution system, which produces and supplies the City and its inhabitants with water for domestic and industrial purposes and for public use.
- *Sewer Fund*: The Sewer Fund accounts for the operation of the water reclamation plant, sewage pumping stations, and the collection systems.
- *Solid Waste Fund*: The Solid Waste Fund accounts for the operation of all solid waste activities, including collection and disposal, as mandated by Federal and state regulations, and accumulates funds for the closure and post-closure costs of the landfill.

Additionally, the government reports the following fund types:

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Waterworks, Sewer, Solid Waste, Civic Center, and Ice and Events Center enterprise funds, and the Fleet Maintenance Center Fund are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise funds and the Fleet Maintenance Center Fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Deposits and investments: The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the end of the fiscal year. For purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. Interest earned is allocated among the various funds based on the ending monthly outstanding balance in the consolidated bank account. Accrued interest is shown separately on the Statement of Net Position and the Balance Sheet. The City uses consolidated bank accounts, which earn interest at variable interest rates. Occasionally, certain individual funds may reflect a deficiency in the cash balance per books. These deficit cash balances are reported as an interfund payable between the fund showing the deficit and the fund showing the related asset.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

Investments, which consist of negotiable certificates of deposit, money market certificates, mortgage-backed securities, government securities and the Wyoming State Treasurer's Investment Pools (WYO-STAR I and WYO-STAR II) (collectively, WYO-STAR) are reported at fair value at June 30, 2025. The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. As of June 30, 2025, the City had recurring fair value measurements of mortgage-backed securities and government securities in the amount of \$83,096,415, which are valued using a matrix pricing model and the market approach (Level 2 inputs). The City also had recurring fair value measurements of negotiable certificates of deposit in the amount of \$10,650,997, which are valued using a matrix pricing model and the market approach (Level 2 inputs). The City also has investments in the Wyoming Government Investment Fund (WGIF) and the Wyoming Cooperative Liquid Assets Securities System (Wyoming CLASS). These investments are reported at net asset value, which approximates fair value.

A portion of the City's investment activity, except for funds that are required to maintain their investments separately, is conducted in the WYO-STAR pooled investment accounts within the Wyoming State Treasurer's Office. WYO-STAR operates in accordance with appropriate state laws and regulations. The City considers fair value measurements as of June 30, 2025 for WYO-STAR to be completed by the pool using the matrix pricing model and the market approach (Level 2 inputs).

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

Accounts receivable customers are shown on the Statement of Net Position, net of allowances for doubtful accounts of \$520,224 at June 30, 2025.

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

The City is permitted by Wyoming State Statutes to levy up to eight mills of the assessed valuation, except for the payment of public debt and the interest thereon. The combined tax rate to finance general governmental services, other than the payment of principal and interest on long-term debt, for the year ended June 30, 2025 was eight mills, which means that the City has no available tax margin and, accordingly, cannot raise any additional property taxes.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

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

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

Restricted assets: By voter approval, restricted assets include cash and cash equivalents, and investments required to be set aside as specific-purpose sales and use taxes for the exclusive purpose of funding various projects. Assets held by the City in a bond reserve fund are deemed restricted. Assets held by the Board for the City's sanitation, as well as amounts due from the State of Wyoming on requested loan advances, are also deemed restricted. In addition, cash required to be set aside for the repair and maintenance of capital assets that were funded by the State of Wyoming loans are deemed restricted.

Capital assets: Capital assets of governmental funds and the Solid Waste, Civic Center, Ice and Events Center, and Fleet Maintenance Center proprietary funds, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the Statement of Net Position. Capital assets are defined by the City as assets with an initial individual cost of more than \$7,500 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or the estimated historical cost if purchased or constructed. Donated capital assets are recorded at the estimated acquisition value on the date of donation.

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

Property, plant, and equipment of governmental funds and the Solid Waste, Civic Center, Ice and Events Center, and Fleet Maintenance Center activities are depreciated using the straight-line method over the following estimated useful lives:

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

Sewer and Waterworks capital assets, which include property, plant, equipment, and infrastructure assets (e.g., water and sewer lines), are reported in the applicable business-type activities columns in the Statement of Net Position. Capital assets are defined by the Board as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of three years. Assets such as land, buildings and improvements, equipment, and utility plant in service are reported at the estimated historical cost, as determined by an independent study as of June 30, 1973, plus additions since that time that have been recorded at historical cost. Property and equipment donated by developers are recorded at their acquisition values on the date of donation.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

Compensated absences: The City accrued for compensated absences in a manner compliant with Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. The City reviews historical patterns related to the separation of service and the usage of prior-year accruals in estimating the portion of liability that is current and due within one year. City employees, other than employees of the Board, earn vacation leave at the following rates:

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

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

Employees of the Board earn vacation leave at the following rates:

Months of Service	Vacation Hours Accrued per Month
0-48	8.0
49-96	10.0
97-144	12.0
145-192	14.0
Over 192	16.0

Accumulated vacation leave in excess of 30 days shall be deemed forfeited at the end of the December pay period. Upon the termination of employment, an employee is paid for his or her other accrued unused vacation leave.

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

Hours Worked per Month	Sick Leave Hours Accrued per Month
160 or more	10.0
120-159	7.5
80-119	5.0
40-79	2.5
39 or less	No accrual

Vacation and sick leave shall be granted to permanent employees only. Unused vacation and sick leave of City personnel are accumulated during employment. A liability for these amounts is reported in governmental funds only if they have matured (for example, as a result of employee resignations and retirements). The liability for compensated absences is accrued as benefits are accumulated in the government-wide and proprietary fund financial statements. Upon the termination of employment, an employee is paid for his or her other accrued unused vacation leave and one-half of his or her accrued unused sick leave up to 240 hours.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

Full-time employees are eligible to receive one paid personal day per year. A personal day is defined as eight hours of paid time in lieu of working and paid at the employee's base rate of pay. Upon termination, an employee will be paid for their unused personal day.

Long-term obligations: In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary funds in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount (if any).

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

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

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

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

Encumbrances: Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. Encumbrances are reflected as a restricted, committed, or assigned portion of the fund balance. The City's encumbrances have been included within the fund balance, as follows:

General Fund:	
Assigned	\$ 3,317,833
One-Percent Sales Tax Fund:	
Restricted	5,639,029
Specific-Purpose Option Tax Fund:	
Restricted	1,765,020
Miscellaneous Federal Grants Fund:	
Restricted	1,694,043
Other governmental funds:	
Restricted	573,185
Committed	<u>710,448</u>
Total encumbrances	<u>\$ 13,699,558</u>

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

Deferred outflows/inflows of resources: In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balances that applies to a future period and, therefore, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has recognized deferred outflows of resources in the government-wide financial statements in accordance with the presentation requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, as amended; GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, as amended; and GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payments*. The Board also recognizes a deferred outflow of resources for the loss on refunding, which is amortized over the life of the related debt.

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

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

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

Prior-period adjustment - net position: A prior-period adjustment was posted during the year ended June 30, 2025 to remove the Downtown Development Foundation's balances from the DDA's financial statements as it is no longer considered a blended component unit.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

Recent pronouncements:

Adopted: In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and amended certain previously required disclosures. The requirements of this statement are effective for fiscal years beginning after December 15, 2023 and all reporting periods thereafter. The City implemented GASB Statement No. 101 for the fiscal year ended June 30, 2025. The statement did not have a material impact on the City's financial statements, with the biggest impact being the percentage of the total liability being considered current and due within one year.

Upcoming: In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements*. In order to enhance the effectiveness in providing information that is essential for decision-making and assessing a government's accountability, this statement establishes new accounting and financial reporting requirements, or modifies existing requirements, related to: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The City is currently evaluating the impact that the provisions of this statement will have on its financial statements.

In September 2024, the GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures, including lease assets, intangible right-to-use assets, and subscription assets. Other intangible assets are also required to be disclosed separately by major class. This statement also requires additional disclosures for capital assets held for sale. A capital asset is held for sale if (a) the government has decided to pursue the sale of the capital asset, and (b) it is probable that the sale will be finalized within one year of the financial statements date. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this statement are effective for fiscal years beginning after June 15, 2025. The City is currently evaluating the impact that the provisions of this statement will have on its financial statements.

Note 2. Stewardship, Compliance, and Accountability

Fund deficit: The following fund had a deficit balance at June 30, 2025:

	Deficit	
	Balance	
Miscellaneous Federal Grants Fund	\$ (187,843)	

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

The fund deficit in the Miscellaneous Federal Grants Fund is due to retainage liabilities that do not qualify for reimbursement until the liability is paid in a future year, grant expenditures that do not qualify for reimbursement in the current fiscal year, and grant revenues that were deferred under the modified accrual basis of accounting.

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

	General	Special Revenue	Capital Projects	Permanent	Total
Fund balances:					
Nonspendable:					
Prepaid expenditures	\$ 653,005	\$ 479,675	\$ 59,157	\$ -	\$ 1,191,837
Long-term notes receivable	2,735	-	-	-	2,735
Restricted:					
Bond ordinances	1,172,769	-	-	-	1,172,769
Weed and pest programs	-	1,185,314	-	-	1,185,314
Capital projects	-	-	96,092,339	-	96,092,339
Cemetery projects	-	-	-	856,821	856,821
Grants	-	2,311,337	-	-	2,311,337
Housing programs	-	192,754	-	-	192,754
Committed:					
Capital projects	3,891,657	31,968	5,357,658	-	9,281,283
Annexation improvements	-	250,000	-	-	250,000
Youth and recreation programs	-	3,976,368	-	-	3,976,368
Assigned:					
Future expenditures	783,157	-	-	-	783,157
Agency accounts	126,085	-	-	-	126,085
Paid Firemen's Pension					
Plan A (Plan A)	1,756,862	-	-	-	1,756,862
Annexation improvements	-	56,754	-	-	56,754
Juvenile justice programs	-	279,753	-	-	279,753
Youth programs	-	131,776	20,273	-	152,049
Unassigned	59,965,907	(2,636,077)	-	-	57,329,830
Total	\$ 68,352,177	\$ 6,259,622	\$ 101,529,427	\$ 856,821	\$ 176,998,047

Note 3. Cash and Cash Equivalents, and Investments

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

Custodial credit risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or its collateral securities that are in the possession of an outside party. Wyoming State Statutes require that the City's and the Board's deposits in excess of Federal depository insurance must be collateralized. In addition to the applicable Wyoming State Statutes, the City's and the Board's policies require all deposits to be collateralized at 105% of the amount invested, including accrued interest, to further reduce their exposure to custodial credit risk. As of June 30, 2025, the deposits of the City and the Board were fully insured and collateralized, as required by Wyoming State Statutes and the City's and the Board's policies.

For investments, this is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City and the Board will not be able to recover the value of their investments or their collateral securities that are in the possession of an outside party. Wyoming State Statutes limit the type of investments the City and the Board can use. Wyoming State Statutes limit investments primarily to U.S., state, and local government securities and accounts of any bank or savings association that is Federally insured or secured by a pledge of assets, including bonds, debentures, and other securities in which the Wyoming State Treasurer may, by law, invest, thereby reducing the City's and the Board's exposure to custodial credit risk for their investments. As of June 30, 2025, all investment securities were held by the City's and the Board's custodians and registered in the City's or the Board's name.

Concentration of credit risk: The City's investment policy states that, with the exception of U.S. Treasury securities, obligations, and securities issued or guaranteed by any Federal government agency or instrumentality, certificates of deposit, or authorized pools, no more than 5% of the City's total investment portfolio will be invested in any one single obligor. The City met this limitation as of June 30, 2025. The City held \$12,973,349 or 6.33% of its portfolio in Federal National Mortgage Association (FNMA) Pools and \$506,826 or 0.25% of its portfolio in FNMA as of June 30, 2025. The Board's policy does not allow more than 50% of the total investment portfolio to be invested in any one single security type or more than 5% in any one single obligor, with the exception of funds held in WYO-STAR. Therefore, no further disclosure regarding concentration of credit risk is required.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The City's investments are held in external pooled investment accounts, bank certificates of deposit, and accounts managed by an investment manager, and as a means of limiting its exposure to fair value losses arising from rising interest rates, the City attempts to match its investment maturities to expected cash flow needs. Unless matched to a specified cash flow, the City's policy is to maintain a weighted-average life of less than seven years. The Board's investment portfolio shall have a minimum level of three months of budgeted operating expenditures in short-term investments to be maintained to provide sufficient liquidity for expected disbursements. With this investment focus, investments are expected to reach maturity with limited gains and losses. At June 30, 2025, the Board's investments met this policy.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

The City has chosen the segmented time distribution method for its interest rate disclosure. The maturities and applicable interest rates of the City's and the Board's investments are displayed in the following interest rate risk table:

Investment type:	Fair Value	Interest Rate	Investment Maturities (in Years)			
			Less Than 1	1-5	6-10	More Than 10
Certificates of deposit	\$ 10,650,997	0.45%-5.20%	\$ 2,757,580	\$ 6,517,163	\$ 1,376,254	\$ -
U.S. government securities	56,761,251	0.125%-4.875%	2,036,844	46,643,680	8,080,727	-
U.S. Treasury securities	3,763,140	2.375%-4.875%	748,905	761,720	2,252,515	-
U.S. agencies	22,572,024	1.50%-6.50%	-	691,643	246,718	21,633,663
WYO-STAR:						
WYO-STAR I	72,243,067	3.77%	72,243,067	-	-	-
WYO-STAR II	4,383,244	4.39%	9,926	-	4,373,318	-
Wyoming CLASS	59,538,371	4.25%	59,538,371	-	-	-
WGIF	51,540,125	4.20%	51,540,125	-	-	-
Government mutual funds	28,371		28,371	-	-	-
	<u>\$ 281,480,590</u>		<u>\$ 188,903,189</u>	<u>\$ 54,614,206</u>	<u>\$ 16,329,532</u>	<u>\$ 21,633,663</u>

The City holds certain investments that are classified as "highly sensitive." These securities, because of their specific type and structure, are rate-sensitive as market conditions change. Step-up bonds are structured so that the bonds, at strategic times during their lives, will step up to a higher interest rate if they are not called. The portfolio holds \$295,005 or 0.14% of the securities in step-up structured bonds.

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's and the Board's investment policies do not contain any specific provisions intended to limit the City's or the Board's exposure to credit risk. Credit risk is measured by the assignment of a rating by a nationally recognized statistical rating organization. Under investment agreements with WYO-STAR, Wyoming CLASS and WGIF, the City and the Board have invested monies at a variable and fixed contract rate of interest, respectively. There is no rating available for the WYO-STAR investments; however, under Wyoming State Statutes, underlying providers are required to have the highest rating from at least one of the nationally recognized statistical rating organizations. The WGIF and Wyoming CLASS investments received an AAA rating by Standard & Poor's. State law does not allow governments to invest in corporate bonds, stocks, or mutual funds, and limits investments in commercial paper to short-term maturities (no greater than 270 days) and top ratings issued by nationally recognized statistical rating organizations (Moody's and Standard & Poor's). Obligations of the U.S. government and obligations specifically guaranteed are backed by the full faith and credit of the U.S. government. Of the investments in U.S. agencies, \$22,572,024 were not rated. The City's investments in government mutual funds were not rated.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets

Governmental capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 1, 2024	Additions and Transfers	Retirements and Transfers	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 19,307,409	\$ 1,285,708	\$ -	\$ 20,593,117
Construction in progress	13,611,974	21,319,606	(21,337,660)	13,593,920
Total capital assets not being depreciated	32,919,383	22,605,314	(21,337,660)	34,187,037
Capital assets being depreciated:				
Buildings and improvements	180,462,882	9,073,117	-	189,535,999
Machinery and equipment	19,369,982	2,847,938	(147,537)	22,070,383
Transportation equipment	30,727,862	4,045,287	(1,417,628)	33,355,521
Office furniture and equipment	5,289,558	246,572	(11,088)	5,525,042
Infrastructure	270,965,483	11,678,596	-	282,644,079
Total capital assets being depreciated	506,815,767	27,891,510	(1,576,253)	533,131,024
Less accumulated depreciation for:				
Buildings and improvements	58,915,371	5,620,266	-	64,535,637
Machinery and equipment	10,853,792	1,296,361	(146,608)	12,003,545
Transportation equipment	18,970,192	2,500,256	(1,220,592)	20,249,856
Office furniture and equipment	4,350,852	352,662	(11,088)	4,692,426
Infrastructure	125,095,700	5,430,397	-	130,526,097
Total accumulated depreciation	218,185,907	15,199,942	(1,378,288)	232,007,561
Total capital assets being depreciated, net	288,629,860	12,691,568	(197,965)	301,123,463
Governmental activities, capital assets, net	\$ 321,549,243	\$ 35,296,882	\$ (21,535,625)	\$ 335,310,500

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets, *Continued*

Business-type capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 1, 2024	Additions and Transfers	Retirements and Transfers	Balance June 30, 2025
Capital assets not being depreciated:				
Land	\$ 12,230,233	\$ -	\$ -	\$ 12,230,233
Water rights	1,797,968	-	-	1,797,968
Construction in progress	9,160,653	8,813,767	(7,642,073)	10,332,347
Total capital assets not being depreciated	23,188,854	8,813,767	(7,642,073)	24,360,548
Capital assets being depreciated:				
Buildings and improvements	47,212,800	-	-	47,212,800
Utility plant in service	630,150,428	10,563,713	(42,681)	640,671,460
Machinery and equipment	9,798,411	1,938,638	(1,033,848)	10,703,201
Transportation equipment	17,200,811	783,919	(339,938)	17,644,792
Office furniture and equipment	2,394,548	348,470	(136,928)	2,606,090
Total capital assets being depreciated	706,756,998	13,634,740	(1,553,395)	718,838,343
Less accumulated depreciation for:				
Buildings and improvements	15,537,719	1,483,300	(38,324)	16,982,695
Utility plant in service	320,524,469	13,874,441	10,747	334,409,657
Machinery and equipment	5,231,299	593,660	(366,950)	5,458,009
Transportation equipment	12,203,036	1,624,857	(311,721)	13,516,172
Office furniture and equipment	1,410,308	289,243	(132,949)	1,566,602
Total accumulated depreciation	354,906,831	17,865,501	(839,197)	371,933,135
Total capital assets being depreciated, net	351,850,167	(4,230,761)	(714,198)	346,905,208
Business-type activities, capital assets, net	\$ 375,039,021	\$ 4,583,006	\$ (8,356,271)	\$ 371,265,756

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

Governmental activities:

Fleet	\$ 22,622
General government	1,677,648
Public safety	2,916,339
Public works	7,066,898
Recreation	3,516,435

Total depreciation expense, governmental activities	\$ 15,199,942
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CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 4. Capital Assets, *Continued*

Business-type activities:		
Waterworks	\$ 9,851,603	
Sewer	4,737,571	
Solid Waste	2,933,265	
Civic Center	150,898	
Ice and Events Center	153,646	
Fleet Maintenance Center	<u>38,518</u>	
 Total depreciation expense, business-type activities		<u>\$ 17,865,501</u>

Note 5. Interfund Receivables, Payables, and Transfers

The composition of interfund receivables and payables as of June 30, 2025 is as follows:

	Fund-Level Financial Statements	
	Due From/to Other Funds	
	Receivable	Payable
Governmental activities:		
General	\$ 231,216	\$ 2,215,363
Special Revenue Funds:		
Federal Grants	-	600,000
Community Development Block Grant	-	40,000
Transportation Planning	-	60,000
UMTA Transit Grant	-	380,000
Internal Service	14,695	-
Business-type activities:		
Waterworks	215,363	3,804,973
Sewer	-	4,111
Solid Waste	7,153,173	-
Civic Center	-	340,000
Ice and Events Center	-	170,000
	<u>\$ 7,614,447</u>	<u>\$ 7,614,447</u>

A balance of \$3,804,973 due from the Waterworks Fund to the Solid Waste Fund resulted from the Board's billing and collection of sanitation charges on behalf of the City. All other balances resulted from the time lag between dates that (1) interfund goods and services were provided or reimbursable expenses occurred, (2) transactions were recorded in the accounting systems, and (3) payments between funds were made.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

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

Transfers for the year ended June 30, 2025 were as follows:

	Transfers In	Transfers Out
Governmental activities:		
General	\$ 1,291,348	\$ 1,542,891
Special Revenue Funds:		
Community Development Block Grant	3,467	2,098
Transportation Planning	40,742	-
Law Enforcement Block Grant	118,980	-
Recreation Programs	95,000	-
UMTA Transit Grant	774,267	-
Capital Projects Fund:		
One-Percent Sales Tax	-	40,742
Permanent Fund:		
Cemetery Perpetual Care	-	42,404
Total governmental activities	2,323,804	1,628,135
Business-type activities:		
Solid Waste	-	950,971
Civic Center	443,322	-
Ice and Events Center	107,855	295,875
Total business-type activities	551,177	1,246,846
Total primary government	\$ 2,874,981	\$ 2,874,981

During the year ended June 30, 2025, transfers were used to (1) move revenues from the fund that Wyoming State Statutes or the budget require expending them, (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (3) transfer the City's share of the grant match from the One-Percent Sales Tax Fund to the Transportation Planning Fund, (4) transfer funds from the Solid Waste Fund to the General Fund per City Council resolution, (5) transfer the City's share of the grant match from the General Fund to the Law Enforcement Block Grant Fund for the Victim's Assistance Program, (6) transfer the City's share of match from the General Fund to the UMTA Transit Grant Fund for the Federal Transit Administration grant, and (7) transfer for the land held in the Ice and Events Center Fund for the new gymnastics facility, which was capitalized in the governmental financial statements.

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 6. Finance Leases and Other Leases

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

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

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

Years ending June 30:	Governmental Activities			Total
	Principal	Interest		
2026	\$ 98,106	\$ 23,212		\$ 121,318
2027	101,225	20,093		121,318
2028	77,687	17,039		94,726
2029	55,692	15,595		71,287
2030	50,255	14,379		64,634
Thereafter	609,704	158,121		767,825
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 992,669	\$ 248,439		\$ 1,241,108
Business-Type Activities				
Years ending June 30:	Business-Type Activities			Total
	Principal	Interest		
2026	\$ 48,883	\$ 12,224		\$ 61,107
2027	50,119	10,988		61,107
2028	51,387	9,721		61,108
2029	68,123	8,261		76,384
2030	69,846	6,539		76,385
Thereafter	220,314	8,839		229,153
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 508,672	\$ 56,572		\$ 565,244

Note 7. Long-Term Debt

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

Wyoming State Statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total assessed valuation. The current debt limitation for the City is \$45,176,687.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

General long-term debt currently outstanding is as follows:

	Balance June 30, 2025	Amount Due Within One Year
Governmental activities:		
Series 2021 Refunding Revenue Bonds, original amount of \$5,455,000, due in annual installments ranging from \$560,000 to \$1,575,000, plus interest ranging from 0.3% to 1.03%, through April 2028. Secured by a pledge of Federal mineral royalties and gross parking fee revenues received.	\$ 3,025,000	\$ 705,000
Due to the Wyoming State Treasurer's office, original amount of \$4,862,745, with 0% interest, due in annual installments of \$243,137 through 2042.	4,133,334	243,137
Total governmental activities	7,158,334	948,137
Business-type activities:		
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #133, original amount of \$6,317,500 for the construction of the Hydro-Electric Generation Project. Interest thereon is at 0.0% for a term of 20 years. Payments are currently estimated at \$332,500 per year through 2035. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual payment.	6,317,502	332,500
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #143, original amount of \$875,000 for the Holliday Park Reuse Project, with interest at 0.0%. Principal amounts of \$37,500 are due annually in September through 2037. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	450,000	37,500
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #144, original amount of \$1,300,000 for the Southern Sewer Interceptor Main, with interest at 1.5%, due annually on December 1. Annual principal and interest payments are \$83,391 through 2039. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	962,170	69,164
Balance forward	7,729,672	439,164

Continued

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

	Balance June 30, 2025	Amount Due Within One Year
Balance forwarded	\$ 7,729,672	\$ 439,164
Business-type activities, <i>Continued</i> :		
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #177, original amount of \$5,280,000 for the design and construction of Phase III of the Southern Water Transmission Main, with interest at 1.5%, due annually on March 1. This loan is also granted principal forgiveness up to 25% of the loan, not to exceed \$1,320,000. Annual principal and interest payments are \$173,019 through 2038. Secured by pledge and assignment of revenues from the City's water system user fees necessary to meet the annual payment.	2,029,079	143,003
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #065, original amount of \$5,600,000 for Phase I of the Southern Water Transmission Main, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$324,449 through 2029. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	1,251,914	305,953
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #120, original amount of \$7,494,828 for the design and construction of Phase II of the Southern Water Transmission Main, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$453,769 through 2034. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	3,792,838	397,669
2013 Refunding Revenue Water Note, original amount of \$8,740,000, due in annual principal installments ranging from \$215,000 to \$955,000, plus interest at 2.41%, through December 2025. Note originated to refinance the callable portion of the 2007 Refunding Revenue Water Bonds. Secured by a pledge of revenues from the City's water system tap, user fees and system development fees, net of premiums.	468,551	468,551
Balance forward	15,272,054	1,754,340

Continued

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

	Balance June 30, 2025	Amount Due Within One Year
Balance forwarded	\$ 15,272,054	\$ 1,754,340
Business-type activities, <i>Continued</i> :		
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #159, original amount of \$9,900,000 for the Southern Sewer Interceptor Main. Interest thereon is at 1.5% for a term of 20 years. Annual principal and interest payments are \$587,761 through 2039. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	7,374,587	478,712
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #084, original amount of \$375,000 for the planning phase of the Administration Building Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$22,911 through 2032. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	151,289	20,676
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #046, original amount of \$36,450,000 for the Dry Creek and Crow Creek Rehabilitation Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$2,290,671 through 2026. Secured by a pledge and assignment of revenues generated from the City's wastewater user fees necessary to meet the annual loan payment.	2,267,749	2,267,749
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #081, original amount of \$1,280,000 for the extension of the City's Recycled Water System Project, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$79,004 through 2030. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	378,221	73,416
Balance forward	25,443,900	4,594,893

Continued

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

	Balance June 30, 2025	Amount Due Within One Year
Balance forwarded	\$ 25,443,900	\$ 4,594,893
Business-type activities, <i>Continued</i> :		
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #056, original amount of \$1,300,000 for the Western Hills Project, with interest at 1.5%, due annually on March 1. Annual principal and interest payments are \$60,130 through 2028. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	175,157	57,503
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #060, original amount of \$2,900,000 for the F.E. Warren Air Force Base - Parsley Project, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$169,339 through 2029. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	653,555	159,685
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #079, original amount of \$5,130,509 for the 30" Transmission Line Replacement Project, with interest at 1.5%, due annually on September 1. Annual principal and interest payments are \$312,213 through 2031. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	2,067,758	281,742
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #106, original amount of \$3,500,000 for the construction phase of the Administration Building Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$151,498 through 2032. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	1,000,389	136,717
Balance forward	29,340,759	5,230,540

Continued

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

	Balance June 30, 2025	Amount Due Within One Year
Balance forwarded	\$ 29,340,759	\$ 5,230,540
Business-type activities, <i>Continued</i>:		
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #115, original amount of \$3,500,000 for the construction phase of the Administration Building Project, with interest at 1.5%, due annually on June 1. Annual principal and interest payments are \$151,498 through 2032. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	1,000,389	136,717
Due to the State of Wyoming Office of State Lands and Investments, CWSRF Loan #133, original amount of \$5,000,000 for the Crow Creek Plant Improvements Project, with interest at 1.5%, due annually on June 15. Annual principal and interest payments are \$302,860 through 2039. Secured by a pledge and assignment of revenues from the City's wastewater user fees necessary to meet the annual loan payment.	2,794,604	260,966
Due to the State of Wyoming Office of State Lands and Investments, DWSRF Loan #229, original amount of \$3,960,000 for the North City Zone Improvements Project. Interest thereon is at 1.5% for a term of 20 years. Payments are currently estimated at \$230,653 per year. Secured by a pledge and assignment of revenues from the City's water system user fees necessary to meet the annual loan payment.	1,684,689	-
Total business-type activities	<hr/> <hr/> 34,820,441	<hr/> <hr/> 5,628,223
Total long-term debt	<hr/> <hr/> \$ 41,978,775	<hr/> <hr/> \$ 6,576,360

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

The annual debt service requirements of the long-term debt and current principal maturities as of June 30, 2025 are as follows:

Years ending June 30:	Governmental Activities			Business-Type Activities		
	Principal	Interest		Principal	Interest	
2026	\$ 948,137	\$ 29,164		\$ 5,628,223	\$ 389,393	
2027	988,137	23,527		3,013,533	312,545	
2028	1,818,137	16,223		3,051,510	274,615	
2029	243,137	-		3,030,918	236,205	
2030	243,137	-		2,574,293	197,985	
2031-2035	1,215,686	-		10,549,410	549,934	
2036-2040	1,215,686	-		5,137,144	104,656	
2041-2045	486,277	-		1,751,174	-	
2046	-	-		84,236	-	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 7,158,334	\$ 68,914		\$ 34,820,441	\$ 2,065,333	

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

The Board has pledged and assigned future water system and wastewater user fees to meet the annual debt service requirements. Proceeds from the debt have been used to improve, expand, and replace the distribution system, the source of supply, and treatment facilities. The proportion of pledged revenues to total revenues is not estimable because annual total fees fluctuate annually. Principal and interest paid for the current year totaled \$7,301,082. Net customer revenues totaled \$40,817,487 for the year. At year-end, pledged future revenues totaled \$36,885,774, which is the amount of the remaining principal and interest on outstanding debt.

The City has pledged and assigned future Federal mineral royalties and gross parking fee revenues to meet certain annual debt requirements of the Series 2021 Refunding Revenue Bonds. Proceeds from the original debt and subsequent refundings were used to construct parking facilities. The proportion of pledged revenues to total revenues is not estimable because annual total fees fluctuate annually. Principal and interest paid for the current year totaled \$693,124. Net mineral royalties totaled \$2,681,441 and gross parking fees totaled \$276,185 for the year. At year-end, pledged future revenues totaled \$3,093,914, which is the amount of the remaining principal and interest on the related outstanding debt.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

Advance and current refunding: On December 21, 2007, the Board issued \$12,330,000 in Refunding Revenue Water Bonds, with an average interest rate of 4.368%, in order to refinance two Wyoming Water Development Commission loans totaling \$8,043,330 and one Permanent Mineral Trust fund loan for \$3,567,231, bearing substantially higher interest rates between 5.5% and 7.25%. The proceeds of the 2007 Refunding Revenue Water Bonds, together with other available monies of the Board, were used to (i) refinance the above-referenced loans in the amount of \$11,610,561, (ii) pay expenses incurred in connection with the issuance of the bonds in the amount of \$102,636, and (iii) establish a Debt Service Reserve Fund for the bonds in the amount of \$989,594.

On December 27, 2013, the Board entered into an agreement with Colorado State Bank and Trust to authorize an advance refunding of a portion of the 2007 Refunding Revenue Water Bonds. The Board received an \$8,740,000 Refunding Revenue Water Note, with an annual interest rate of 2.41%, with the proceeds to be deposited in a special fund and trust account to be used to refund, pay, discharge, and redeem the portion of the refunded bonds outstanding and maturing on or after December 1, 2016. The costs from the advance refunding include a deferred loss of \$525,305, which is being charged to operations through 2025 using the effective interest method. The Board completed the advance refunding to reduce its total debt service payments over the next 12 years by \$1,065,000 and obtain an economic gain (the difference between the present values of the old and new debt service payments) of \$700,000. As of June 30, 2025, the deferred loss on refunding totaled \$25,050 and is classified as a deferred outflow of resources.

On March 30, 2021, the City issued \$5,445,000 in Refunding Revenue Bonds, with an average interest rate of 0.857%, to advance refund \$5,800,000 of outstanding Series 2012 Bonds, with an average interest rate of 2.537%. The net proceeds of \$5,365,000 (after the payment of \$80,000 in underwriting fees and issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments to the Series 2012 Bonds that were defeased. As a result, the Series 2012 Bonds are considered to be defeased and the liability for those bonds has been removed from the government-wide Statement of Net Position. As of June 30, 2025, the outstanding in-substance defeased debt was \$3,025,000.

As discussed in Note 8, during fiscal year 2022, it was determined that Plan A was actuarially underfunded. As a result, the City has a loan with the State of Wyoming, by and through the Wyoming State Treasurer, for the City's portion of the liability. The Fire Pension Plan A Legislative Reserve Account loan had an original face value of \$4,862,745, to be repaid over 20 years, with 0% interest. As of June 30, 2025, the outstanding debt was \$4,133,334.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 7. Long-Term Debt, *Continued*

The following is a summary of long-term liability transactions for the City for the year ended June 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds	\$ 3,685,000	\$ -	\$ (660,000)	\$ 3,025,000	\$ 705,000
Loan payable - Plan A	4,376,471	-	(243,137)	4,133,334	243,137
Compensated absences	5,235,344	5,377,198	(4,137,611)	6,474,931	774,098
Governmental activities long-term liabilities	\$ 13,296,815	\$ 5,377,198	\$ (5,040,748)	\$ 13,633,265	\$ 1,722,235
Business-type activities:					
Refunding revenue note	\$ 1,423,551	\$ -	\$ (955,000)	\$ 468,551	\$ 468,551
Loans payable	40,069,946	157,015	(5,875,071)	34,351,890	5,159,672
Landfill closure and post-closure costs	9,725,560	490,652	-	10,216,212	-
Compensated absences and early retirement	2,192,072	1,336,388	(752,494)	2,775,966	313,813
Business-type activities long-term liabilities	\$ 53,411,129	\$ 1,984,055	\$ (7,582,565)	\$ 47,812,619	\$ 5,942,036

For governmental activities, revenue bonds, the Loan Payable - Plan A, and compensated absences are generally liquidated by the General Fund.

Note 8. Retirement Commitments

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

	Deferred Outflows - Pension Plans	Deferred Inflows - Pension Plans	Net Pension (Asset) Liability	Pension Expense
Pension plans:				
Public Employee Pension Plan:				
City of Cheyenne	\$ 3,612,045	\$ (2,790,224)	\$ (21,830,460)	\$ 2,209,523
Board of Public Utilities	1,394,047	(1,225,196)	(9,585,818)	857,181
Paid Firemen's Pension Plan A	-	(754,197)	(2,507,333)	171,268
Paid Firemen's Pension Plan B	2,173,235	(2,526,487)	2,296,410	(296,432)
Law Enforcement Pension Plan	2,450,377	(6,473,349)	(6,667,400)	1,163,118
Total	\$ 9,629,704	\$ (13,769,453)	\$ (38,294,601)	\$ 4,104,658

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

Public Employee Pension Plan:

Plan description: The City and the Board participate in the WRS's statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS Board. Substantially all full-time employees of the City not covered by the Law Enforcement Pension Plan, Paid Firemen's Pension Plan A, or Paid Firemen's Pension Plan B and substantially all employees of the Board are eligible to participate. Participants who retire at age 60 with four years of credited service are entitled to a retirement benefit according to predetermined formulas and are allowed to select one of seven optional methods for receiving benefits. Early retirement is allowed, provided that the employee has completed four years of service and reached age 50, but will result in a reduction of benefits based on the length of time remaining to the normal retirement age. The WRS also provides death and disability benefits. Benefits are established by Wyoming State Statutes. The WRS issues a publicly available financial report that includes audited financial statements and required supplementary information for the Public Employee Pension Plan. The report may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial#categories>.

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

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

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

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

Contributions: Per Titles 9-3-412 and -413 of Wyoming State Statutes, for the year ended June 30, 2025, member and employer contributions were required to be 9.25% and 9.37% of compensation, respectively, for both the City and the Board. In accordance with Title 9-3-412(c)(ii) of Wyoming State Statutes, the City and the Board have elected to pay 5.25% and 6.75%, respectively, in addition to the employer's contribution.

Total contributions to the public employee pension plan from the City and the Board, including the employee portion paid by the City and the Board and re-hired retirees, were \$4,975,573 for the year ended June 30, 2025.

Paid Firemen's Pension Plan A:

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

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

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

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

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

Paid Firemen's Pension Plan B:

Plan description: The City participates in the Wyoming Paid Firemen's Retirement Fund (the Fund), a statewide cost-sharing, multiple-employer defined benefit contributory retirement plan administered by the WRS Board. Substantially all paid City firemen hired after July 1, 1981 are eligible to participate. The Fund provides retirement, disability, and death benefits according to predetermined formulas. Benefits are established by Wyoming State Statutes. The Fund issues a publicly available financial report that includes audited financial statements and required supplementary information. The report may be requested from the WRS or accessed through its website at <https://retirement.wyo.gov/About/Reports?Label=Financial%20categories>.

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

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

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

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

Legislation enacted in 1979 allows the employer to pay any or all of the member contributions. The City currently pays 1.5% of the required member contributions of 11.245%. The City's contribution to the Fund for the year ended June 30, 2025 was \$1,732,757, which is equal to the required contribution plus the City's share of the required member contributions.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

Law Enforcement Pension Plan (the Police Plan):

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

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

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

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

Contributions: The Police Plan is funded by amounts withheld from participating members' salaries and by contributions from the City. These contributions are determined by Wyoming State Statutes, and as of June 30, 2025, the percentages to be contributed on compensation were 9.50% by the members and the City. The City currently pays 0.90% of the required member contributions.

The City's contribution to the Police Plan for the year ended June 30, 2025 was \$1,025,923, which is equal to the required contribution plus the City's share of the required member contributions.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions: At June 30, 2025, the City and the Board reported an aggregate liability of \$38,294,601 for their proportionate share of the net pension liability. The breakdown between plans is as follows:

	<u>Net Pension Liability (Asset)</u>
Pension plans:	
Public Employee Pension Plan:	
City of Cheyenne	\$ 21,830,460
Board of Public Utilities	9,585,818
Paid Firemen's Pension Plan A	2,507,333
Paid Firemen's Pension Plan B	(2,296,410)
Law Enforcement Pension Plan	<u>6,667,400</u>
Total net pension liability	<u>\$ 38,294,601</u>

The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024.

At December 31, 2024, the City's and the Board's proportionate shares were as follows:

	Proportion of the Net Pension Liability (Asset)		
	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>Increase (Decrease)</u>
Pension plans:			
Public Employee Pension Plan:			
City of Cheyenne	1.0467	1.0051	0.0416
Board of Public Utilities	0.4596	0.4503	0.0093
Paid Firemen's Pension Plan A	29.1974	28.7744	0.4230
Paid Firemen's Pension Plan B	23.6089	23.6567	(0.0478)
Law Enforcement Pension Plan	4.9640	4.9182	0.0458

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

For the year ended June 30, 2025, the City and the Board recognized pension expense (offset) and reported deferred outflows of resources and deferred inflows of resources related to pensions as follows and from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Public Employee Pension Plan:		
Governmental activities:		
Differences between expected and actual experience	\$ 1,203,187	\$ (22,339)
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(2,349,352)
Changes in proportionate share of contributions	969,785	-
Contributions subsequent to the measurement date	897,266	-
	<hr/>	<hr/>
	<hr/>	<hr/>
	<hr/>	<hr/>
Business-type activities:		
City:		
Differences between expected and actual experience	\$ 212,327	\$ (3,942)
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(414,591)
Changes in proportionate share of contributions	171,139	-
Contributions subsequent to the measurement date	158,341	-
	<hr/>	<hr/>
	<hr/>	<hr/>
Board:		
Differences between expected and actual experience	\$ 621,556	\$ (11,540)
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	(1,213,656)
Changes in proportionate share of contributions	291,416	-
Contributions subsequent to the measurement date	481,075	-
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CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

	Deferred Outflows of Resources	Deferred Inflows of Resources
Paid Firemen's Pension Plan A:		
Net difference between projected and actual earnings on pension plan investments	\$ -	<u><u>(754,197)</u></u>
	<u><u>\$ -</u></u>	<u><u>(754,197)</u></u>
Paid Firemen's Pension Plan B:		
Differences between expected and actual experience	\$ 655,004	\$ (473,572)
Changes in assumptions	666,410	(377,205)
Net difference between projected and actual earnings on pension plan investments	- 55,719	(1,552,691) (123,019)
Changes in proportionate share of contributions	796,102	-
Contributions subsequent to the measurement date		
	<u><u>\$ 2,173,235</u></u>	<u><u>\$ (2,526,487)</u></u>
Law Enforcement Pension Plan:		
Differences between expected and actual experience	\$ 1,260,922	\$ (166,898)
Changes in assumptions	520,851	(4,876,501)
Net difference between projected and actual earnings on pension plan investments	- 204,481	(1,306,882) (123,068)
Changes in proportionate share of contributions	464,123	-
Contributions subsequent to the measurement date		
	<u><u>\$ 2,450,377</u></u>	<u><u>\$ (6,473,349)</u></u>

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

The amount reported as deferred outflows of resources, related to pensions resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense, as follows:

Years ending June 30:	Governmental Activities					Business-Type Activities		
	Public Employee Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Law Enforcement Pension Plan	Total	Public Employee Pension Plan		
						Board	City	Total
2026	\$ 160,133	\$ 154,820	\$ (791,512)	\$ (2,492,878)	\$ (2,969,437)	\$ (19,600)	\$ 28,259	\$ 8,659
2027	1,471,549	85,299	582,544	(1,046,973)	1,092,419	685,852	259,685	945,537
2028	(1,236,682)	(729,911)	(767,248)	(623,526)	(3,357,367)	(671,765)	(218,238)	(890,003)
2029	(593,719)	(264,405)	(285,509)	(323,718)	(1,467,351)	(306,711)	(104,773)	(411,484)
2030	-	-	83,455	-	83,455	-	-	-
Thereafter	-	-	28,916	-	28,916	-	-	-
	\$ (198,719)	\$ (754,197)	\$ (1,149,354)	\$ (4,487,095)	\$ (6,589,365)	\$ (312,224)	\$ (35,067)	\$ (347,291)

Actuarial assumptions: The total pension liability in the January 1, 2024 valuation was determined using the following actuarial assumptions adopted by the WRS Board, effective at its November 17, 2021 and February 17, 2022 meetings, and applied to the December 31, 2024 measurement date:

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

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

Long-term expected rate of return: The long-term expected rate of return on pension plan investments was determined using a building-block method, in which expected future real rates of return (expected arithmetic returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Each major asset class is included in each pension plan's target asset allocation as of January 1, 2024. These best estimates are summarized in the following table:

Asset class:	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	0.41%	0.40%
Gold	1.50%	2.33%	0.90%
Fixed income	20.00%	3.79%	4.22%
Equity	51.50%	6.51%	8.19%
Marketable alternatives	16.00%	4.54%	5.38%
Private markets	<u>10.50%</u>	6.23%	7.74%
		<u>100.00%</u>	

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

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 8. Retirement Commitments, *Continued*

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

	Current Single Discount Rate		
	1% Decrease	Assumption	1% Increase
Public Employee Pension Plan:			
City of Cheyenne	\$ 36,364,938	\$ 21,830,460	\$ 9,794,091
Board of Public Utilities	15,967,951	9,585,818	4,300,614
Paid Firemen's Pension Plan A	5,651,751	2,507,333	(243,891)
Paid Firemen's Pension Plan B	5,736,363	(2,296,410)	(8,962,036)
Law Enforcement Pension Plan	13,986,230	6,667,400	683,562

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

Defined contribution plan: City and Board employees have the option to participate in the Wyoming Deferred Compensation Program (commonly referred to as the 457 Plan) administered by the WRS. Employees are allowed to contribute the maximum amount per Internal Revenue Service guidelines. The Board provides a \$25-per-month match. The total matching contributions for the year ended June 30, 2025 were \$34,000.

Note 9. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is a member of the Wyoming Association of Risk Management (WARM), which is a separate legal agency created under Wyoming State Statutes for the purpose of establishing a shared risk pool and/or jointly purchasing insurance coverage. The premiums required by the participating entities are calculated annually and based upon actuarially sound and recognized pooling practices. The pool is responsible for determining the amounts of the premiums charged to the entities and managing the pool's assets. The entities have the right to submit claims for losses incurred. The pool has the right to collect premiums and admit or terminate members for the nonpayment of premiums. The City's management considers the assets of WARM to be sufficient to cover any claims that may be incurred by its members. The City has not had significant settlements exceeding insurance coverage in any of the past three fiscal years. The City has had no significant reductions in insurance coverage from coverage in the prior year.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 9. Risk Management, *Continued*

Employees of the City are covered by the City's medical self-insurance plan. The City's costs for this plan are reflected in the funds paying the coverage, premiums and administrative costs. The Self-Insurance Fund is reported as a fiduciary fund in the accompanying financial statements. The City has a contract with a third-party administrator to process payments. The City also maintains a stop-loss policy to limit the potential for individual and aggregate claims. Management has estimated an accrual for incurred but not reported claims of \$1,250,000 at June 30, 2025. The Self-Insurance Fund is administered in a trust and does not issue a separate report.

The City pays into the State Worker's Compensation System (the Act). All employers within the State of Wyoming are participants in this Act unless the employer elects not to be covered under the Act. This Act requires the City to obtain liability coverage for the payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This Act provides general protection from suits filed by employees against the City. The City makes monthly payments to the State of Wyoming Department of Employment. These payments are based on salaries and a split rate between hazardous and nonhazardous positions.

Note 10. Compensated Absences and Early Retirement

Compensated absences have been accrued in the financial statements of the City and the Board and consist of the following at June 30, 2025:

	Vacation Leave	Sick Leave	Compensatory/ Administrative Time	Early Retirement Obligation	Total
Governmental activities	\$ 3,354,642	\$ 2,424,113	\$ 696,176	\$ -	\$ 6,474,931
<hr/>					
Business-type activities:					
Waterworks	573,064	551,829	120,501	25,883	1,271,277
Sewer	387,429	367,886	80,334	17,255	852,904
Solid Waste	261,240	209,950	5,399	-	476,589
Fleet Maintenance Center	45,528	28,593	979	-	75,100
Civic Center	39,846	24,244	-	-	64,090
Ice and Events Center	20,693	15,034	279	-	36,006
Total business-type activities	1,327,800	1,197,536	207,492	43,138	2,775,966
<hr/>					
Total accrued compensated absences	\$ 4,682,442	\$ 3,621,649	\$ 903,668	\$ 43,138	\$ 9,250,897

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 11. Closure and Post-Closure Costs Liability

State and Federal laws and regulations require the City to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the City reports the estimated liability for these closure and post-closure costs in the government-wide financial statements based on landfill capacity used as of each Statement of Net Position date. The current operating costs of the landfill are accounted for within the Solid Waste Fund of the City using the accrual basis of accounting. The \$10,216,212 reported as landfill closure and post-closure costs at June 30, 2025 represents the cumulative liability estimated to date based on the use of 53.22% of the estimated capacity of the site. The City will recognize the remaining estimated costs of closure and post-closure care of \$8,979,646 as the remaining estimated capacity is filled. The calculation of the estimated liability has been based on what it would cost to perform all closure and post-closure care in 2025. The City expects the landfill site to be at full capacity in approximately 68 years. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

Note 12. Deferred Outflows/Inflows of Resources

The City's deferred outflows/inflows of resources as of June 30, 2025 are detailed in its Statement of Net Position as follows:

	Governmental Activities	Business-Type Activities
Deferred outflows of resources:		
Deferred loss on refunding	\$ -	\$ 25,050
Deferred outflows, pension liability	7,693,850	1,935,854
Deferred outflows, OPEB liability	620,339	-
Total deferred outflows of resources	\$ 8,314,189	\$ 1,960,904
Deferred inflows of resources:		
Unavailable property taxes	\$ 9,035,334	\$ -
Deferred inflows, public-public partnership	353,751	-
Deferred inflows, lease revenue	948,319	510,684
Deferred inflows, pension liability	12,125,724	1,643,729
Deferred inflows, OPEB liability	2,597,789	-
Total deferred inflows of resources	\$ 25,060,917	\$ 2,154,413

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 13. Commitments

As of June 30, 2025, the City has entered into several construction/engineering contracts resulting in commitments for future capital expenditures. The major projects are listed below. Although portions of the projects may have been completed and capitalized during 2025, the amounts below represent the activity pertaining to the contract as a whole:

	Expended to Date at June 30, 2025	Total Contract	Commitment at June 30, 2025
Governmental activities:			
Public Works Improvement	\$ 1,556,180	\$ 2,377,017	\$ 820,837
Hitching Post Storm Sewer and Paul Smith Way	1,673,540	1,693,498	19,958
Depot Renovation Project	1,423,472	1,426,265	2,793
Cheyenne Gymnastics Facility	5,466,658	5,522,048	55,390
Pronghorn Crossing Site Infrastructure	851,933	2,039,808	1,187,875
Dell Range Concrete Repair	3,207,049	3,454,246	247,197
City Overlay	1,501,656	1,518,380	16,724
Miscellaneous governmental	2,317,131	3,297,304	980,173
Total governmental activities	17,997,619	21,328,566	3,330,947
Business-type activities:			
FY25 Sewer Rehabs	232,227	1,338,952	1,106,725
FY25 Water Rehab	551,501	3,955,691	3,404,190
North City Zone	7,750,780	12,856,301	5,105,521
Miscellaneous water projects	567,374	1,242,842	675,468
Miscellaneous sewer projects	171,588	1,148,632	977,044
Total business-type activities	9,273,470	20,542,418	11,268,948
Total primary government	\$ 27,271,089	\$ 41,870,984	\$ 14,599,895

Note 14. OPEB Commitment

General information about the OPEB plan:

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

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 14. OPEB Commitment, *Continued*

Benefits provided: Under the Plan, the City offers retiring firefighters who were hired prior to July 1, 2013 a \$300 monthly offset to postretirement medical premiums. To be eligible for the coverage, an active firefighter must be at least age 50 and have a minimum of four years of service upon retirement. City employees, police officers, and firefighters not meeting the previous criteria must pay the full subsidized premium. Some current retirees have retired under differing offset provisions, and disabled firefighters are also included in current retiree costs. All benefits end at age 65.

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

Employees covered by the benefit terms: As of June 30, 2025, the following employees were covered by the benefit terms:

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

OPEB liabilities, OPEB expense, and deferred outflows of resources and deferred inflows of resources related to OPEB: At June 30, 2025, the City reported a total OPEB liability of \$4,849,316. The total OPEB liability was measured as of June 30, 2025 and determined by an actuarial valuation as of June 30, 2024.

Changes in the total OPEB liability:

Total OPEB liability:	
Service cost	\$ 250,554
Interest on total OPEB liability	203,671
Changes in benefit terms	-
Difference between expected and actual experience	24,645
Changes in assumptions	(551,936)
Benefit payments	<u>(165,209)</u>
Net change in total OPEB liability	(238,275)
 Total OPEB liability, beginning	 <u>5,087,591</u>
 Total OPEB liability, ending	 <u>\$ 4,849,316</u>

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 14. OPEB Commitment, *Continued*

For the year ended June 30, 2025, the City recognized OPEB expense of \$165,263. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 135,054	\$ 1,626,859
Changes in assumptions or other inputs	485,285	970,930
	<hr/>	<hr/>
	\$ 620,339	\$ 2,597,789

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

Years ending June 30:		
2026	\$ (288,962)	
2027	(288,962)	
2028	(266,454)	
2029	(279,266)	
2030	(234,163)	
Thereafter	<hr/>	
	(619,643)	
	<hr/>	
	\$ (1,977,450)	

Actuarial methods and assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2025 using the following actuarial assumptions, which were applied to all periods included in the measurement unless otherwise specified:

Actuarial Valuation Date	June 30, 2024
Actuarial Cost Method	Individual entry - age normal
Discount Rate	5.20% as of June 30, 2025
Inflation	2.25%
Salary Increases	2.50%-6.50%, including wage inflation of 2.50%
Demographic Assumptions	This report has used the same demographic assumptions used to value the WRS defined benefit retirement plans in which the members participate in the actuarial valuation as of January 1, 2024.

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 14. OPEB Commitment, *Continued*

Mortality	City: PUB-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale, with a multiplier of 100% for males and 103% for females.
	Fire: PUB-2010 Safety Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale, with a multiplier of 100% for males and 100% for females.
Healthcare Cost Trend Rates	Initial rate of 7.10%, declining to an ultimate rate of 4.25% after 14 years.
Participation Rates	75% of participants eligible to receive an explicit subsidy are assumed to elect coverage with the City. Coverage is for the employee only.
	17% of participants eligible for any explicit subsidy are assumed to elect coverage. It is assumed that 35% of participants elect two-person coverage and that, upon the participant's death, coverage will continue to the beneficiary.

Discount rate: The discount rate increased from 3.97% as of June 30, 2024 to 5.20% as of June 30, 2025. The discount rate is based on the Bond Buyer 20-Bond GO Index.

Sensitivity of the City's total OPEB liability to changes in the discount rate: The table below presents the City's total OPEB liability, calculated using a discount rate of 5.20%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current discount rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 5,293,225	\$ 4,849,316	\$ 4,446,020

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

	Current		
	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB liability	\$ 4,362,604	\$ 4,849,316	\$ 5,416,330

CITY OF CHEYENNE, WYOMING

NOTES TO FINANCIAL STATEMENTS

Note 15. Contingencies

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

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CHEYENNE, WYOMING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND Year Ended June 30, 2025

	Budgeted Amounts		Variance With Final Budget	
	Original	Final	Actual	
Revenues				
Taxes	\$ 17,104,900	\$ 17,104,900	\$ 17,998,581	\$ 893,681
Licenses and permits	2,873,800	2,873,800	14,319,504	11,445,704
Intergovernmental	44,234,178	44,384,178	44,800,333	416,155
Charges for services	2,014,000	2,014,000	2,590,797	576,797
Fines and forfeitures	658,350	658,350	705,601	47,251
Investment income	849,659	849,659	2,986,740	2,137,081
Miscellaneous	1,540,511	1,540,511	1,712,102	171,591
Total revenues	69,275,398	69,425,398	85,113,658	15,688,260
Expenditures				
General government:				
City Council	486,942	535,417	485,152	50,265
Mayor	3,954,808	4,034,372	3,697,635	336,737
Compliance	4,857,634	4,930,880	4,474,213	456,667
Engineering	1,895,675	2,488,855	1,864,060	624,795
Miscellaneous	8,817,935	14,663,212	11,390,529	3,272,683
City Treasurer	1,075,728	1,083,119	1,004,416	78,703
City Clerk	862,846	903,931	801,515	102,416
Planning and development	1,263,640	1,395,156	1,066,882	328,274
Public works	4,744,521	5,098,905	4,754,779	344,126
Public safety:				
Fire	14,627,656	14,853,944	14,660,207	193,737
Police	18,871,140	19,392,553	18,380,745	1,011,808
Recreation:				
Community recreation and events	10,189,124	10,864,280	9,838,328	1,025,952
Total expenditures	71,647,649	80,244,624	72,418,461	7,826,163
(Deficiency) excess of revenues over expenditures	(2,372,251)	(10,819,226)	12,695,197	23,514,423
Other Financing Sources (Uses)				
Transfers in	985,971	985,971	1,291,348	305,377
Transfers out	-	-	(1,542,891)	(1,542,891)
Insurance proceeds	-	-	78,625	78,625
Proceeds from sales of assets	-	-	2,556	2,556
Total other financing sources (uses)	985,971	985,971	(170,362)	(1,156,333)
Net change in fund balance	\$ (1,386,280)	\$ (9,833,255)	\$ 12,524,835	\$ 22,358,090

See Notes to Required Supplementary Information.

CITY OF CHEYENNE, WYOMING

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

Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,090,364	\$ 8,725,661	\$ 6,047,156	\$ (2,678,505)
Investment income	-	-	54,015	54,015
Total revenues	1,090,364	8,725,661	6,101,171	(2,624,490)
Expenditures				
General government	212,997	4,998,120	3,700,062	1,298,058
Public safety	877,367	1,997,924	1,445,170	552,754
Public works	-	16,582	1,599	14,983
Recreation	-	55,000	55,000	-
Capital outlay	-	1,658,035	1,251,081	406,954
Total expenditures	1,090,364	8,725,661	6,452,912	2,272,749
(Deficiency) of revenues over expenditures	-	-	(351,741)	(351,741)
Other Financing Sources				
Transfers in	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	\$ -	\$ -	\$ (351,741)	\$ (351,741)

See Notes to Required Supplementary Information.

CITY OF CHEYENNE, WYOMING

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

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 250,554	\$ 238,934	\$ 249,963	\$ 310,572	\$ 271,802	\$ 267,460	\$ 243,371	\$ 270,144
Interest on total OPEB liability	203,671	215,888	193,338	117,669	138,428	201,417	220,105	224,371
Changes in benefit terms	-	-	-	-	-	-	-	-
Difference between expected and actual experience	24,645	(1,088,262)	156,078	(613,930)	-	(860,067)	-	-
Changes in assumptions	(551,936)	318,078	(85,705)	(505,235)	273,516	(59,703)	275,378	(306,502)
Benefit payments	(165,209)	(141,069)	(168,357)	(167,351)	(281,995)	(390,389)	(401,826)	(392,021)
Net change in total OPEB liability	<u>(238,275)</u>	<u>(456,431)</u>	<u>345,317</u>	<u>(858,275)</u>	<u>401,751</u>	<u>(841,282)</u>	<u>337,028</u>	<u>(204,008)</u>
Total OPEB Liability, beginning	<u>5,087,591</u>	<u>5,544,022</u>	<u>5,198,705</u>	<u>6,056,980</u>	<u>5,655,229</u>	<u>6,496,511</u>	<u>6,159,483</u>	<u>6,363,491</u>
Total OPEB Liability, ending	<u>\$ 4,849,316</u>	<u>\$ 5,087,591</u>	<u>\$ 5,544,022</u>	<u>\$ 5,198,705</u>	<u>\$ 6,056,980</u>	<u>\$ 5,655,229</u>	<u>\$ 6,496,511</u>	<u>\$ 6,159,483</u>
Covered-Employee Payroll	<u>\$ 31,099,931</u>	<u>\$ 30,341,396</u>	<u>\$ 26,356,670</u>	<u>\$ 25,713,825</u>	<u>\$ 24,832,831</u>	<u>\$ 24,227,152</u>	<u>\$ 26,908,871</u>	<u>\$ 26,252,557</u>
Total OPEB Liability as a Percentage of Covered-Employee Payroll	<u>15.59%</u>	<u>16.77%</u>	<u>21.03%</u>	<u>20.22%</u>	<u>24.39%</u>	<u>23.34%</u>	<u>24.14%</u>	<u>23.46%</u>

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

See Notes to Required Supplementary Information.

CITY OF CHEYENNE, WYOMING

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE

OF THE NET PENSION LIABILITY

Last 10 Fiscal Years*

	For the Years Ended June 30,		
	2025	2024	2023
Public Employee Pension Plan			
City of Cheyenne:			
City's proportion of the net pension liability	1.0467%	1.0051%	0.9767%
City's proportionate share of the net pension liability	\$ 21,830,459	\$ 22,817,031	\$ 26,691,230
City's covered payroll	22,200,594	20,215,427	18,346,210
City's proportionate share of the net pension liability as a percentage of its covered payroll	98.33%	112.87%	145.49%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%
Board of Public Utilities:			
Board's proportion of the net pension liability	0.4596%	0.4503%	0.4420%
Board's proportionate share of the net pension liability	\$ 9,585,818	\$ 10,221,507	\$ 12,077,735
Board's covered payroll	9,748,404	9,056,033	8,301,616
Board's proportionate share of the net pension liability as a percentage of its covered payroll	98.33%	112.87%	145.49%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%
Paid Firemen's Pension Plan A			
City's proportion of the net pension liability	29.1974%	28.7744%	29.0116%
City's proportionate share of the net pension liability	\$ 2,507,333	\$ 4,465,153	\$ 10,728,086
City's covered payroll	-	-	-
City's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	93.85%	89.37%	77.49%
Paid Firemen's Pension Plan B			
City's proportion of the net pension liability	23.6089%	23.6567%	23.1454%
City's proportionate share of the net pension (asset) liability	\$ (2,296,410)	\$ (218,276)	\$ 2,539,061
City's covered payroll	9,606,935	8,710,896	7,713,891
City's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	-23.90%	-2.51%	32.92%
Plan fiduciary net position as a percentage of the total pension liability	103.89%	100.40%	94.92%
Law Enforcement Pension Plan			
City's proportion of the net pension liability	4.9640%	4.9182%	5.0311%
City's proportionate share of the net pension liability	\$ 6,667,400	\$ 6,643,739	\$ 17,138,843
City's covered payroll	9,660,824	8,936,214	8,526,214
City's proportionate share of the net pension liability as a percentage of its covered payroll	69.01%	74.35%	201.01%
Plan fiduciary net position as a percentage of the total pension liability	87.88%	86.90%	70.30%

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

See Notes to Required Supplementary Information.

For the Years Ended June 30.

2022		2021		2020		2019		2018		2017		2016	
0.9168%	\$ 13,978,778	0.9125%	\$ 19,831,406	0.9757%	\$ 22,928,084	0.9450%	\$ 28,778,132	0.9312%	\$ 21,224,141	0.9045%	\$ 21,868,666	0.8842%	\$ 20,595,553
	\$ 16,727,390		\$ 16,629,106		\$ 17,353,726		\$ 16,446,362		\$ 16,362,135		\$ 16,333,427		\$ 15,933,164
83.57%		119.26%		132.12%		174.98%		129.71%		133.89%		129.26%	
86.03%		79.24%		76.83%		69.17%		76.35%		73.42%		73.40%	
0.4227%	\$ 6,445,223	0.4144%	\$ 9,005,488	0.4209%	\$ 9,890,047	0.4178%	\$ 12,722,850	0.4072%	\$ 9,280,567	0.3979%	\$ 9,619,011	0.3838%	\$ 8,940,291
	\$ 7,733,780		\$ 7,636,289		\$ 7,604,611		\$ 7,409,311		\$ 7,177,501		\$ 7,127,606		\$ 6,855,922
83.34%		117.93%		130.05%		171.71%		129.30%		134.95%		130.40%	
86.03%		79.24%		76.83%		69.17%		76.35%		73.42%		73.40%	
28.8783%	\$ 28,234,679	29.2606%	\$ 94,742,430	29.2792%	\$ 76,294,294	30.1135%	\$ 68,357,664	29.9816%	\$ 67,077,510	30.1332%	\$ 55,286,196	29.1245%	\$ 54,012,637
-		-		-		-		-		-		-	
0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%	
42.90%		21.77%		27.32%		29.99%		34.28%		38.91%		40.05%	
23.9001%	\$ (3,616,211)	23.8262%	\$ (555,157)	24.9421%	\$ 1,772,750	24.5705%	\$ 5,155,687	24.3574%	\$ 10,043,721	23.4759%	\$ 7,409,315	23.5543%	\$ 7,201,639
	\$ 7,462,018		\$ 7,188,555		\$ 7,006,469		\$ 6,891,466		\$ 6,552,239		\$ 6,603,344		\$ 6,432,467
-48.46%		-7.72%		25.30%		74.81%		153.29%		112.21%		111.96%	
107.43%		101.27%		95.93%		87.07%		77.98%		80.16%		79.33%	
4.7314%	\$ 13,462,628	4.6288%	\$ 3,153,265	4.9682%	\$ 4,282,566	4.9257%	\$ 11,923,758	4.7984%	\$ 4,128,778	4.5225%	\$ 3,414,154	4.4224%	\$ 3,322,120
	\$ 7,798,663		\$ 7,971,757		\$ 8,687,750		\$ 7,735,333		\$ 7,450,974		\$ 7,077,700		\$ 6,933,372
172.63%		39.56%		49.29%		154.15%		55.41%		48.24%		47.91%	
75.62%		91.82%		89.05%		71.22%		87.99%		88.11%		87.49%	

CITY OF CHEYENNE, WYOMING

SCHEDULE OF THE CITY'S CONTRIBUTIONS Last 10 Fiscal Years

	For the Years Ended June 30,			
	2025	2024	2023	2022
Public Employee Pension Plan				
City of Cheyenne:				
Statutorily required contribution	\$ 2,097,531	\$ 2,010,269	\$ 1,802,219	\$ 1,641,531
Contribution in relation to the statutorily required contribution	<u>2,097,531</u>	<u>2,010,269</u>	<u>1,802,219</u>	<u>1,641,531</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 22,385,599	\$ 21,454,307	\$ 19,233,924	\$ 17,519,004
Contributions as a percentage of covered-employee payroll	9.37%	9.37%	10.45%	10.29%
Board of Public Utilities:				
Statutorily required contribution	\$ 955,231	\$ 873,566	\$ 816,577	\$ 744,272
Contribution in relation to the statutorily required contribution	<u>955,231</u>	<u>873,566</u>	<u>816,577</u>	<u>744,272</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Board's covered-employee payroll	\$ 10,194,570	\$ 9,323,005	\$ 8,714,807	\$ 7,943,134
Contributions as a percentage of covered-employee payroll	9.37%	9.37%	10.02%	10.28%
Paid Firemen's Pension Plan A				
Statutorily required contribution	\$ -	\$ -	\$ -	\$ -
Contribution in relation to the statutorily required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Paid Firemen's Pension Plan B				
Statutorily required contribution	\$ 1,581,885	\$ 1,498,379	\$ 1,294,061	\$ 1,126,299
Contribution in relation to the statutorily required contribution	<u>1,581,885</u>	<u>1,498,379</u>	<u>1,294,061</u>	<u>1,126,299</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 9,886,779	\$ 9,364,869	\$ 8,087,879	\$ 7,508,661
Contributions as a percentage of covered-employee payroll	16.00%	16.00%	18.53%	17.23%
Law Enforcement Pension Plan				
Statutorily required contribution	\$ 937,141	\$ 792,566	\$ 745,045	\$ 709,951
Contribution in relation to the statutorily required contribution	<u>937,141</u>	<u>792,566</u>	<u>745,045</u>	<u>709,951</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 9,864,634	\$ 9,215,885	\$ 8,663,616	\$ 8,255,241
Contributions as a percentage of covered-employee payroll	9.50%	8.60%	9.15%	9.03%

See Notes to Required Supplementary Information.

For the Years Ended June 30,

2021	2020	2019	2018	2017	2016
\$ 1,487,050	\$ 1,523,725	\$ 1,453,409	\$ 1,370,762	\$ 1,427,569	\$ 1,372,651
<u>1,487,050</u>	<u>1,523,725</u>	<u>1,453,409</u>	<u>1,370,762</u>	<u>1,427,569</u>	<u>1,372,651</u>
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 16,305,375	\$ 17,178,405	\$ 16,940,902	\$ 16,377,083	\$ 16,694,692	\$ 16,220,390
10.07%	8.66%	8.99%	8.87%	8.21%	8.80%
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 694,066	\$ 678,924	\$ 645,547	\$ 608,519	\$ 602,689	\$ 586,407
<u>694,066</u>	<u>678,924</u>	<u>645,547</u>	<u>608,519</u>	<u>602,689</u>	<u>586,407</u>
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 7,610,377	\$ 7,654,160	\$ 7,524,834	\$ 7,270,239	\$ 7,200,585	\$ 7,006,054
9.78%	9.07%	9.02%	8.88%	8.45%	8.60%
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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\$ 1,007,536	\$ 945,164	\$ 836,796	\$ 802,935	\$ 785,180	\$ 772,527
<u>1,007,536</u>	<u>945,164</u>	<u>836,796</u>	<u>802,935</u>	<u>785,180</u>	<u>772,527</u>
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 7,196,688	\$ 7,270,489	\$ 6,973,302	\$ 6,691,128	\$ 6,543,169	\$ 6,437,727
15.65%	13.86%	13.55%	12.51%	12.27%	12.20%
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 671,684	\$ 681,867	\$ 688,842	\$ 652,267	\$ 618,944	\$ 605,058
<u>671,684</u>	<u>681,867</u>	<u>688,842</u>	<u>652,267</u>	<u>618,944</u>	<u>605,058</u>
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
\$ 7,810,280	\$ 7,928,697	\$ 8,009,795	\$ 7,584,494	\$ 7,197,025	\$ 7,035,554
9.09%	8.47%	8.51%	9.08%	9.06%	8.80%

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Note 1. Budget Information

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

Prior to May 15, the Treasurer of the City of Cheyenne, Wyoming (the City) submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted between the second and third Tuesdays in June to obtain public comments. Within 24 hours of the public hearing, the governing body adopts the budget.

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

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

	<u>General Fund</u>
Revenues:	
Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 85,113,658
Differences, budgetary to U.S. GAAP:	
Adjustments to include various pass-through funds included in the General Fund on the U.S. GAAP basis	<u>382,372</u>
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 85,496,030</u>
Expenditures:	
Actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 72,418,461
Differences, budgetary to U.S. GAAP:	
Adjustments to include various pass-through funds included in the General Fund on the U.S. GAAP basis	<u>362,364</u>
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 72,780,825</u>

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

Changes in benefit terms: There were no changes in benefit terms between the initial measurement date reflected below and the December 31, 2024 measurement date.

Changes in assumptions: Healthcare trend rates were updated, along with the assumptions relating to mortality rates, retirement rates, withdrawal rates, disability rates, and salary increase rates, based on the WRS's December 31, 2020 actuarial experience study. Further, there have been various assumption changes from the initial measurement date reflected below through the December 31, 2024 measurement date, as indicated in the tables below:

Measurement Date (WRS Year Ended)	Pension Plan Discount Rates			
	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	7.75%	7.75%	4.47%	7.75%
2015	7.75%	7.75%	4.25%	6.52%
2016	7.75%	7.75%	4.38%	6.59%
2017	7.00%	7.00%	3.75%	5.65%
2018	7.00%	5.92%	4.01%	7.00%
2019	7.00%	7.00%	3.09%	7.00%
2020	7.00%	7.00%	1.95%	7.00%
2021	6.80%	5.17%	6.80%	6.80%
2022	6.80%	5.53%	6.80%	6.80%
2023	6.80%	6.80%	6.80%	6.80%
2024	6.80%	6.80%	6.80%	6.80%

Measurement Date (WRS Year Ended)	Pension Plan Investment Rates of Return			
	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	7.75%	7.75%	7.75%	7.75%
2015	7.75%	7.75%	7.75%	7.75%
2016	7.75%	7.75%	4.38%	6.59%
2017	7.75%	7.75%	7.75%	7.75%
2018	7.00%	7.00%	7.00%	7.00%
2019	7.00%	7.00%	7.00%	7.00%
2020	7.00%	7.00%	1.00%	7.00%
2021	6.80%	6.80%	6.80%	6.80%
2022	6.80%	6.80%	6.80%	6.80%
2023	6.80%	6.80%	6.80%	6.80%
2024	6.80%	6.80%	6.80%	6.80%

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

Pension Plan Inflation Rates				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	3.25%	3.25%	3.25%	3.25%
2015	3.25%	3.25%	3.25%	3.25%
2016	3.25%	3.25%	3.25%	3.25%
2017	3.25%	3.25%	3.25%	3.25%
2018	2.25%	2.25%	2.25%	2.25%
2019	2.25%	2.25%	2.25%	2.25%
2020	2.25%	2.25%	2.25%	2.25%
2021	2.25%	2.25%	2.25%	2.25%
2022	2.25%	2.25%	2.25%	2.25%
2023	2.25%	2.25%	2.25%	2.25%
2024	2.25%	2.25%	2.25%	2.25%

Pension Plan Salary Increase Rates (Including Inflation)				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2015	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2016	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2017	4.25%-6.00%	4.75%-8.00%	4.25%	4.25%-7.00%
2018	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2019	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2020	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2021	2.50%-6.50%	4.75%-8.75%	4.50%	4.50%-7.50%
2022	2.50%-6.50%	5.25%-9.25%	4.50%	4.50%-7.50%
2023	2.50%-6.50%	5.25%-9.25%	4.50%	4.50%-7.50%
2024	2.50%-6.50%	5.25%-9.25%	4.50%	4.50%-7.50%

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

Pension Plan Payroll Growth Rates				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	4.25%	4.25%	0.00%	4.25%
2015	4.25%	4.25%	0.00%	4.25%
2016	4.25%	4.25%	0.00%	4.25%
2017	4.25%	4.25%	0.00%	4.25%
2018	2.50%	2.50%	0.00%	2.50%
2019	2.50%	2.50%	0.00%	2.50%
2020	2.50%	2.50%	0.00%	2.50%
2021	2.50%	2.50%	0.00%	2.50%
2022	2.50%	2.50%	0.00%	2.50%
2023	2.50%	2.50%	0.00%	2.50%
2024	2.50%	2.50%	0.00%	2.50%

Cost of Living Increases				
Measurement Date (WRS Year Ended)	Public Employee Pension Plan	Law Enforcement Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B
2014	0.00%	0.00%	3.00%	0.00%
2015	0.00%	0.00%	3.00%	0.00%
2016	0.00%	0.00%	3.00%	0.00%
2017	0.00%	0.00%	3.00%	0.00%
2018	0.00%	0.00%	3.00%	0.00%
2019	0.00%	0.00%	3.00%	0.00%
2020	0.00%	0.00%	3.00%	0.00%
2021	0.00%	0.00%	3.00%	0.00%
2022	0.00%	0.00%	0.00%	0.00%
2023	0.00%	0.00%	0.00%	0.00%
2024	0.00%	0.00%	0.00%	0.00%

CITY OF CHEYENNE, WYOMING

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

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

Following are changes in the OPEB liability valuation:

Changes in benefit terms: There were no changes in benefit terms between the initial measurement date and the June 30, 2025 measurement date.

Changes in assumptions: With the exception of the discount rate, there have been no changes in assumptions between the initial measurement date and the June 30, 2025 measurement date. The discount rate for each measurement date is as follows:

<u>Measurement Date</u>	<u>Discount Rate</u>
2018	3.62%
2019	3.13%
2020	2.45%
2021	1.92%
2022	3.69%
2023	3.86%
2024	3.97%
2025	5.20%

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS, *Continued*

Special Revenue Funds, *Continued*

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

Capital Projects Funds

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

Youth Alternatives: Accounts for the construction of youth alternatives projects.

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

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

Permanent Fund

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

Cemetery Perpetual Care: This trust fund was set up for the perpetual care of the City's cemetery. The fund receives \$400 each time a cemetery lot is purchased.

CITY OF CHEYENNE, WYOMING

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

June 30, 2025

	Special Revenue Funds									
	Weed and Pest Control	Youth Alternative Grants	Juvenile Justice	Special Friends	Community Development Block Grant	Law Enforcement Block Grant	Transportation Planning			
ASSETS										
Cash and Cash Equivalents	\$ -	\$ 415,622	\$ 54,800	\$ 133,673	\$ 849	\$ 25,944	\$ 3,902			
Investments, at fair value	-	786,442	198,333	-	-	-	-			
Cash and Cash Equivalents, restricted	21,713	-	-	-	-	-	-			
Investments, restricted	566,620	-	-	-	-	-	-			
Receivables										
Accrued interest	-	-	-	-	-	-	-			
Customers	-	-	-	750	-	-	-			
Due From Other Governments	625,597	72,427	37,108	-	42,229	58,378	118,724			
Prepaid Expenditures	-	-	-	68	799	-	16,161			
Total assets	\$ 1,213,930	\$ 1,274,491	\$ 290,241	\$ 134,491	\$ 43,877	\$ 84,322	\$ 138,787			
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts payable	\$ 8,401	\$ 17,644	\$ 4,856	\$ 1,197	\$ 1,999	\$ 3,683	\$ 60,588			
Retainage payable	-	-	-	-	-	-	-			
Accrued salaries	20,215	10,360	5,632	1,450	1,878	8,306	8,259			
Due to other funds	-	-	-	-	40,000	-	60,000			
Unearned revenue	-	-	-	-	-	-	-			
Total liabilities	28,616	28,004	10,488	2,647	43,877	11,989	128,847			
Fund Balances										
Nonspendable	-	-	-	68	799	-	16,161			
Restricted	1,185,314	-	-	-	-	72,333	57,344			
Committed	-	1,246,487	-	-	-	-	-			
Assigned	-	-	279,753	131,776	-	-	-			
Unassigned	-	-	-	-	(799)	-	(63,565)			
Total fund balances	1,185,314	1,246,487	279,753	131,844	-	72,333	9,940			
Total liabilities and fund balances	\$ 1,213,930	\$ 1,274,491	\$ 290,241	\$ 134,491	\$ 43,877	\$ 84,322	\$ 138,787			

Continued

CITY OF CHEYENNE, WYOMING

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS, *Continued*

June 30, 2025

	Special Revenue Funds							
	UMTA Transit Grant	Local and State Grants	Recreation Programs	Annexation Improvements	Housing Loans	Revolving Real Property	Belvoir Ranch Recreation	
ASSETS								
Cash and Cash Equivalents	\$ 241,470	\$ 203,857	\$ 724,060	\$ 23,046	\$ 5,159	\$ 31,968	\$ 209,744	
Investments, at fair value	-	-	1,471,695	342,939	187,595	-	691,059	
Cash and Cash Equivalents, restricted	-	-	-	-	-	-	-	
Investments, restricted	-	-	-	-	-	-	-	
Receivables								
Accrued interest	-	-	-	-	-	-	-	
Customers	6,068	106,814	42,952	-	-	-	85,448	
Due From Other Governments	431,262	4,608	-	-	-	-	-	
Prepaid Expenditures	68	-	34,904	-	-	-	-	
Total assets	\$ 678,868	\$ 315,279	\$ 2,273,611	\$ 365,985	\$ 192,754	\$ 31,968	\$ 986,251	
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 33,042	\$ 15,726	\$ 188,690	\$ 59,231	\$ -	\$ -	\$ 108,486	
Retainage payable	-	-	-	-	-	-	21,455	
Accrued salaries	40,293	-	57,688	-	-	-	-	
Due to other funds	380,000	-	-	-	-	-	-	
Unearned revenue	-	299,553	118,758	-	-	-	-	
Total liabilities	453,335	\$ 315,279	365,136	59,231	-	-	129,941	
Fund Balances								
Nonspendable	68	-	34,904	-	-	-	-	
Restricted	327,771	159,846	-	-	192,754	-	-	
Committed	-	-	1,873,571	250,000	-	31,968	856,310	
Assigned	-	-	-	56,754	-	-	-	
Unassigned	(102,306)	(159,846)	-	-	-	-	-	
Total fund balances	225,533	-	1,908,475	306,754	192,754	31,968	856,310	
Total liabilities and fund balances	\$ 678,868	\$ 315,279	\$ 2,273,611	\$ 365,985	\$ 192,754	\$ 31,968	\$ 986,251	

Continued

CITY OF CHEYENNE, WYOMING

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS, *Continued*

June 30, 2025

	Capital Projects Funds				Permanent Fund		Total Nonmajor Governmental Funds
	Youth Alternatives	Athletic Facilities	Development Impact Fees	Cemetery Perpetual Care			
ASSETS							
Cash and Cash Equivalents	\$ 21,271	\$ 199,938	\$ 664,316	\$ 11,221	\$ 2,970,840		
Investments, at fair value	-	783,754	4,204,744	843,367	9,509,928		
Cash and Cash Equivalents, restricted	-	-	-	-	21,713		
Investments, restricted	-	-	-	-	566,620		
Receivables							
Accrued interest	-	-	7,404	1,753	9,157		
Customers	3,642	15,314	-	480	261,468		
Due From Other Governments	-	-	-	-	1,390,333		
Prepaid Expenditures	-	29,793	-	-	81,793		
Total assets	\$ 24,913	\$ 1,028,799	\$ 4,876,464	\$ 856,821	\$ 14,811,852		
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 4,640	\$ 6,200	\$ 7,253	\$ -	\$ 521,636		
Retainage payable	-	-	10,975	-	32,430		
Accrued salaries	-	-	-	-	154,081		
Due to other funds	-	-	-	-	480,000		
Unearned revenue	-	-	493,384	-	911,695		
Total liabilities	4,640	6,200	511,612	-	2,099,842		
Fund Balances							
Nonspendable	-	29,793	-	-	81,793		
Restricted	-	-	-	856,821	2,852,183		
Committed	-	992,806	4,364,852	-	9,615,994		
Assigned	20,273	-	-	-	488,556		
Unassigned	-	-	-	-	(326,516)		
Total fund balances	20,273	1,022,599	4,364,852	856,821	12,712,010		
Total liabilities and fund balances	\$ 24,913	\$ 1,028,799	\$ 4,876,464	\$ 856,821	\$ 14,811,852		

CITY OF CHEYENNE, WYOMING

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

Year Ended June 30, 2025

	Special Revenue Funds						
	Weed and Pest Control	Youth Alternative Grants	Juvenile Justice	Special Friends	Community Development Block Grant	Law Enforcement Block Grant	Transportation Planning
Revenues							
Intergovernmental	\$ 961,407	\$ 780,624	\$ 203,413	\$ 50,000	\$ 438,788	\$ 555,165	\$ 816,077
Charges for services	-	-	-	-	-	-	-
Investment income	26,035	35,928	9,056	174	-	-	-
Miscellaneous	2,895	47,230	308	4,860	-	-	-
Total revenues	990,337	863,782	212,777	55,034	438,788	555,165	816,077
Expenditures							
Current:							
Public safety	-	-	-	-	-	671,933	-
Public works	-	-	-	-	-	-	856,819
Health and welfare	529,929	661,665	185,729	49,026	442,254	-	-
Recreation	-	-	-	-	-	-	-
Capital outlay	229,613	-	-	-	-	-	-
Debt service:							
Interest payments	-	-	-	-	-	-	-
Total expenditures	759,542	661,665	185,729	49,026	442,254	671,933	856,819
Excess (deficiency) of revenues over expenditures	230,795	202,117	27,048	6,008	(3,466)	(116,768)	(40,742)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	3,467	118,980	40,742
Transfers out	-	-	-	-	(2,098)	-	-
Proceeds from sales of assets	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	1,369	118,980	40,742
Net change in fund balances	230,795	202,117	27,048	6,008	(2,097)	2,212	-
Fund Balances, beginning of year	954,519	1,044,370	252,705	125,836	2,097	70,121	9,940
Fund Balances, end of year	\$ 1,185,314	\$ 1,246,487	\$ 279,753	\$ 131,844	\$ -	\$ 72,333	\$ 9,940

Continued

CITY OF CHEYENNE, WYOMING

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -

NONMAJOR GOVERNMENTAL FUNDS, *Continued*

Year Ended June 30, 2025

	Special Revenue Funds						
	UMTA Transit Grant	Local and State Grants	Recreation Programs	Annexation Improvements	Housing Loans	Revolving Real Property	Belvoir Ranch Recreation
Revenues							
Intergovernmental	\$ 2,356,620	\$ 271,238	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	5,679	-	2,325,334	-	-	-	-
Investment income	22	-	67,757	15,735	8,851	24,672	32,012
Miscellaneous	-	-	88,543	-	-	-	347,985
Total revenues	2,362,321	271,238	2,481,634	15,735	8,851	24,672	379,997
Expenditures							
Current:							
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	2,458,307	-	-	-	30,645	-	-
Recreation	-	271,238	2,522,734	-	-	-	391,872
Capital outlay	698,519	-	9,996	-	-	614,307	-
Debt service:							
Interest payments	-	-	-	411	-	-	-
Total expenditures	3,156,826	271,238	2,532,730	411	30,645	614,307	391,872
Excess (deficiency) of revenues over expenditures	(794,505)	-	(51,096)	15,324	(21,794)	(589,635)	(11,875)
Other Financing Sources (Uses)							
Transfers in	774,267	-	95,000	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Proceeds from sales of assets	2,050	-	-	-	-	-	-
Total other financing sources (uses)	776,317	-	95,000	-	-	-	-
Net change in fund balances	(18,188)	-	43,904	15,324	(21,794)	(589,635)	(11,875)
Fund Balances, beginning of year	243,721	-	1,864,571	291,430	214,548	621,603	868,185
Fund Balances, end of year	\$ 225,533	\$ -	\$ 1,908,475	\$ 306,754	\$ 192,754	\$ 31,968	\$ 856,310

Continued

CITY OF CHEYENNE, WYOMING

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -

NONMAJOR GOVERNMENTAL FUNDS, *Continued*

Year Ended June 30, 2025

	Capital Projects Funds			Permanent Fund		Total Nonmajor Governmental Funds
	Youth Alternatives	Athletic Facilities	Development Impact Fees	Cemetery Perpetual Care		
Revenues						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,433,332
Charges for services	-	366,682	1,633,194	-	-	4,330,889
Investment income	26	35,763	209,174	42,404	-	507,609
Miscellaneous	6,785	-	-	9,759	-	508,365
Total revenues	6,811	402,445	1,842,368	52,163		11,780,195
Expenditures						
Current:						
Public safety	-	-	1,026,630	-	-	1,698,563
Public works	-	-	-	-	-	856,819
Health and welfare	5,491	-	-	-	-	4,363,046
Recreation	-	54,430	505,613	-	-	3,745,887
Capital outlay	-	275,787	-	-	-	1,828,222
Debt service:						
Interest payments	-	-	-	-	-	411
Total expenditures	5,491	330,217	1,532,243	-		12,492,948
Excess (deficiency) of revenues over expenditures	1,320	72,228	310,125	52,163		(712,753)
Other Financing Sources (Uses)						
Transfers in	-	-	-	-	-	1,032,456
Transfers out	-	-	-	(42,404)	(44,502)	
Proceeds from sales of assets	-	-	-	-	-	2,050
Total other financing sources (uses)	-	-	-	(42,404)		990,004
Net change in fund balances	1,320	72,228	310,125	9,759		277,251
Fund Balances, beginning of year	18,953	950,371	4,054,727	847,062		12,434,759
Fund Balances, end of year	\$ 20,273	\$ 1,022,599	\$ 4,364,852	\$ 856,821		\$ 12,712,010

NONMAJOR PROPRIETARY FUNDS

Business-Type Activities

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

Civic Center: Accounts for monies received by the City from the operation of the Civic Center.

Ice and Events Center: Accounts for monies received by the City from the operation of the Ice and Events Center.

CITY OF CHEYENNE, WYOMING

COMBINING STATEMENT OF NET POSITION -

NONMAJOR PROPRIETARY FUNDS

June 30, 2025

	Civic Center	Ice and Events Center	Total Nonmajor Proprietary Funds
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 7,749	\$ 7,654	\$ 15,403
Investments	-	42,558	42,558
Receivables:			
Accounts - customers	3,290	154	3,444
Prepaid expenses	200	1,165	1,365
Total current assets	11,239	51,531	62,770
Noncurrent Assets			
Capital assets being depreciated:			
Land	-	346,861	346,861
Machinery and equipment	917,466	385,900	1,303,366
Transportation equipment	-	12,872	12,872
Buildings and improvements	4,182,001	3,390,349	7,572,350
Office furniture and equipment	317,996	37,712	355,708
Construction in progress	206,087	-	206,087
Accumulated depreciation	(4,514,164)	(2,100,710)	(6,614,874)
Total noncurrent assets	1,109,386	2,072,984	3,182,370
Total assets	1,120,625	2,124,515	3,245,140
LIABILITIES			
Current Liabilities			
Accounts payable	49,681	20,651	70,332
Unearned revenue	13,703	-	13,703
Due to other funds	340,000	170,000	510,000
Accrued salaries, including vacation and sick leave	33,454	34,113	67,567
Total current liabilities	436,838	224,764	661,602
Noncurrent Liabilities			
Accrued compensated absences	54,026	15,018	69,044
Total noncurrent liabilities	54,026	15,018	69,044
Total liabilities	490,864	239,782	730,646
NET POSITION			
Net Investment in Capital Assets	1,109,386	2,072,984	3,182,370
Unrestricted	(479,625)	(188,251)	(667,876)
Total net position	\$ 629,761	\$ 1,884,733	\$ 2,514,494

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF REVENUES,
EXPENSES, AND CHANGES IN FUND NET
POSITION - NONMAJOR PROPRIETARY FUNDS**
Year Ended June 30, 2025

	Civic Center	Ice and Events Center	Total
			Nonmajor Proprietary Funds
Operating Revenues			
Sales and charges for services	\$ 1,423,276	\$ 579,339	\$ 2,002,615
Fees and miscellaneous	112,258	-	112,258
Total operating revenues	1,535,534	579,339	2,114,873
 Operating Expenses			
Administrative and general	2,017,251	700,883	2,718,134
Parts and supplies	17,285	23,982	41,267
Intra-city charges	-	720	720
Depreciation	150,898	153,646	304,544
Total operating expenses	2,185,434	879,231	3,064,665
Operating (loss)	(649,900)	(299,892)	(949,792)
 Nonoperating Income			
Investment income:			
Interest income	-	2,019	2,019
Total nonoperating income	-	2,019	2,019
(Loss) before transfers and contributions	(649,900)	(297,873)	(947,773)
 Transfers In	443,322	107,855	551,177
Transfers Out	-	(295,875)	(295,875)
Change in net position	(206,578)	(485,893)	(692,471)
 Net Position, beginning of year	836,339	2,370,626	3,206,965
 Net Position, end of year	\$ 629,761	\$ 1,884,733	\$ 2,514,494

CITY OF CHEYENNE, WYOMING

**COMBINING STATEMENT OF CASH FLOWS -
NONMAJOR PROPRIETARY FUNDS**
Year Ended June 30, 2025

	Civic Center	Ice and Events Center	Total Nonmajor Proprietary Funds
Cash Flows From Operating Activities			
Cash received from customers	\$ 1,503,525	\$ 583,653	\$ 2,087,178
Cash payments to suppliers	(1,287,434)	(246,476)	(1,533,910)
Cash payments to employees	(700,161)	(467,650)	(1,167,811)
Net cash (used in) operating activities	(484,070)	(130,473)	(614,543)
Cash Flows From Noncapital Financing Activities			
Proceeds from amounts due from other funds	289,000	170,000	459,000
Transfers to other funds	-	(295,875)	(295,875)
Transfers from other funds	443,322	107,855	551,177
Net cash provided by (used in) noncapital financing activities	732,322	(18,020)	714,302
Cash Flows From Capital and Related Financing Activities			
Acquisition of capital assets	(240,586)	-	(240,586)
Net cash (used in) capital and related financing activities	(240,586)	-	(240,586)
Cash Flows From Investing Activities			
Interest on cash accounts and investments	-	2,019	2,019
Purchase of investments	-	(1,898)	(1,898)
Net cash provided by investing activities	-	121	121
Net increase (decrease) in cash and cash equivalents	7,666	(148,372)	(140,706)
Cash and Cash Equivalents, beginning of year	83	156,026	156,109
Cash and Cash Equivalents, end of year	\$ 7,749	\$ 7,654	\$ 15,403
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities			
Operating (loss)	\$ (649,900)	\$ (299,892)	\$ (949,792)
Adjustments to reconcile operating (loss) to net cash (used in) operating activities:			
Depreciation	150,898	153,646	304,544
(Decrease) increase in cash and cash equivalents resulting from changes in operating assets and liabilities:			
Receivables	(3,290)	4,314	1,024
Prepaid expenses	16,638	297	16,935
Accounts payable	3,306	(5,594)	(2,288)
Accrued salaries, including vacation and sick leave	26,995	16,756	43,751
Unearned revenue	(28,717)	-	(28,717)
Net cash (used in) operating activities	\$ (484,070)	\$ (130,473)	\$ (614,543)

FIDUCIARY FUNDS

Custodial Funds

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

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

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

CITY OF CHEYENNE, WYOMING

COMBINING STATEMENT OF FIDUCIARY NET POSITION -

FIDUCIARY FUNDS

June 30, 2025

	Urban Renewal Authority Fund	Miscellaneous Custodial Fund	Total Custodial Funds
ASSETS			
Cash and Cash Equivalents	\$ 108,192	\$ 155,484	\$ 263,676
Investments, at fair value	-	37,238	37,238
Restricted Assets			
Due from other governments	354	-	354
Total assets	108,546	192,722	301,268
LIABILITIES			
Accounts Payable	-	75	75
Total liabilities	-	75	75
NET POSITION			
Restricted for Organizations	108,546	192,647	301,193
Total net position	\$ 108,546	\$ 192,647	\$ 301,193

CITY OF CHEYENNE, WYOMING

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

Year Ended June 30, 2025

	Urban Renewal Authority Fund	Miscellaneous Custodial Fund	Total Custodial Funds
Additions			
Miscellaneous	\$ -	\$ 18,642	\$ 18,642
Property taxes	70,819	-	70,819
Earnings on investments	65	1,864	1,929
Total additions	70,884	20,506	91,390
Deductions			
Distributions to organizations	16,799	17,093	33,892
Total deductions	16,799	17,093	33,892
Net increase in fiduciary net position	54,085	3,413	57,498
Net Position, beginning of year	54,461	189,234	243,695
Net Position, end of year	\$ 108,546	\$ 192,647	\$ 301,193

SINGLE AUDIT SECTION

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Agriculture:				
Pass through from Wyoming State Forestry Division:				
Inflation Reduction Act Urban and Community Forestry Grant	10.727	Contract #7945	\$ -	\$ 55,000
Total U.S. Department of Agriculture				<u>55,000</u>
U.S. Department of Commerce:				
U.S. Department of Commerce Direct Program:				
Economic Development Cluster:				
Economic Adjustment Assistance	11.307	05-79-06167	-	167,701
Total U.S. Department of Commerce				<u>167,701</u>
U.S. Department of Housing and Urban Development:				
U.S. Department of Housing and Urban Development Direct Program:				
Community Development Block Grants - Entitlement/Special Purpose Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218CV	N/A	47,250	54,342
Community Development Block Grants/Entitlement Grants	14.218	N/A	298,957	387,913
Subtotal Community Development Block Grants - Entitlement/Special Purpose Grants Cluster			346,207	442,255
Total U.S. Department of Housing and Urban Development Direct Programs			<u>346,207</u>	<u>442,255</u>
U.S. Department of Housing and Urban Development Pass-Through Program:				
Pass-through from Wyoming Community Development Authority:				
Home Investment Partnerships Program	14.239	N/A	30,000	30,644
Total U.S. Department of Housing and Urban Development			<u>376,207</u>	<u>472,899</u>
U.S. Department of the Interior:				
Pass-through from Wyoming Department of State Parks and Cultural Resources:				
Historic Preservation Fund Grants-in-Aid	15.904	Contract #7878	-	3,711
Historic Preservation Fund Grants-in-Aid	15.904	56-23-07	-	12,950
Subtotal Historic Preservation Fund Grants-in-Aid				<u>16,661</u>
Total U.S. Department of the Interior				<u>16,661</u>
U.S. Department of Justice:				
U.S. Department of Justice Direct Programs:				
Law Enforcement Assistance - Narcotics and Dangerous Drugs Training	16.004	N/A	-	64,176

Continued

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*

Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Justice, <i>Continued</i> :				
U.S. Department of Justice Direct Programs, <i>Continued</i> :				
Bulletproof Vest Partnership Program	16.607	N/A	\$ -	\$ 10,674
Bulletproof Vest Partnership Program	16.607	N/A	-	4,476
Subtotal Bulletproof Vest Partnership Program			-	15,150
Public Safety Partnership and Community Police Grants	16.710	2020-V2-GX-0016	-	600
Total U.S. Department of Justice Direct Programs			-	79,926
U.S. Department of Justice Pass-Through Programs:				
Pass-through from Wyoming Office of the Attorney General:				
Crime Victim Assistance	16.575	15JOVW-21-GG-00549-STOP	-	94,273
Project Safe Neighborhoods	16.609	2022-PSN-WY-001	-	54,968
Project Safe Neighborhoods	16.609	2019-GP-BX-0058	-	48,429
Subtotal Project Safe Neighborhoods			-	103,397
Pass-through from Laramie County, Wyoming:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02318-JAGX	-	19,373
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03952-JAGX	-	26,748
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-24-GG-05133-JAGX	-	362
Subtotal Edward Byrne Memorial Justice Assistance Grant Program			-	46,483
Total U.S. Department of Justice Pass-Through Programs			-	244,153
Total U.S. Department of Justice			-	324,079
U.S. Department of Transportation:				
U.S. Department of Transportation Direct Programs:				
Federal Transit Cluster:				
Federal Transit Formula Grants	20.507	WY-2018-002	-	154,127
Federal Transit Formula Grants	20.507	WY-2023-004	-	1,180,557
Federal Transit Formula Grants	20.507	WY-2024-003	-	541,074
Bus and Bus Facilities Formula, Competitive, and Low or No Emissions Program	20.526	WY-2021-005	-	8,000
Subtotal Federal Transit Cluster			-	1,883,758
Safe Streets and Roads for All	20.939	693JJ32440786	-	1,599
Total U.S. Department of Transportation Direct Programs			-	1,885,357

Continued

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*

Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Transportation, <i>Continued</i>:				
U.S. Department of Transportation Pass-Through Programs:				
Pass-through from Wyoming Department of Transportation:				
Highway Planning and Construction (HAWK Signal)	20.205	CD23102	\$ -	\$ 542,940
Highway Planning and Construction (Safe Routes to School)	20.205	CD23101	-	105,504
Highway Planning and Construction (Consolidated Planning Grant)	20.205	FT24046	-	146,133
Highway Planning and Construction (Consolidated Planning Grant)	20.205	FT25046	-	629,202
Subtotal Highway Planning and Construction			-	1,423,779
Alcohol Open Container Requirements	20.607	M5HVE-2025-BI-HV-02	-	33,079
Alcohol Open Container Requirements	20.607	154AL-2024-BI-HV-02	-	27,258
Subtotal Alcohol Open Container Requirements			-	60,337
Highway Safety Cluster:				
State and Community Highway Safety	20.600	AL-2024-BI-AL-01	-	7,333
State and Community Highway Safety	20.600	OP-2024-BI-OP-01	-	12,009
State and Community Highway Safety	20.600	AL-2025-BI-AL-03	-	29,478
State and Community Highway Safety	20.600	OP-2025-BI-OP-02	-	15,741
Subtotal State and Community Highway Safety			-	64,561
Total U.S. Department of Transportation Pass-Through Programs			-	1,548,677
Total U.S. Department of Transportation			-	3,434,034
U.S. Department of the Treasury:				
U.S. Department of the Treasury Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	1,520,951
Total U.S. Department of the Treasury Direct Program			-	1,520,951
U.S. Department of the Treasury Pass-Through Program:				
Pass-through from Wyoming Department of State Parks and Cultural Resources:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	LG-1292	-	296,535
Pass-through from State of Wyoming Land and Investment Board:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	LG-1415	-	915,360
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	LG-1223	-	421,212
Subtotal pass-through from State of Wyoming Land and Investment Board			-	1,336,572
Total U.S. Department of the Treasury Pass-Through Program			-	1,633,107
Total U.S. Department of the Treasury			-	3,154,058

Continued

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*

Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Environmental Protection Agency:				
U.S. Environmental Protection Agency Direct Programs:				
Climate Pollution Reduction Grants	66.046	00110301	\$ -	\$ 238,892
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818	95811521	-	86,244
Total U.S. Environmental Protection Agency Direct Programs			-	325,136
U.S. Environmental Protection Agency Pass-Through Program:				
Pass-through from State of Wyoming Land and Investment Board and administered by City of Cheyenne's Board of Public Utilities:				
Capitalization Grants for Drinking Water State Revolving Funds	66.468	DWSRF-229	-	283,848
Total U.S. Environmental Protection Agency Pass-Through Program			-	283,848
Total U.S. Environmental Protection Agency			-	608,984
U.S. Department of Energy:				
U.S. Department of Energy Direct Program:				
Energy Efficiency and Conservation Block Grant	81.128	SE0000188	-	125,720
Total U.S. Department of Energy Direct Program			-	125,720
U.S. Department of Energy Pass-Through Program:				
Pass-through from Wyoming Energy Authority:				
State Energy Program	81.041	Contract #7881	-	25,000
Total U.S. Department of Energy Pass-Through Program			-	25,000
Total U.S. Department of Energy			-	150,720
U.S. Department of Health and Human Services:				
Pass-through from Wyoming Department of Health:				
Aging Cluster:				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	Contract #8070	-	75,739
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	Contract #7678	-	1,877
Activities to Support State, Local and Territorial Health (STLT):				
Health Department Response to Public Health or Healthcare Crises	93.391	Contract #7663	-	11,200
Total U.S. Department of Health and Human Services			-	88,816

Continued

CITY OF CHEYENNE, WYOMING

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, *Continued*

Year Ended June 30, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Total Federal Expenditures
Corporation for National and Community Service:				
Corporation for National and Community Service Direct Program:				
Foster Grandparent/Senior Companion Cluster:				
AmeriCorps Seniors Foster Grandparent Program (FGP)	94.011	23SFDWY002	\$ -	\$ 248,949
Total Corporation for National and Community Service			-	248,949
U.S. Department of Homeland Security:				
U.S. Department of Homeland Security Direct Programs:				
Assistance to Firefighters Grant	97.044	EMW-2021-FG-07368	-	13,593
Assistance to Firefighters Grant	97.044	EMW-2022-FG-09039	-	363,481
Subtotal Assistance to Firefighters Grant			-	377,074
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2021-FF-01992	-	895,748
Total U.S. Department of Homeland Security Direct Programs			-	1,272,822
U.S. Department of Homeland Security Pass-Through Programs:				
Pass-through from Wyoming Office of Homeland Security:				
Building Resilient Infrastructure Grant Program	97.047	EMD-2021-BR-047	-	180,000
Building Resilient Infrastructure Grant Program	97.047	EMD-2020-BR-099	-	16,851
Subtotal Building Resilient Infrastructure Grant Program			-	196,851
Homeland Security Grant Program	97.067	EMW-2024-SS-05223	-	59,670
Homeland Security Grant Program	97.067	EMW-2023-SS-00061	-	39,579
Homeland Security Grant Program	97.067	EMW-2023-SS-00061	-	53,545
Homeland Security Grant Program	97.067	EMW-2024-SS-05223	-	44,010
Homeland Security Grant Program	97.067	EMW-2023-SS-00061	-	27,980
Homeland Security Grant Program	97.067	EMW-2022-SS-00077	-	27,560
Homeland Security Grant Program	97.067	EMW-2022-SS-00077	-	5,777
Homeland Security Grant Program	97.067	EMW-2022-SS-00077	-	24,715
Subtotal Homeland Security Grant Program			-	282,836
Total U.S. Department of Homeland Security Pass-Through Programs			-	479,687
Total U.S. Department of Homeland Security			-	1,752,509
Total expenditures of Federal awards			\$ 376,207	\$ 10,474,410

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

CITY OF CHEYENNE, WYOMING

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Summary of Significant Accounting Policies

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

Note 2. Indirect Cost Rate

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

Note 3. Basis of Presentation

The Schedule includes the Federal award activity of the City under programs of the Federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the City.



MHP Assurance Services, LLP

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cheyenne, Wyoming (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon, dated December 23, 2025. Our report includes a reference to other auditors who audited the financial statements of the Cheyenne Downtown Development Authority, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

MHP Assurance Services, LLP

Cheyenne, Wyoming
December 23, 2025



MHP Assurance Services, LLP

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Cheyenne, Wyoming's (the City) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget *Compliance Supplement* that could have a direct and material effect on each of the City's major Federal programs for the year ended June 30, 2025. The City's major Federal programs are identified in the Summary of Independent Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

MHP Assurance Services, LLP

Cheyenne, Wyoming
December 23, 2025

CITY OF CHEYENNE, WYOMING

SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2025

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major Federal programs:

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

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

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

Identification of major Federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.507, 20.526	Federal Transit Cluster
20.205	Highway Planning and Construction
97.044	Assistance to Firefighters Grant

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

Auditee qualified as low-risk auditee? Yes No

II. FINANCIAL STATEMENT FINDINGS

None.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

CITY OF CHEYENNE, WYOMING

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2025

There were no audit findings for the year ended June 30, 2024.