

CITY OF WYOMING
WYOMING, MINNESOTA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2011

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ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION

**CITY OF WYOMING
WYOMING, MINNESOTA**

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

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CITY OF WYOMING, MINNESOTA
ELECTED AND APPOINTED OFFICIALS
FOR THE YEAR ENDED DECEMBER 31, 2011

ELECTED

<u>Name</u>	<u>Title</u>
Eric Peterson	Mayor
Roger Elmore	Council Member
Joe Zerwas	Council Member
Steve Zerwas	Council Member
Linda Nanko Yeager	Council Member

APPOINTED

Craig Mattson	Administrator
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FINANCIAL SECTION
CITY OF WYOMING
WYOMING, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2011

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5201 Eden Avenue
Suite 250
Edina, MN 55436

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Wyoming, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Wyoming, Minnesota (the City), as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the City's 2010 financial statements and, in the prior audit report dated June 15, 2011, the prior auditor expressed unqualified opinions on the respective proprietary fund financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in the Note 8 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended December 31, 2011. Adoption of the provision of this statement results in significant changes to the classifications of the components of fund balances.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 15 and the Schedule of Funding Progress on page 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section and combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

June 15, 2012
Minneapolis, Minnesota

Abdo, Eick & Meyers, LLP
ABDO, EICK & MEYERS, LLP
Certified Public Accountants

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Management's Discussion and Analysis

As management of the City of Wyoming, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2011.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$30,873,752. Of this amount, \$5,660,565 may be used to meet the City's ongoing obligations to citizens and creditors and is identified as unrestricted.
- The City's total net assets decreased by \$617,999.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$3,165,970, an increase of \$383,486 in comparison with the prior year.
- At the end of the current fiscal year, unassigned and assigned fund balance for the General fund was \$188,963 and 1,009,681, or 6 percent and 33 percent, respectively.

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) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements.

**Figure 1
Required Components of the
City's Annual Financial Report**

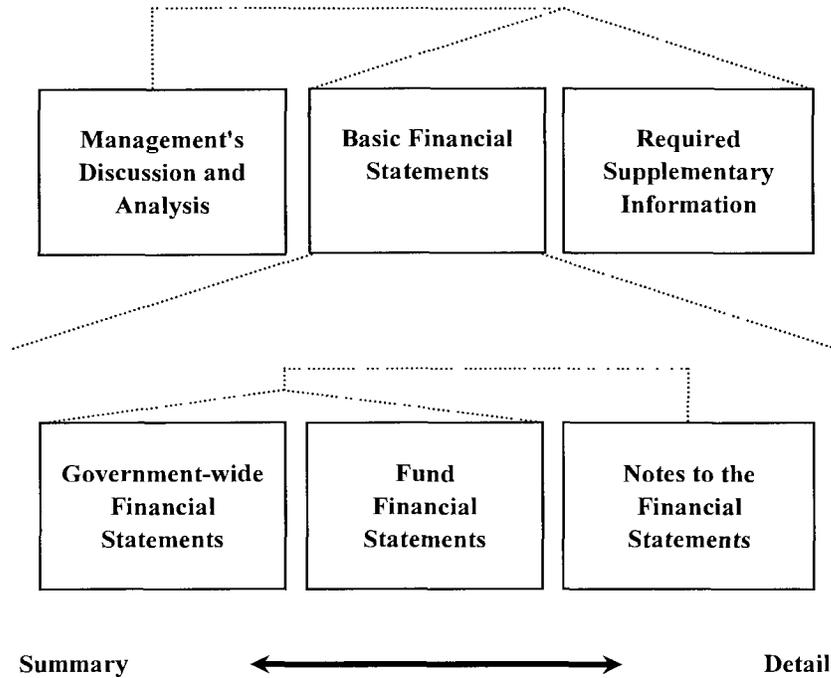


Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

Figure 2
Major features of the Government-wide and Fund Financial Statements

	Fund Financial Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the City that are not proprietary or fiduciary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> • Statement of Net Assets • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Assets • Statement of Revenues, Expenses and Changes in Fund Net Assets • Statement of Cash Flows
Accounting Basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of in flow/out flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide financial statements

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

The *statement of net assets* presents information on all of the City’s assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*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, public works, culture and recreation, economic development and interest on long-term debt. The business-type activities of the City include water, sewer and surface water utilities.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Economic Development Authority (EDA) for which the City is financially accountable. The EDA, although legally separate, functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government.

The government-wide financial statements start on page 29 of this report.

Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The 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 the fiduciary funds.

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

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

The City maintains 35 individual governmental funds, 13 of which are Debt Service funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General fund, and the Debt Service fund, both of which are considered to be major funds. Data from the other 21 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 or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 34 of this report.

Proprietary funds. The City maintains one type 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 Water, Sewer and Surface Water operations.

The Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for each of the enterprise funds which are considered to be major funds of the City.

The basic proprietary funds financial statements start on page 40 of this report.

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

The basic fiduciary funds financial statements can be found on page 48 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 49 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules start on page 80 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$30,873,752 at the close of the most recent fiscal year. Business-type activities make up approximately \$20 million of the total.

By far, the largest portion of the City's net assets, \$21,731,552, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment); less any related debt used to acquire those assets that are still outstanding. Business-type are 65 percent of the total and governmental are 35 percent. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Wyoming's Summary of Net Assets

	Governmental Activities			Business-type Activities		
	2011	2010	Increase (Decrease)	2011	2010	Increase (Decrease)
Assets						
Current and other assets	\$ 6,460,363	\$ 6,276,440	\$ 183,923	\$ 4,012,879	\$ 4,707,246	\$ (694,367)
Capital assets	10,581,659	10,908,570	(326,911)	16,182,571	16,611,058	(428,487)
Total assets	17,042,022	17,185,010	(142,988)	20,195,450	21,318,304	(1,122,854)
Liabilities						
Noncurrent liabilities						
outstanding	5,899,170	6,267,199	(368,029)	93,048	99,632	(6,584)
Other liabilities	258,738	362,226	(103,488)	112,764	282,506	(169,742)
Total liabilities	6,157,908	6,629,425	(471,517)	205,812	382,138	(176,326)
Net assets						
Invested in capital assets, net of related debt	5,548,981	5,574,496	(25,515)	16,182,571	16,611,058	(428,487)
Restricted for						
Debt service	3,049,605	2,943,358	106,247	-	-	-
Public safety expenses	8,684	-	8,684	-	-	-
Revolving loans	119,937	-	119,937	-	-	-
Tax increment financing	244,810	-	244,810	-	-	-
State aid streets	58,599	-	58,599	-	-	-
Unrestricted	1,853,498	2,037,731	(184,233)	3,807,067	4,325,108	(518,041)
Total net assets	\$ 10,884,114	\$ 10,555,585	\$ 328,529	\$ 19,989,638	\$ 20,936,166	\$ (946,528)

A portion of the City's net assets (\$3,481,635) represents resources that are subject to external restrictions on how they may be used.

Governmental activities. Governmental activities increased the City's net assets by \$328,529.

Key elements of the above increases and decreases are as follows:

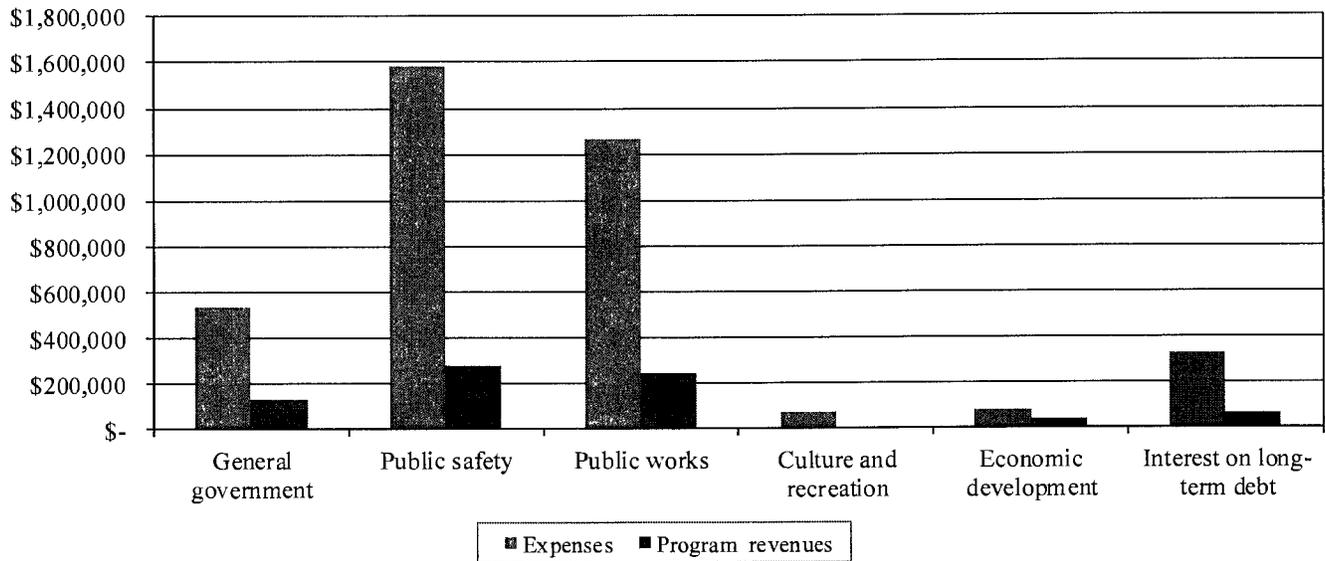
City of Wyoming's Changes in Net Assets

	Governmental Activities			Business-type Activities		
	2011	2010	Increase (Decrease)	2011	2010	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 253,313	\$ 216,812	\$ 36,501	\$ 854,133	\$ 960,184	\$ (106,051)
Operating grants and contributions	242,005	199,368	42,637	-	-	-
Capital grants and contributions	269,601	191,703	77,898	14,220	3,190	11,030
General revenues						
Property taxes/tax increments	3,330,735	3,365,741	(35,006)	-	26,910	(26,910)
Other taxes	39,609	39,731	(122)	-	-	-
Grants and contributions not restricted to specific programs	5,319	5,612	(293)	-	-	-
Unrestricted investment earnings	43,471	51,274	(7,803)	79,494	72,846	6,648
Gain on sale of capital assets	14,500	1,350	13,150	-	-	-
Total revenues	4,198,553	4,071,591	126,962	947,847	1,063,130	(115,283)
Expenses						
General government	534,021	542,185	(8,164)	-	-	-
Public safety	1,581,798	1,568,037	13,761	-	-	-
Public works	1,271,615	1,071,438	200,177	-	-	-
Culture and recreation	76,944	81,240	(4,296)	-	-	-
Economic development	77,441	125,937	(48,496)	-	-	-
Interest on long-term debt	328,205	300,761	27,444	-	-	-
Water	-	-	-	508,491	462,554	45,937
Sewer	-	-	-	1,299,975	1,116,347	183,628
Surface water	-	-	-	85,909	1,967	83,942
Total expenses	3,870,024	3,689,598	180,426	1,894,375	1,580,868	313,507
Change in net assets before transfers	328,529	381,993	(53,464)	(946,528)	(517,738)	(428,790)
Transfers - capital assets	-	(2,751,204)	2,751,204	-	2,751,204	(2,751,204)
Transfers - internal activities	-	(1,524,093)	1,524,093	-	1,524,093	(1,524,093)
Change in net assets	328,529	(3,893,304)	4,221,833	(946,528)	3,757,559	(4,704,087)
Net assets, January 1	10,555,585	14,448,889	(3,893,304)	20,936,166	17,178,607	3,757,559
Net assets, December 31	\$ 10,884,114	\$ 10,555,585	\$ 328,529	\$ 19,989,638	\$ 20,936,166	\$ (946,528)

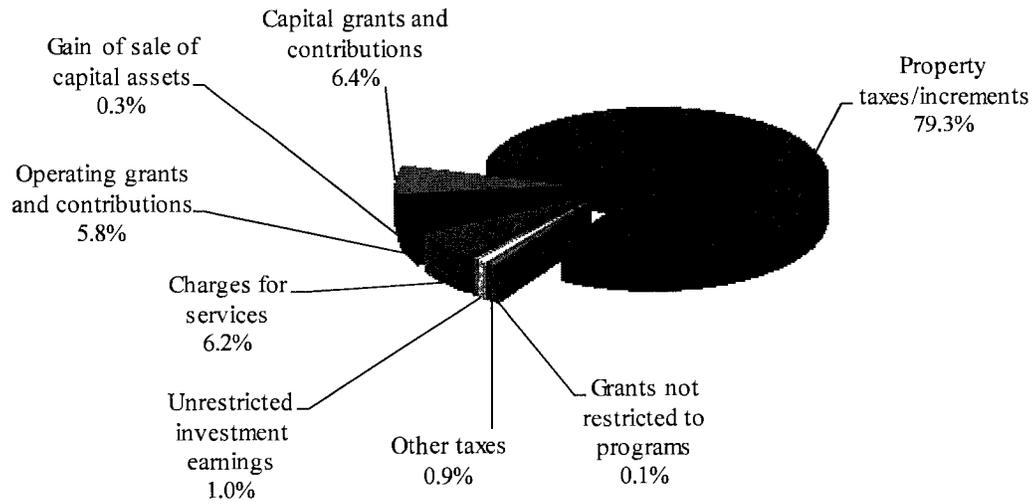
- Capital grants and contributions increased in the governmental activities by \$77,898.
- Public works expenses increased in the governmental activities by \$211,746 due to increase depreciation expense as well as additional non-capitalized street repair and maintenance.

The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities



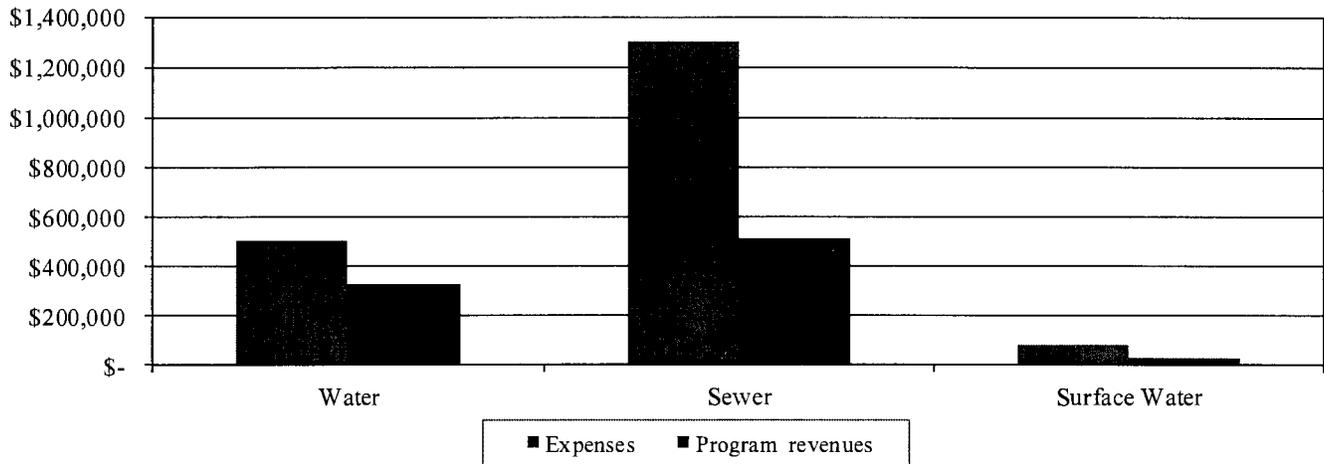
Revenues by Source - Governmental Activities



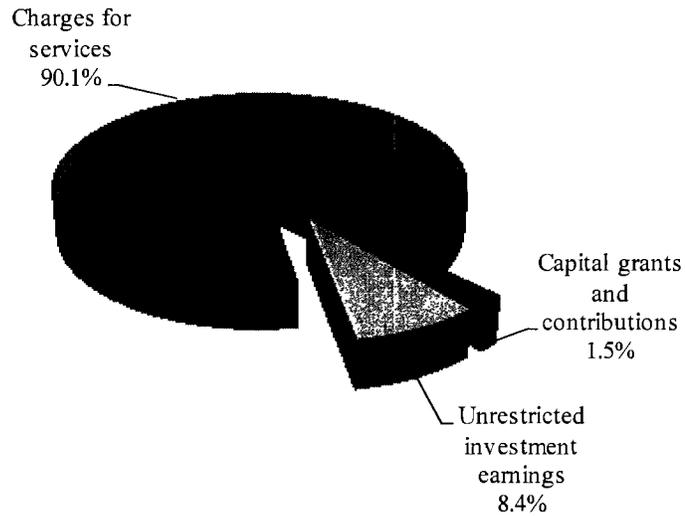
Business-type activities. Business-type activities decreased the City's net assets by \$946,528, as a result of increased expenses in the Sewer fund.

The following graph depicts various business-type activities and shows the revenue and expenses directly related to those activities.

Expenses and Program Revenues Business-type Activities



Revenues by Source Business-type Activities



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unreserved 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 \$3,165,970, an increase of \$383,486 in comparison with the prior year. Of this total amount, \$35,197, constitutes *unassigned fund deficit*, which is available for spending at the City's discretion. The remainder of fund balance of \$3,201,167 is not available for new spending because it is either 1) restricted, \$1,241,130, 2) committed, \$110,100, or 3) assigned, \$1,849,937.

The General fund is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund was \$1,198,644, of which \$1,009,681 is assigned and \$188,963 is unassigned. As a measure of the General fund's liquidity, it may be useful to compare the total fund balance to total budgeted expenditures. Total fund balance represents 36.7 percent of 2012 budgeted expenditures.

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

Unrestricted net assets of the enterprise funds at year end amounted to \$3,807,067. The total decreased in net assets for the funds was \$946,528.

General Fund Budgetary Highlights

The City's General fund budget was not amended during the year. Overall revenue was \$61,946 over budget. Intergovernmental revenue was under budget by \$116,198, while all other categories were over budget.

The City was under budget in expenditures by \$31,907. The City was under budget in all departments except for capital outlay and debt service by \$196,805, and \$6,185 respectively. Capital outlay was over budget due to purchase of plow truck financed with an interfund loan from the water and sewer funds.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets includes land, structures, improvements, machinery and equipment, park facilities, roads, highways and bridges.

City of Wyoming's Capital Assets (net of depreciation)

	Governmental Activities			Business-type Activities		
	2011	2010	Increase (Decrease)	2011	2010	Increase (Decrease)
Land	\$ 856,787	\$ 856,787	\$ -	\$ 6,284	\$ 6,284	\$ -
Buildings and structures	243,622	264,379	(20,757)	362,587	379,739	(17,152)
Machinery and equipment	1,387,203	1,309,361	77,842	84,438	66,832	17,606
Infrastructure	8,094,047	8,478,043	(383,996)	15,729,262	15,937,238	(207,976)
Construction in progress	-	-	-	-	220,965	(220,965)
Total	\$ 10,581,659	\$ 10,908,570	\$ (326,911)	\$ 16,182,571	\$ 16,611,058	\$ (428,487)

Additional information on the City's capital assets can be found in Note 3C starts on page 60 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonded, notes and capital lease debt outstanding of \$5,538,422. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

City of Wyoming's Outstanding Debt

	Governmental Activities			Business-type Activities		
	2011	2010	Increase (Decrease)	2011	2010	Increase (Decrease)
General obligation improvement bonds	\$ 4,398,000	\$ 4,621,000	\$ (223,000)	\$ -	\$ -	\$ -
G.O. capital notes	146,000	179,000	(33,000)	-	-	-
G.O. tax increment bonds	520,000	630,000	(110,000)	-	-	-
Revenue bonds	80,000	115,000	(35,000)	-	-	-
Notes payable	394,422	389,259	5,163	-	-	-
Capital leases payable	-	14,471	(14,471)	-	-	-
Other post employment benefits payable	105,029	70,337	34,692	26,258	16,878	9,380
Compensated absences	255,719	248,132	7,587	66,790	82,754	(15,964)
Total	\$ 5,899,170	\$ 6,267,199	\$ (368,029)	\$ 93,048	\$ 99,632	\$ (6,584)

The City's total long-term debt decreased \$374,613 (6 percent) during the current fiscal year.

Minnesota statutes limit the amount of net general obligation debt a City may issue to 3 percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The current debt limitation for the City is \$19,990,635. The City has \$146,000 of debt outstanding against this limit.

Additional information on the City's long-term debt can be found in Note 3E starts on page 63 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's 2012 budget increase slightly from the 2011 budget approximately 0.5 percent.
- The City created a street replacement fund to assist in financing future street construction projects.

All of these factors were considered in preparing the City's budget for the 2012 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Administrator, PO Box 188, 26885 Forest Blvd., Wyoming, Minnesota 55092.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF WYOMING
WYOMING, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2011

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CITY OF WYOMING, MINNESOTA
STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and temporary investments	\$ 3,886,253	\$ 2,803,461	\$ 6,689,714
Receivables			
Interest	9,153	-	9,153
Taxes	230,765	-	230,765
Accounts	42,428	203,860	246,288
Loans	109,756	-	109,756
Special assessments	2,772,572	140,382	2,912,954
Internal balances	(697,176)	697,176	-
Due from other governments	4,838	168,000	172,838
Deferred charges	101,774	-	101,774
Land and construction in progress	856,787	6,284	863,071
Depreciable infrastructure, buildings, property and equipment, net	<u>9,724,872</u>	<u>16,176,287</u>	<u>25,901,159</u>
TOTAL ASSETS	<u>17,042,022</u>	<u>20,195,450</u>	<u>37,237,472</u>
LIABILITIES			
Accounts payable	70,781	58,935	129,716
Due to other governments	9,491	794	10,285
Accrued interest payable	106,230	-	106,230
Accrued salaries payable	57,980	27,078	85,058
Unamortized premium on bonds	14,256	-	14,256
Unearned revenue	-	25,957	25,957
Noncurrent liabilities			
Due within one year			
Compensated absences payable	73,880	22,324	96,204
Bonds and notes payable	636,650	-	636,650
Due in more than one year			
Compensated absences payable	181,839	44,466	226,305
Other post employment benefits payable	105,029	26,258	131,287
Bonds and notes payable	<u>4,901,772</u>	<u>-</u>	<u>4,901,772</u>
TOTAL LIABILITIES	<u>6,157,908</u>	<u>205,812</u>	<u>6,363,720</u>
NET ASSETS			
Invested in capital assets, net of related debt	5,548,981	16,182,571	21,731,552
Restricted for			
Debt service	3,049,605	-	3,049,605
Public safety expenses	8,684	-	8,684
Revolving loans	119,937	-	119,937
Tax increment financing	244,810	-	244,810
State aid streets	58,599	-	58,599
Unrestricted	<u>1,853,498</u>	<u>3,807,067</u>	<u>5,660,565</u>
TOTAL NET ASSETS	<u>\$ 10,884,114</u>	<u>\$ 19,989,638</u>	<u>\$ 30,873,752</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WYOMING, MINNESOTA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 534,021	\$ 105,526	\$ 27,141	\$ -
Public safety	1,581,798	146,487	113,358	24,000
Public works	1,271,615	-	-	245,601
Culture and recreation	76,944	1,300	3,450	-
Economic development	77,441	-	35,760	-
Interest on long-term debt	328,205	-	62,296	-
Total governmental activities	<u>3,870,024</u>	<u>253,313</u>	<u>242,005</u>	<u>269,601</u>
Business-type activities				
Water	508,491	317,244	-	10,400
Sewer	1,299,975	508,546	-	3,820
Surface water	85,909	28,343	-	-
Total business-type activities	<u>1,894,375</u>	<u>854,133</u>	<u>-</u>	<u>14,220</u>
Total	<u>\$ 5,764,399</u>	<u>\$ 1,107,446</u>	<u>\$ 242,005</u>	<u>\$ 283,821</u>

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for capital improvements

Property taxes, levied for debt service

Tax increments

Franchise taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Gain on sale of capital assets

Total general revenues and transfers

Change in net assets

Net assets - January 1

Net assets - December 31

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (401,354)	\$ -	\$ (401,354)
(1,297,953)	-	(1,297,953)
(1,026,014)	-	(1,026,014)
(72,194)	-	(72,194)
(41,681)	-	(41,681)
<u>(265,909)</u>	<u>-</u>	<u>(265,909)</u>
<u>(3,105,105)</u>	<u>-</u>	<u>(3,105,105)</u>
-	(180,847)	(180,847)
-	(787,609)	(787,609)
-	<u>(57,566)</u>	<u>(57,566)</u>
-	<u>(1,026,022)</u>	<u>(1,026,022)</u>
<u>(3,105,105)</u>	<u>(1,026,022)</u>	<u>(4,131,127)</u>
2,532,295	-	2,532,295
381,034	-	381,034
258,520	-	258,520
158,886	-	158,886
39,609	-	39,609
5,319	-	5,319
43,471	79,494	122,965
<u>14,500</u>	<u>-</u>	<u>14,500</u>
<u>3,433,634</u>	<u>79,494</u>	<u>3,513,128</u>
328,529	(946,528)	(617,999)
<u>10,555,585</u>	<u>20,936,166</u>	<u>31,491,751</u>
<u>\$ 10,884,114</u>	<u>\$ 19,989,638</u>	<u>\$ 30,873,752</u>

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FUND FINANCIAL STATEMENTS

CITY OF WYOMING
WYOMING, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2011

CITY OF WYOMING, MINNESOTA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	General	Debt Service	Other Governmental Funds	Total
ASSETS				
Cash and temporary investments	\$ 1,911,931	\$ 937,499	\$ 1,036,823	\$ 3,886,253
Receivables				
Interest	9,153	-	-	9,153
Taxes	199,677	7,754	23,334	230,765
Accounts	40,045	2,000	383	42,428
Special assessments	19,122	2,745,089	8,361	2,772,572
Loans	-	-	109,756	109,756
Due from other governments	1,538	-	3,300	4,838
TOTAL ASSETS	<u>\$ 2,181,466</u>	<u>\$ 3,692,342</u>	<u>\$ 1,181,957</u>	<u>\$ 7,055,765</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 52,867	\$ 16,507	\$ 1,407	\$ 70,781
Due to other governments	9,491	-	-	9,491
Advance from other funds	697,176	-	-	697,176
Accrued salaries payable	57,980	-	-	57,980
Deferred revenue	165,308	2,748,504	140,555	3,054,367
TOTAL LIABILITIES	<u>982,822</u>	<u>2,765,011</u>	<u>141,962</u>	<u>3,889,795</u>
FUND BALANCES				
Restricted	-	927,331	313,799	1,241,130
Committed	-	-	110,100	110,100
Assigned	1,009,681	-	840,256	1,849,937
Unassigned	188,963	-	(224,160)	(35,197)
TOTAL FUND BALANCES	<u>1,198,644</u>	<u>927,331</u>	<u>1,039,995</u>	<u>3,165,970</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,181,466</u>	<u>\$ 3,692,342</u>	<u>\$ 1,181,957</u>	<u>\$ 7,055,765</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WYOMING, MINNESOTA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

Total fund balances - governmental	\$ 3,165,970
Amounts reported for the governmental activities in the statement of net assets are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	17,929,525
Less accumulated depreciation	(7,347,866)
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Noncurrent liabilities at year-end consist of	
Compensated absences payable	(255,719)
Other post employment severance payable	(105,029)
Bond premium	(14,256)
Bonds payable	(5,538,422)
Governmental funds report issuance costs as an operating expenditures at the time of issuance. Issuance costs are reported as an unamortized asset in the government-wide financial statements.	
	101,774
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	
Special assessments	2,749,111
Delinquent taxes	195,500
Other	109,756
Governmental funds do not report a liability for accrued interest until due and payable.	
	<u>(106,230)</u>
Total net assets - governmental activities	<u>\$ 10,884,114</u>

The notes to the financial statements are an integral part of this statement.

CITY OF WYOMING, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	General	Debt Service	Other Governmental Funds	Total
REVENUES				
Taxes	\$ 2,962,328	\$ 273,798	\$ 96,043	\$ 3,332,169
Licenses and permits	97,950	-	-	97,950
Intergovernmental	111,535	62,296	84,403	258,234
Charges for services	67,879	-	24,390	92,269
Fines and forfeitures	59,455	-	-	59,455
Special assessments	-	244,168	6,827	250,995
Interest on investments	22,998	9,655	10,818	43,471
Miscellaneous	42,342	-	76,361	118,703
TOTAL REVENUES	3,364,487	589,917	298,842	4,253,246
EXPENDITURES				
Current				
General government	529,039	-	2,000	531,039
Public safety	1,368,234	-	17,380	1,385,614
Public works	609,188	-	-	609,188
Culture and recreation	38,699	-	8,858	47,557
Economic development	-	16,507	60,934	77,441
Capital outlay	451,159	-	70,631	521,790
Debt service				
Principal	47,471	368,000	-	415,471
Interest and other	43,714	248,743	30,067	322,524
TOTAL EXPENDITURES	3,087,504	633,250	189,870	3,910,624
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	276,983	(43,333)	108,972	342,622
OTHER FINANCING SOURCES (USES)				
Transfers in	10,670	126,065	628,471	765,206
Gain on sale of capital assets	29,851	-	11,013	40,864
Transfers out	(654,019)	-	(111,187)	(765,206)
TOTAL OTHER FINANCING SOURCES (USES)	(613,498)	126,065	528,297	40,864
NET CHANGE IN FUND BALANCES	(336,515)	82,732	637,269	383,486
FUND BALANCES, JANUARY 1	1,535,159	844,599	402,726	2,782,484
FUND BALANCES, DECEMBER 31	\$ 1,198,644	\$ 927,331	\$ 1,039,995	\$ 3,165,970

The notes to the financial statements are an integral part of this statement.

CITY OF WYOMING, MINNESOTA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Net change in fund balances - governmental funds \$ 383,486

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital outlays	274,907
Depreciation expense	(600,161)
Loss on sale of capital asset	(1,657)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Principal repayments	415,471
Refinancing adjustment to principal	(5,163)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however interest expense is recognized as the interest accrues, regardless of when it is due.

8,429

Governmental funds report debt issuance premiums and discounts as an other financing source or use at the time of issuance. Premiums and discounts are reported as an unamortized asset or liability in the government-wide financial statements and amortized for the life of bond.

(8,947)

Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting, certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.

Special assessments	(104,895)
Loan repayments	(28,584)
Property taxes	37,922

Some expenses 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.

Compensated absences	(7,587)
Other post employment benefits	<u>(34,692)</u>

Change in net assets - governmental activities \$ 328,529

The notes to the financial statements are an integral part of this statement.

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CITY OF WYOMING, MINNESOTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,944,966	\$ 2,944,966	\$ 2,962,328	\$ 17,362
Licenses and permits	20,100	20,100	97,950	77,850
Intergovernmental	227,733	227,733	111,535	(116,198)
Charges for services	20,500	20,500	67,879	47,379
Fines and forfeitures	51,100	51,100	59,455	8,355
Interest on investments	15,142	15,142	22,998	7,856
Miscellaneous	23,000	23,000	42,342	19,342
TOTAL REVENUES	3,302,541	3,302,541	3,364,487	61,946
EXPENDITURES				
Current				
General government	592,897	592,897	529,039	63,858
Public safety	1,396,193	1,396,193	1,368,234	27,959
Public works	623,282	623,282	609,188	14,094
Culture and recreation	49,000	49,000	38,699	10,301
Miscellaneous	54,871	54,871	-	54,871
Capital outlay	254,354	254,354	451,159	(196,805)
Debt service	85,000	85,000	91,185	(6,185)
TOTAL EXPENDITURES	3,055,597	3,055,597	3,087,504	(31,907)
EXCESS OF REVENUES OVER EXPENDITURES	246,944	246,944	276,983	30,039
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	10,670	10,670
Gain on sale of capital assets	-	-	29,851	29,851
Transfers out	(186,065)	(186,065)	(654,019)	(467,954)
TOTAL OTHER FINANCING SOURCES (USES)	(186,065)	(186,065)	(613,498)	(427,433)
NET CHANGE IN FUND BALANCES	60,879	60,879	(336,515)	(397,394)
FUND BALANCES, JANUARY 1	1,535,159	1,535,159	1,535,159	-
FUND BALANCES, DECEMBER 31	\$ 1,596,038	\$ 1,596,038	\$ 1,198,644	\$ (397,394)

The notes to the financial statements are an integral part of this statement.

CITY OF WYOMING, MINNESOTA
STATEMENTS OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011 AND 2010

	Business-type Activities - Enterprise Funds			
	601		602	
	Water		Sewer	
	2011	2010	2011	2010
ASSETS				
CURRENT ASSETS				
Cash and temporary investments	\$ 263,821	\$ 498,153	\$ 2,332,787	\$ 2,756,702
Receivables				
Accounts	65,035	70,980	131,272	128,191
Special assessments	15,337	14,165	2,295	1,338
Due from other governments	-	-	168,000	262,812
Advance to other funds - current	43,893	31,397	43,893	31,397
TOTAL CURRENT ASSETS	388,086	614,695	2,678,247	3,180,440
NONCURRENT ASSETS				
Special assessments - noncurrent	-	-	122,750	143,947
Advance to other funds - noncurrent	304,695	263,588	304,695	263,588
Capital assets				
Land	6,284	6,284	-	-
Buildings	845,950	845,950	-	-
Machinery and equipment	50,055	50,055	126,777	98,275
Infrastructure	6,913,448	6,686,469	13,980,024	13,931,324
Construction work in process	-	220,965	-	-
Total capital assets	7,815,737	7,809,723	14,106,801	14,029,599
Less accumulated depreciation	(2,798,212)	(2,616,259)	(3,674,482)	(3,370,042)
Net capital assets	5,017,525	5,193,464	10,432,319	10,659,557
TOTAL NONCURRENT ASSETS	5,322,220	5,457,052	10,859,764	11,067,092
TOTAL ASSETS	5,710,306	6,071,747	13,538,011	14,247,532
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	16,353	207,870	42,023	9,862
Due to other governments	794	4,552	-	-
Accrued salaries payable	13,539	4,175	13,539	4,175
Unearned revenue	3,894	18,236	7,787	21,552
Current portion of compensated absences payable	11,162	9,057	11,162	9,057
TOTAL CURRENT LIABILITIES	45,742	243,890	74,511	44,646
NONCURRENT LIABILITIES				
Compensated absences, less current portion above	22,233	32,320	22,233	32,320
Other post employment benefits	13,129	8,502	13,129	8,376
TOTAL NONCURRENT LIABILITIES	35,362	40,822	35,362	40,696
TOTAL LIABILITIES	81,104	284,712	109,873	85,342
NET ASSETS				
Invested in capital assets, net of related debt	5,017,525	5,193,464	10,432,319	10,659,557
Unrestricted	611,677	593,571	2,995,819	3,502,633
TOTAL NET ASSETS	\$ 5,629,202	\$ 5,787,035	\$ 13,428,138	\$ 14,162,190

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds

610			
Surface Water		Totals	
2011	2010	2011	2010
\$ 206,853	\$ 232,235	\$ 2,803,461	\$ 3,487,090
7,553	8,753	203,860	207,924
-	-	17,632	15,503
-	-	168,000	262,812
-	-	87,786	62,794
<u>214,406</u>	<u>240,988</u>	<u>3,280,739</u>	<u>4,036,123</u>
-	-	122,750	143,947
-	-	<u>609,390</u>	<u>527,176</u>
-	-	6,284	6,284
-	-	845,950	845,950
-	-	176,832	148,330
767,994	759,294	21,661,466	21,377,087
-	-	-	220,965
<u>767,994</u>	<u>759,294</u>	<u>22,690,532</u>	<u>22,598,616</u>
<u>(35,267)</u>	<u>(1,257)</u>	<u>(6,507,961)</u>	<u>(5,987,558)</u>
<u>732,727</u>	<u>758,037</u>	<u>16,182,571</u>	<u>16,611,058</u>
<u>732,727</u>	<u>758,037</u>	<u>16,914,711</u>	<u>17,282,181</u>
<u>947,133</u>	<u>999,025</u>	<u>20,195,450</u>	<u>21,318,304</u>
559	10,426	58,935	228,158
-	-	794	4,552
-	-	27,078	8,350
14,276	1,658	25,957	41,446
-	-	22,324	18,114
<u>14,835</u>	<u>12,084</u>	<u>135,088</u>	<u>300,620</u>
-	-	44,466	64,640
-	-	26,258	16,878
-	-	70,724	81,518
<u>14,835</u>	<u>12,084</u>	<u>205,812</u>	<u>382,138</u>
732,727	758,037	16,182,571	16,611,058
199,571	228,904	3,807,067	4,325,108
<u>\$ 932,298</u>	<u>\$ 986,941</u>	<u>\$ 19,989,638</u>	<u>\$ 20,936,166</u>

CITY OF WYOMING, MINNESOTA
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 PROPRIETARY FUNDS
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Business-type Activities - Enterprise Funds			
	601 Water		602 Sewer	
	2011	2010	2011	2010
OPERATING REVENUES				
Charges for services	\$ 317,051	\$ 308,882	\$ 483,600	\$ 462,587
OPERATING EXPENSES				
Personal services	177,862	185,091	177,991	179,173
Supplies	44,330	36,430	122,107	14,550
Repairs and maintenance	14,563	24,783	31,522	24,834
Other services and charges	59,397	29,570	355,793	41,000
Utilities	30,386	26,326	308,122	314,756
Depreciation	181,953	160,194	304,440	256,409
TOTAL OPERATING EXPENSES	508,491	462,394	1,299,975	830,722
OPERATING INCOME (LOSS)	(191,440)	(153,512)	(816,375)	(368,135)
NONOPERATING REVENUES (EXPENSES)				
Special assessments	-	-	24,914	154,505
Connection charges	10,400	3,190	3,820	3,710
Intergovernmental revenue	-	-	-	224,000
Interest income	23,014	13,395	53,557	42,132
Miscellaneous income	193	-	32	-
Interest expense	-	(160)	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	33,607	16,425	82,323	424,347
INCOME (LOSS) BEFORE TRANSFERS	(157,833)	(137,087)	(734,052)	56,212
TRANSFERS AND CONTRIBUTIONS				
Capital contributions from governmental funds	-	616,196	-	1,472,354
Transfers in	-	-	-	2,201,499
TOTAL TRANSFERS AND CONTRIBUTIONS	-	616,196	-	3,673,853
CHANGE IN NET ASSETS	(157,833)	479,109	(734,052)	3,730,065
NET ASSETS, JANUARY 1	5,787,035	5,307,926	14,162,190	10,432,125
NET ASSETS, DECEMBER 31	\$ 5,629,202	\$ 5,787,035	\$ 13,428,138	\$ 14,162,190

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds

610			
Surface Water		Totals	
2011	2010	2011	2010
\$ 28,343	\$ 30,500	\$ 828,994	\$ 801,969
-	-	355,853	364,264
-	-	166,437	50,980
-	-	46,085	49,617
51,899	1,172	467,089	71,742
-	-	338,508	341,082
34,010	795	520,403	417,398
85,909	1,967	1,894,375	1,295,083
(57,566)	28,533	(1,065,381)	(493,114)
-	-	24,914	154,505
-	-	14,220	6,900
-	-	-	224,000
2,923	4,840	79,494	60,367
-	-	225	-
-	-	-	(160)
2,923	4,840	118,853	445,612
(54,643)	33,373	(946,528)	(47,502)
-	662,654	-	2,751,204
-	-	-	2,201,499
-	662,654	-	4,952,703
(54,643)	696,027	(946,528)	4,905,201
986,941	290,914	20,936,166	16,030,965
<u>\$ 932,298</u>	<u>\$ 986,941</u>	<u>\$ 19,989,638</u>	<u>\$ 20,936,166</u>

CITY OF WYOMING, MINNESOTA
STATEMENTS OF CASH FLOWS - CONTINUED ON THE FOLLOWING PAGES
PROPRIETARY FUNDS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Business-type Activities - Enterprise Funds			
	601 Water		602 Sewer	
	2011	2010	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 307,675	\$ 319,652	\$ 478,413	\$ 454,894
Payments to suppliers	(154,696)	(113,919)	(785,383)	(438,693)
Payments to employees	(171,853)	(163,256)	(171,856)	(157,342)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(18,874)</u>	<u>42,477</u>	<u>(478,826)</u>	<u>(141,141)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	-	-	2,162,687
Receipt on advance to other funds	31,397	11,509	31,397	11,509
Advance to other funds	(85,000)	(242,896)	(85,000)	(242,896)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(53,603)</u>	<u>(231,387)</u>	<u>(53,603)</u>	<u>1,931,300</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Connection charges	10,400	3,190	3,820	3,710
Amount received from other governments for capital	-	-	94,812	-
Special assessments received	-	-	33,527	-
Acquisition and construction of capital assets	(6,014)	(41,955)	(77,202)	(5,069)
Payment on short-term account used to finance the purchase of capital assets	(189,255)	-	-	-
Principal paid on long-term debt	-	(35,000)	-	-
Interest paid on long-term debt	-	(963)	-	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(184,869)</u>	<u>(74,728)</u>	<u>54,957</u>	<u>(1,359)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	<u>23,014</u>	<u>13,395</u>	<u>53,557</u>	<u>42,132</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(234,332)	(250,243)	(423,915)	1,830,932
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>498,153</u>	<u>748,396</u>	<u>2,756,702</u>	<u>925,770</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 263,821</u>	<u>\$ 498,153</u>	<u>\$ 2,332,787</u>	<u>\$ 2,756,702</u>

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds

610			
Surface Water		Totals	
2011	2010	2011	2010
\$ 42,161	\$ 29,015	\$ 828,249	\$ 803,561
(52,513)	(191)	(992,592)	(552,803)
-	-	(343,709)	(320,598)
(10,352)	28,824	(508,052)	(69,840)
-	-	-	2,162,687
-	-	62,794	23,018
-	-	(170,000)	(485,792)
-	-	(107,206)	1,699,913
-	-	14,220	6,900
-	-	94,812	-
-	-	33,527	-
(8,700)	(63,576)	(91,916)	(110,600)
(9,253)	-	(198,508)	-
-	-	-	(35,000)
-	-	-	(963)
(17,953)	(63,576)	(147,865)	(139,663)
2,923	4,840	79,494	60,367
(25,382)	(29,912)	(683,629)	1,550,777
232,235	262,147	3,487,090	1,936,313
<u>\$ 206,853</u>	<u>\$ 232,235</u>	<u>\$ 2,803,461</u>	<u>\$ 3,487,090</u>

CITY OF WYOMING, MINNESOTA
 STATEMENTS OF CASH FLOWS - CONTINUED
 PROPRIETARY FUNDS
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Business-type Activities - Enterprise Funds			
	601 Water		602 Sewer	
	2011	2010	2011	2010
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (191,440)	\$ (153,512)	\$ (816,375)	\$ (368,135)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Other income related to operations	193	-	32	-
Depreciation	181,953	160,194	304,440	256,409
(Increase) decrease in assets				
Accounts receivable	5,945	12,923	(3,081)	(28,935)
Special assessments receivable	(1,172)	4,189	11,627	28,766
Increase (decrease) in liabilities				
Accounts payable	(2,262)	47	32,161	(8,648)
Due to other governments	(3,758)	3,143	-	(34,905)
Accrued salaries and compensated absences payable	1,382	17,743	1,382	17,743
Unearned revenue	(14,342)	(6,342)	(13,765)	(7,524)
Other post employment benefits payable	4,627	4,092	4,753	4,088
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (18,874)</u>	<u>\$ 42,477</u>	<u>\$ (478,826)</u>	<u>\$ (141,141)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets contributed from other funds	\$ -	\$ 616,196	\$ -	\$ 1,472,354
Capital assets purchased on account	-	189,255	-	-
Recognition of deferred revenue transferred from governmental funds				
Due from other governments	-	-	-	224,000
Special assessments	-	-	-	154,505
Receivable acquired through transfers from governmental fur	-	-	-	38,812

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds

610			
Surface Water		Totals	
2011	2010	2011	2010
\$ (57,566)	\$ 28,533	\$ (1,065,381)	\$ (493,114)
-	-	225	-
34,010	795	520,403	417,398
1,200	(818)	4,064	(16,830)
-	-	10,455	32,955
(614)	981	29,285	(7,620)
-	-	(3,758)	(31,762)
-	-	2,764	35,486
12,618	(667)	(15,489)	(14,533)
-	-	9,380	8,180
<u>\$ (10,352)</u>	<u>\$ 28,824</u>	<u>\$ (508,052)</u>	<u>\$ (69,840)</u>
\$ -	\$ 662,654	\$ -	\$ 2,751,204
-	9,253	-	198,508
-	-	-	224,000
-	-	-	154,505
-	-	-	38,812

CITY OF WYOMING, MINNESOTA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
DECEMBER 31, 2011

	<u>Escrow Agency</u>
ASSETS	
Cash and temporary investments	\$ 82,445
Accounts receivable	<u>72,912</u>
 TOTAL ASSETS	 <u><u>\$ 155,357</u></u>
LIABILITIES	
Accounts payable	<u><u>\$ 155,357</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City of Wyoming, Minnesota (the City) operates under the "Optional Plan A" form of government as defined by Minnesota statutes. Under this plan, the government of the City is directed by a Council composed of an elected Mayor and four elected Council members. The Council exercises legislative authority and determines all matters of policy. The Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Blended component units, although legally separate entities are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. The City has the following component unit.

Blended Component Unit. The Economic Development Authority (EDA) was created pursuant to Minnesota statutes 469.090 through 469.108 to carry out economic and industrial development and redevelopment within the City in accordance with policies established by the Council. The seven member board of commissioners consists of two Council members and five members appointed by Council. The EDA may not exercise any of the powers enumerated by the authorizing Minnesota statutes without prior approval of the Council. The operations of the EDA are blended and reported in a separate special revenue fund.

B. Government-wide and fund financial statements

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

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

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

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

C. Measurement focus, basis of accounting and basis of presentation

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, entitlement and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, *matching requirements*, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as deferred revenue. On the modified accrual basis, receivables that will not be collected within the available period have also been reported as deferred revenue in the fund financial statements.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The City reports major governmental funds that are calculated based on these criteria:

- 1) Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total (that is, total governmental or total enterprise funds),

and
- 2) Total assets, liabilities, revenues or expenditures/expenses of that individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The following major governmental funds meet the criteria described above:

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

The *Debt Service fund* accounts for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the City is obligated in some manner for the payment.

The City reports the following major proprietary funds:

The *Water fund* accounts for costs associated with the City's water distribution system and ensure user charges are sufficient to pay for those costs.

The *Sewer fund* accounts for costs associated with the City's sewer collection system and ensure that user charges are sufficient to pay for those costs.

The *Surface Water fund* accounts for the costs associated with the City's surface water system, which are financed by the surface water surcharge and ensure that user charges are sufficient to pay for those costs.

Additionally, the City reports the following fund types:

The *Fiduciary fund* accounts for assets held by the City in a trustee capacity or as an agent on behalf of others.

The *Agency fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. This fund is used to account for assets that the City holds for others in an agency capacity.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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

As a general rule the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are various charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported 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 contribution, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *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 City's enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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 City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, liabilities and net assets or equity

Deposits and investments

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

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

The City may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a State or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
6. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
7. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
8. Guaranteed investment contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Investments for the City are reported at fair value. The City has not formally adopted an investment policy.

Property taxes

The Council annually adopts a tax levy and certifies it to the County in December for collection the following year. The County is responsible for collecting all property taxes for the City. These taxes attach an enforceable lien on taxable property within the City on January 1 and are payable by the property owners in two installments. The taxes are collected by the County Treasurer and tax settlements are made to the City during January, June and November each year.

Taxes payable on homestead property, as defined by Minnesota statutes, are partially reduced by a market value credit aid. The credit is paid to the City by the State of Minnesota in lieu of taxes levied against the homestead property. The State remits this credit in two equal installments in October and December each year.

Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred revenue liability for delinquent taxes not received within 60 days after year end in the fund financial statements.

Accounts receivable

Accounts receivable include amounts billed for services provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2011. There has been no allowance for doubtful accounts established.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Special assessments

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivables upon certification to the County. Special assessments are recognized as revenue when they are annually certified to the County or received in cash or within 60 days after year end. All governmental special assessments receivable are offset by a deferred revenue liability in the fund financial statements.

Interfund receivables and payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Capital assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements.

In the case of initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include items dating back to June 30, 1980. The City was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations the City values these capital assets at the estimated fair value of the item at the date of its donation.

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

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives Years
Buildings and structures	10 to 50
Infrastructure	20 to 50
Machinery and equipment	3 to 20
Other assets	3 to 15

Compensated absences

It is the City's policy to permit employees to accumulate a limited amount earned but unused vacation and sick leave which is paid to the employee upon separation. All vacation and a limited amount of earned but unused sick pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In the governmental funds, compensated absences are generally liquidated by the General fund.

Other Postemployment Benefits (OPEB) obligation

Under Minnesota statute 471.61, subdivision 2b., public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees may obtain dependent coverage immediately before retirement. All premiums are funded on a pay-as-you-go basis. The liability was determined, in accordance with GASB Statement 45, at December 31, 2008.

Long-term obligations

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

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

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Fund balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by State statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council (the Council), which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Council modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Council itself or by an official to which the governing body delegates the authority. The Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the City Administrator.

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Net assets

Net assets represent the difference between assets and liabilities. Net assets are displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net assets - Consist of net assets restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

Comparative data/reclassifications

Comparative total data for the prior year have been presented in the selected sections of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund. All annual appropriations lapse at year end. The City does not use encumbrance accounting.

In August of each year, all departments of the City submit requests for appropriations to the City Administrator so that a budget may be prepared. Before September 15, the proposed budget is presented to the Council for review. The Council holds public hearings and a final budget is prepared and adopted in early December.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Administrator. The legal level of budgetary control is the department level. Budgeted amounts are as originally adopted.

Note 3: DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the City's deposits and investments may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Council, the City maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any State or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any State or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any Federal agency.

Minnesota statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the government entity.

At year end, the City's carrying amount of deposits was \$5,350,259 and the bank balance was \$5,365,735. The bank balance was covered by Federal depository insurance totaling \$250,694 and \$4,912,083 covered by collateral held by the City's agent in the City's name. The City had \$202,958 uncollateralized at year end.

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Investments

At year end, the City's investment balances were as follows:

<u>Investment Type</u>	<u>Credit Quality/ Rating (1)</u>	<u>Segmented Time Distribution (2)</u>	<u>Fair Value and Carrying Amount</u>
Government agencies	AAA	1 - 3 years	\$ 78,926
Government agencies	AAA	> 3 years	296,257
Mortgage backed securities	AAA	> 3 years	411,385
Broker certificates of deposits	N/A	< 6 year	218,095
	N/A	1 - 3 years	197,180
	N/A	> 3 years	106,300
Broker Money Market	N/A	N/A	<u>111,852</u>
Total investments			<u>\$ 1,419,994</u>

1 Ratings are provided by various credit agencies where applicable to indicate associated credit risk.

2 Interest Rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

The investments of the City are subject to the following risks:

- *Credit Risk.* This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list on page 53 of the notes.
- *Custodial Credit Risk.* This is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial credit risk but typically limits its exposure by purchasing insured or registered investments.
- *Interest Rate Risk.* This is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages its exposure to declines in fair values by disallowing purchases of investments that, at the time of investment, cannot be held to maturity. The City will also not invest in securities, other than money-market funds, without a fixed maturity date and fixed interest or discount rate. The City's investment policy does not allow for investment in securities maturing more than five years from the date of purchase. No more than 50 percent of the dollar value of the City's investments will mature more than two years from the date of purchase.
- *Concentration of Credit Risk.* This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's investment policy does not address concentration of credit risk, placing no limit on the amount that may be invested in any one issuer. The City has invested more than 5 percent (\$524,688) of investments in Federal Home Loan Bank System. The City's remaining investments are exempt from consideration of concentration of credit risk.

A reconciliation of cash and temporary investments as shown on the statement of net assets and the statement of fiduciary net assets for the City follows:

Carrying amount of deposits	\$ 5,350,260
Investments	<u>1,419,994</u>
Total	<u><u>\$ 6,770,254</u></u>
Cash and temporary investments	
Government-wide	
Cash and temporary investments	\$ 6,689,714
Agency funds	<u>80,540</u>
Total	<u><u>\$ 6,770,254</u></u>

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

B. Deferred revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. As of December 31, 2011, the various components of deferred revenue reported in the governmental funds were as follows:

Fund	Unavailable
General	
Taxes	\$ 165,308
Debt Service	
Special assessments	2,740,750
Nonmajor governmental	
Taxes	30,192
Special assessments	8,361
Other	109,756
Total	\$ 3,054,367

C. Capital assets

Capital asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 856,787	\$ -	\$ -	\$ 856,787
Capital assets being depreciated				
Buildings and structures	567,756	-	-	567,756
Machinery and equipment	3,411,503	274,907	(256,845)	3,429,565
Infrastructure	13,075,417	-	-	13,075,417
Total capital assets being depreciated	17,054,676	274,907	(256,845)	17,072,738
Less accumulated depreciation for				
Buildings and structures	(303,377)	(20,758)	-	(324,135)
Machinery and equipment	(2,102,142)	(195,408)	255,188	(2,042,362)
Infrastructure	(4,597,374)	(383,995)	-	(4,981,369)
Total accumulated depreciation	(7,002,893)	(600,161)	255,188	(7,347,866)
Total capital assets being depreciated, net	10,051,783	(325,254)	(1,657)	9,724,872
Governmental activities capital assets, net	\$ 10,908,570	\$ (325,254)	\$ (1,657)	\$ 10,581,659

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 6,284	\$ -	\$ -	\$ 6,284
Construction in progress	220,965	6,013	(226,978)	-
Total capital assets not being depreciated	227,249	6,013	(226,978)	6,284
Capital assets being depreciated				
Buildings and structures	845,950	-	-	845,950
Machinery and equipment	148,330	28,502	-	176,832
Infrastructure	21,377,087	284,379	-	21,661,466
Total capital assets being depreciated	22,371,367	312,881	-	22,684,248
Less accumulated depreciation for				
Buildings and structures	(466,211)	(17,152)	-	(483,363)
Machinery and equipment	(81,498)	(10,896)	-	(92,394)
Infrastructure	(5,439,849)	(492,355)	-	(5,932,204)
Total accumulated depreciation	(5,987,558)	(520,403)	-	(6,507,961)
Total capital assets being depreciated, net	16,383,809	(207,522)	-	16,176,287
Business-type activities capital assets, net	\$ 16,611,058	\$ (201,509)	\$ (226,978)	\$ 16,182,571

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

Governmental activities	
General government	\$ 12,191
Public safety	126,234
Public works	432,349
Culture and recreation	29,387
Total depreciation expense - governmental activities	\$ 600,161
Business-type activities	
Water	\$ 181,953
Sewer	304,440
Surface Water	34,010
Total depreciation expense - business-type activities	\$ 520,403

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

D. Interfund receivables, payables and transfers

During 2007, the Sewer and Water funds advanced \$170,000 equally to the General fund to purchase snow removal equipment. The interfund loans are scheduled to be repaid over seven years at an annual rate of 5 percent. The balance outstanding at December 31, 2011 totals of \$80,008.

During 2010, the Sewer and Water funds advanced \$485,792 equally to the General fund to purchase a fire truck. The interfund loans are scheduled to be repaid over ten years at an annual rate of 5 percent. The balance outstanding at December 31, 2011 totals of \$447,168.

During 2011, the Sewer and Water funds advanced \$170,000 equally to the General fund to purchase snow removal equipment. The interfund loans are scheduled to be repaid over seven years at an annual rate of 3.5 percent. The balance outstanding at December 31, 2011 totals of \$170,000.

The composition of interfund transfers for the year ended December 31, 2011 is as follows:

	Transfers in			Total
	General fund	Debt Service fund	Nonmajor Governmental funds	
Transfers out				
General fund	\$ -	\$ 126,065	\$ 527,954	\$ 654,019
Nonmajor Governmental funds	10,670	-	100,517	111,187
Total	\$ 10,670	\$ 126,065	\$ 628,471	\$ 765,206

- The General fund transferred \$40,554 to the City wide Celebration fund to close the fund, and a budgeted \$126,065 to the Debt Service fund.
- The Revolving fund transferred \$76,499 into the EDA to close the revolving fund.
- The Police and Impound fund transferred \$11,418 into Police and Public Works Remodel to the fund.
- The Police Forfeiture fund transferred \$15,972 into the General fund to purchase seven new Touch book computers for squad cars.
- The City closed the Emergency Management and transferred remaining resources to the General fund totaling \$7,298.

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

E. Long-term debt

General obligation (G.O.) bonds

The City issues G.O. bonds to provide funds for the acquisition and construction of major capital facilities. G.O. bonds have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, bonds have been issued to refund general obligation bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the City.

G.O improvement bonds

The following bonds were issued to finance various improvements and will be repaid from special assessments levied on the properties benefiting from the improvements and ad valorem tax levies. All special assessment debt is backed by the full faith and credit of the City. Each year the combined assessment and tax levy equals 105 percent of the amount required for debt service. The excess of 5 percent is to cover any delinquencies in tax or assessment payments.

General obligation improvement bonds currently outstanding are as follows:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Bonds, Series 1999C	\$ 300,000	5.20 - 5.50%	09/01/00	02/01/15	\$ 105,000
G.O. Improvement Bonds, Series 2001A	420,000	4.75	10/01/01	02/01/12	40,000
G.O. Improvement Bonds, Series 2004A	175,000	3.80 - 4.10	11/09/04	02/01/15	80,000
G.O. Improvement Bonds, Series 2006A	200,000	3.70 - 4.05	11/13/06	02/01/17	130,000
G.O. Improvement Bonds, Series 2007A	246,000	3.95	10/22/07	02/01/18	183,000
G.O. Improvement Bonds, Series 2009A	3,955,000	2.00 - 5.50	09/15/09	02/01/25	<u>3,860,000</u>
Total General Obligation Bonds					<u>\$ 4,398,000</u>

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Requirement to maturity for general obligation bonds follows:

<u>Year Ending December 31,</u>	General Obligation Bonds Governmental Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 318,000	\$ 195,067	\$ 513,067
2013	330,000	184,446	514,446
2014	335,000	172,856	507,856
2015	346,000	160,004	506,004
2016	297,000	147,058	444,058
2017 - 2021	1,452,000	533,165	1,985,165
2022 - 2025	1,320,000	146,230	1,466,230
Total	<u>\$ 4,398,000</u>	<u>\$ 1,538,826</u>	<u>\$ 5,936,826</u>

G.O. capital notes

<u>Description</u>	<u>Authorized and Issued</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance at Year End</u>
G.O. Capital Notes Series 2005B	\$ 290,000	3.40 - 3.75 %	08/02/05	02/01/15	<u>\$ 146,000</u>

Requirement to maturity for general obligation capital notes follows:

<u>Year Ending December 31,</u>	General Obligation Capital Notes Governmental Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 34,000	\$ 4,686	\$ 38,686
2013	36,000	3,452	39,452
2014	37,000	2,138	39,138
2015	39,000	731	39,731
Total	<u>\$ 146,000</u>	<u>\$ 11,007</u>	<u>\$ 157,007</u>

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

G.O. tax increment bonds

The following bond issues were used to provide funds for economic development projects and will be repaid primarily from future tax increment collections.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Tax Increment Bonds, Series 1999C	\$ 560,000	5.20 - 5.50 %	09/01/99	02/01/15	\$ 210,000
Taxable G.O. Tax Increment Bonds, Series 1999D	755,000	7.55 - 7.80	09/01/99	02/01/15	310,000
Total G.O. Tax Increment Bonds					<u>\$ 520,000</u>

Requirement to maturity for general obligation tax increment bonds follows:

Year Ending December 31,	General Obligation Tax Increment Governmental Activities		
	Principal	Interest	Total
2012	\$ 120,000	\$ 31,440	\$ 151,440
2013	125,000	23,158	148,158
2014	135,000	14,288	149,288
2015	140,000	4,826	144,826
Total	<u>\$ 520,000</u>	<u>\$ 73,712</u>	<u>\$ 593,712</u>

Revenue bonds

The following bond was issued to finance a public safety building and will be paid with revenue from the EDA:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
2002 Public Project Revenue	\$ 325,000	4.65 - 5.00 %	04/15/02	02/01/13	<u>\$ 80,000</u>

Requirement to maturity for revenue bonds follows:

Year Ending December 31,	Revenue Bonds Governmental Activities		
	Principal	Interest	Total
2012	\$ 40,000	\$ 2,960	\$ 42,960
2013	40,000	1,000	41,000
Total	<u>\$ 80,000</u>	<u>\$ 3,960</u>	<u>\$ 83,960</u>

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Notes payable

The following note was issued by the EDA issued to finance the purchase of land:

<u>Description</u>	<u>Authorized and Issued</u>	<u>Interest Rate</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance at Year End</u>
EDA Land Purchase	\$ 440,000	6.50 %	05/01/02	11/01/14	<u>\$ 394,422</u>

Requirement to maturity for notes payable follows:

<u>Year Ending December 31,</u>	<u>Notes Payable Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 124,650	\$ 19,303	\$ 143,953
2013	131,354	12,599	143,953
2014	<u>138,418</u>	<u>5,534</u>	<u>143,952</u>
Total	<u>\$ 394,422</u>	<u>\$ 37,436</u>	<u>\$ 431,858</u>

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

Changes in general long-term liabilities

During the year ended December 31, 2011, the following changes occurred in long-term liabilities:

	Beginning Balance	Restructuring Adjustment	Increases	Decreases	Ending Balance	Due Within One Year
Governmental activities						
Bonds payable						
G.O. Improvement	\$ 4,621,000	\$ -	\$ -	\$ (223,000)	\$ 4,398,000	\$ 318,000
G.O. Capital Notes	179,000	-	-	(33,000)	146,000	34,000
G.O. Tax Increment	630,000	-	-	(110,000)	520,000	120,000
Revenue	115,000	-	-	(35,000)	80,000	40,000
Notes payable	389,259	5,163	-	-	394,422	124,650
Total bonds payable	5,934,259	5,163	-	(401,000)	5,538,422	636,650
Capital leases payable	14,471	-	-	(14,471)	-	-
Compensated absences payable	248,132	-	79,245	(71,658)	255,719	73,880
Other postemployment benefits payable	70,337	-	34,692	-	105,029	-
Governmental activity long-term liabilities	<u>\$ 6,267,199</u>	<u>\$ 5,163</u>	<u>\$ 113,937</u>	<u>\$ (487,129)</u>	<u>\$ 5,899,170</u>	<u>\$ 710,530</u>
Business-type activities						
Compensated absences payable	\$ 82,754	\$ -	\$ 5,689	\$ (21,653)	\$ 66,790	\$ 22,324
Other postemployment benefits payable	16,878	-	9,380	-	26,258	-
Business-type activity long-term liabilities	<u>\$ 99,632</u>	<u>\$ -</u>	<u>\$ 15,069</u>	<u>\$ (21,653)</u>	<u>\$ 93,048</u>	<u>\$ 22,324</u>

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED

F. Tax increment districts

The City's tax increment districts are subject to review by the State of Minnesota Office of the State Auditor (OSA). Any disallowed claims or misuse of tax increments could become a liability of the applicable fund. Management has indicated that they are not aware of any instances of noncompliance, which would have a material effect on the financial statements. The City has \$520,000 bonds outstanding related to tax increment financing districts.

G. Fund equity designations

At December 31, 2011, portions of the City's fund balance are not available for appropriation due to not being in spendable form (Nonspendable), legal restrictions (Restricted), City Council action (Committed), policy and/or intent (Assigned). The following is a summary of the components of fund balance:

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted for				
Debt Service	\$ -	\$ 866,745	\$ -	\$ 866,745
Tax Increment Financing	-	-	296,921	296,921
MSA	-	-	58,599	58,599
Police Forfeiture	-	-	3,577	3,577
Police Donations	-	-	5,107	5,107
Revolving Loan	-	-	10,181	10,181
Total restricted	<u>\$ -</u>	<u>\$ 866,745</u>	<u>\$ 374,385</u>	<u>\$ 1,241,130</u>
Committed to				
Economic development	\$ -	\$ -	\$ 83,451	\$ 83,451
Park, trail, open space development	-	-	26,649	26,649
Total committed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,100</u>	<u>\$ 110,100</u>
Assigned to				
General fund, capital improvements	\$ 1,009,681	\$ -	\$ -	\$ 1,009,681
Special Projects	-	-	138,687	138,687
Buildings	-	-	1,088	1,088
Equipment	-	-	27,945	27,945
Park Acquisition	-	-	19,235	19,235
Park Trail fund	-	-	66,987	66,987
Selvig	-	-	73,191	73,191
Police impound	-	-	13,123	13,123
Total assigned	<u>\$ 1,009,681</u>	<u>\$ -</u>	<u>\$ 340,256</u>	<u>\$ 1,349,937</u>

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE

A. Plan description

All full-time and certain part-time employees of the City of Wyoming are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356.

GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan. All police officers, fire-fighters and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota statute, and vest after three years of credited service. The defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first 10 years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0 percent for each year of service. For all PEPFF members and GERF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for PEPFF members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon death of the retiree-no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service, in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for GERF and PEPFF. That report may be obtained on the Internet at www.mnpera.org, by writing to PERA, 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088 or by calling (651) 296-7460 or (800) 652-9026.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 4: DEFINED BENEFIT PENSION PLANS - STATEWIDE - CONTINUED

B. Funding policy

Minnesota statutes, chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the State legislature. The City makes annual contributions to the pension plans equal to the amount required by Minnesota statutes. GERF Basic Plan members and Coordinated Plan members were required to contribute 9.10 percent and 6.25 percent, respectively, of their annual covered salary in 2011. PEPFF members were required to contribute 9.60 percent of their annual covered salary in 2011. The City is required to contribute the following percentages of annual covered payroll: 11.78 percent for Basic Plan GERF members, 7.25 percent of Coordinated Plan GERF members and 14.40 percent for PEPFF members. The City's contributions to the GERF for the years ending December 31, 2011, 2010 and 2009 were \$49,357, \$43,856, and \$49,796, respectively. The City's contributions to the PEPFF for the years ending December 31, 2011, 2010 and 2009 were \$70,291, \$75,943, and \$70,291, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Note 5: VOLUNTEER FIREFIGHTER'S RELIEF ASSOCIATION

A. Plan description

All members of the Wyoming Fire Department (the Department) are covered by a defined benefit plan administered by the Wyoming Firefighters' Relief Association (the Association). The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

The Association maintains a separate Special fund to accumulate assets to fund the retirement benefits earned by the Department's membership. Funding for the Association is derived from an insurance premium tax in accordance with the Volunteer Firefighter's Relief Association Financing Guidelines Act of 1971 (chapter 261 as amended by chapter 509 of Minnesota statutes 1980). Funds are also derived from investment income.

The Association issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Wyoming Firefighters' Relief Association, 6243 263rd Street, Wyoming, Minnesota 55092.

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 5: VOLUNTEER FIREFIGHTER'S RELIEF ASSOCIATION - CONTINUED

B. Funding policy

The financial requirements of the Special fund are determined in accordance with section 69.772 of the Minnesota statutes, which requires the payment of pension benefits in a lump sum or optionally in annual installments. The benefits are payable after age 50, 20 years of service and 10 years of Association membership or upon death. The City's annual pension cost for the current year and related information for the plan is as follows:

Annual pension cost	\$	32,879
Contributions made		
City (voluntary)		4,600
State Aid		28,279
Actuarial valuation date		12/31/11
Actuarial cost method		Entry age normal
Amortization method		Level dollar closed
Remaining amortization period		
Normal cost		20 years
Prior service cost		10 years
Asset valuation method		Market
Actuarial assumptions		
Investment rate of return		5%
Projected salary increases		N/A
Inflation rate		N/A
Cost of living adjustments		None

Three Year Trend Information

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/11	\$ 32,879	100.0 %	\$ -
12/31/10	35,993	100.0	-
12/31/09	32,668	100.0	-

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 5: VOLUNTEER FIREFIGHTER'S RELIEF ASSOCIATION - CONTINUED

Required Supplementary Information					
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Assets in Excess of (Unfunded) Accrued Liability	Funded Rate	Pension Benefit Per Year of Service
12/31/11	\$ 289,034	\$ 251,552	\$ 37,482	114.9 %	\$ 1,150
12/31/10	279,322	259,708	19,614	107.6	1,150
12/31/09	227,217	236,846	(9,629)	95.9	1,150

Note 6: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

A. Plan description

The City administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides healthcare insurance for eligible retirees and their spouses through the City's group health insurance plan until Medicare age, which covers both active and retired members. There are 16 active participants. Benefit provisions are established through negotiations between the City and the union representing City employees and are renegotiated each two year bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

B. Funding policy

The City has historically funded these liabilities on a pay-as-you-go basis. Contribution requirements are reviewed by the Council as determined necessary. At the present time, no retiree benefits are provided except the allowance to continue health insurance that is mandated by Minnesota Law. The City does not contribute any of the cost of current year premiums for eligible retired plan members and their spouses. For fiscal year 2011, the City did not contribute anything to the plan. Plan members receiving benefits contribute 100 percent of their premium costs.

CITY OF WYOMING, MINNESOTA
 NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2011

Note 6: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - CONTINUED

C. Annual other postemployment benefits cost and net other postemployment benefits obligation

The City's annual other postemployment benefits (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The City has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB Statement No. 45 for employers in plans with fewer than one hundred total plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period no to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

Annual required contribution	\$ 43,453
Interest on net OPEB obligation	3,489
Adjustment to annual required contribution	<u>(2,870)</u>
Annual OPEB cost (expense)	44,072
Contributions made	<u>-</u>
Increase in net OPEB obligation	44,072
Net OPEB obligation - beginning of year	<u>87,215</u>
Net OPEB obligation - end of year	<u><u>\$ 131,287</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for December 31, 2011 and 2010 follows:

Year Ending	Trend Information		
	Annual OPEB Cost	Percentage Annual OPEB Contributed	Net OPEB Obligation
12/31/2011	\$ 44,072	- %	\$ 131,287
12/31/2010	43,762	-	87,215
12/31/2009	43,453	-	43,453

D. Funded status and funding progress

As of December 31, 2008, the actuarial accrued liability for benefits was \$272,045, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,118,507, and the ratio of unfunded actuarial accrued liability to the covered payroll was 24.32 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 6: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS - CONTINUED

E. Methods and assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees - Based on the historical average retirement age for the covered group as well as expectation from management, the retirement age for active plan members was determined on an individual level. In addition, spouses of retired employees were assumed to continue on the plan for the lesser of eighteen months after the retired employee reaches Medicare age or until the spouse reaches Medicare age.

Marital status - Marital status of members at the calculation date was assumed to continue through retirement.

Mortality - Life expectancies were based on the mortality tables from the National Center for Health Statistics. The 2004 United States Life Tables for Males and for Females were used.

Turnover - Non-group-specific age-based turnover data from GASB Statement No. 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working lifetime assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend rate - The expected rate of increase in healthcare insurance premiums was based on projections of the Office of the Actuary at the Centers for Medicare & Medicaid Services. A rate of 4.5 percent initially, increased to a rate of 6.0 percent after six years, was used.

Health insurance premiums - 2008 and 2009 health insurance premiums for retirees were used as the basis for the calculation of the present value of total benefits to be paid.

Inflation rate - The expected long-term inflation assumption of 4.09 percent was based on projected changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in The 2008 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds for an intermediate growth scenario.

Payroll growth rate - The expected long-term payroll growth rate was assumed to equal the rate of inflation.

Based on the historical and expected returns of the City's short-term investment portfolio, a discount rate of 4.0 percent was used. In addition, a simplified version of the entry age actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2010, was thirty years.

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 7: OTHER INFORMATION

A. Legal debt margin

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of 3 percent of the market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increments. The taxable market value of property within the City is \$666,354,500 for a margin of \$19,990,635. The City has \$146,000 of debt outstanding against this limit.

B. 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 for which the City carries insurance. The City obtains insurance through participation in the League of Minnesota Cities Insurance Trust (LMCIT), which is a risk sharing pool with approximately 800 other governmental units. The City pays an annual premium to LMCIT for its workers compensation and property and casualty insurance. The LMCIT is self-sustaining through member premiums and will reinsure for claims above a prescribed dollar amount for each insurance event. Settled claims have not exceeded the City's coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

C. Joint venture

The City is member of the Chisago Lakes Joint Sewage Treatment Commission (CLJSTC) along with five other communities. The purpose of the CLJSTC is to provide administration and operation of the disposal system serving all six communities. Each community owns a percentage of the assets of the Commission and is responsible for a proportionate share of expenses and debt. The City costs are reflected in the Sewer enterprise fund and totaled \$722,907 and \$311,323 for the years ended 2011 and 2010 respectively. Totals from the most recently issued condensed combined financial statements of the CLJSTC are as follows:

Statement of Net Assets
December 31, 2010

Assets	
Current and other assets	\$ 4,324,383
Capital assets	<u>16,910,054</u>
Total assets	<u>21,234,437</u>
Liabilities	
Long-term liabilities outstanding	11,359,154
Other liabilities	<u>936,023</u>
Total liabilities	<u>12,295,177</u>
Net asset	
Invested in capital assets, net of related debt	4,774,231
Restricted	3,045,042
Unrestricted	<u>1,119,987</u>
Total net assets	<u><u>\$ 8,939,260</u></u>

CITY OF WYOMING, MINNESOTA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 7: OTHER INFORMATION - CONTINUED

Statement of Activities
For the Year Ended December 31, 2010

Operating revenue	\$ 1,866,914
Operating expenses	<u>1,656,385</u>
Operating income	210,529
Nonoperating revenue, net	<u>(214,831)</u>
Change in net assets	(4,302)
Net assets, January 1	<u>8,943,562</u>
Net assets, December 31	<u><u>\$ 8,939,260</u></u>

Separately issued financial statements can be obtained by contacting Chisago Lakes Joint Sewage Treatment Commission.

Note 8: ACCOUNTING CHANGE

GASB Statement 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The City implemented this standard for fiscal year end December 31, 2011. Changes to governmental fund type fund balance reporting is reflected in the financial statements and schedules and related disclosures are included in Note 1 and Note 3.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WYOMING
WYOMING, MINNESOTA**

**FOR THE YEAR ENDED
DECEMBER 31, 2011**

CITY OF WYOMING, MINNESOTA
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2011

Schedule of funding progress for the postemployment benefit plan

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability UAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2008	\$ -	\$ 272,045	\$ 272,045	- %	\$ 1,118,507	\$ 24.32

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

CITY OF WYOMING
WYOMING, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2011

CITY OF WYOMING, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and temporary investments	\$ 134,008	\$ 902,815	\$ 1,036,823
Receivables			
Taxes	14,413	8,921	23,334
Accounts	383	-	383
Special assessments - deferred	-	8,361	8,361
Loans	109,756	-	109,756
Due from other governments	-	3,300	3,300
	<u>\$ 258,560</u>	<u>\$ 923,397</u>	<u>\$ 1,181,957</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 1,407	\$ -	\$ 1,407
Deferred revenue	123,719	16,836	140,555
	<u>125,126</u>	<u>16,836</u>	<u>141,962</u>
FUND BALANCES			
Restricted	18,865	294,934	313,799
Committed	110,100	-	110,100
Assigned	13,123	827,133	840,256
Unassigned	(8,654)	(215,506)	(224,160)
	<u>133,434</u>	<u>906,561</u>	<u>1,039,995</u>
	<u>\$ 258,560</u>	<u>\$ 923,397</u>	<u>\$ 1,181,957</u>

CITY OF WYOMING, MINNESOTA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2011

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes			
General property	\$ 39,688	\$ -	\$ 39,688
Tax increments	-	56,355	56,355
Intergovernmental	-	84,403	84,403
Charges for services	24,390	-	24,390
Special assessments	-	6,827	6,827
Interest on investments	2,348	8,470	10,818
Miscellaneous	76,361	-	76,361
	<u>142,787</u>	<u>156,055</u>	<u>298,842</u>
EXPENDITURES			
Current			
General government	2,000	-	2,000
Public safety	17,380	-	17,380
Culture and recreation	8,858	-	8,858
Economic development	60,934	-	60,934
Capital outlay			
Public safety	1,030	-	1,030
Public works	-	69,601	69,601
Debt service			
Interest	30,067	-	30,067
	<u>120,269</u>	<u>69,601</u>	<u>189,870</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>22,518</u>	<u>86,454</u>	<u>108,972</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	117,053	511,418	628,471
Gain on sale of capital assets	11,013	-	11,013
Transfers out	(111,187)	-	(111,187)
	<u>16,879</u>	<u>511,418</u>	<u>528,297</u>
NET CHANGE IN FUND BALANCES	<u>39,397</u>	<u>597,872</u>	<u>637,269</u>
FUND BALANCES, JANUARY 1	<u>94,037</u>	<u>308,689</u>	<u>402,726</u>
FUND BALANCES, DECEMBER 31	<u>\$ 133,434</u>	<u>\$ 906,561</u>	<u>\$ 1,039,995</u>

CITY OF WYOMING, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011

	201	202	203	204
	Police Forfeiture	Police Impound	City-wide Celebration	Fire Department Donations
ASSETS				
Cash and temporary investments (deficits)	\$ 3,577	\$ 13,828	\$ -	\$ (8,654)
Receivables				
Taxes	-	-	-	-
Accounts	-	-	-	-
Loans	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 3,577</u></u>	<u><u>\$ 13,828</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (8,654)</u></u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 705	\$ -	\$ -
Deferred revenue	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u> </u>	<u> 705</u>	<u> </u>	<u> </u>
FUND BALANCES				
Restricted	3,577	-	-	-
Committed	-	-	-	-
Assigned	-	13,123	-	-
Unassigned	-	-	-	(8,654)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCES	<u> 3,577</u>	<u> 13,123</u>	<u> </u>	<u> (8,654)</u>
	<u><u>\$ 3,577</u></u>	<u><u>\$ 13,828</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (8,654)</u></u>

205 Police Department Donations	280 Economic Development Authority	285 & 700 Revolving Loan	490 Charitable Gambling	330 Emergency Management	Total
\$ 5,107	\$ 83,703	\$ 10,181	\$ 26,266	\$ -	\$ 134,008
-	14,413	-	-	-	14,413
-	-	-	383	-	383
-	-	109,756	-	-	109,756
<u>\$ 5,107</u>	<u>\$ 98,116</u>	<u>\$ 119,937</u>	<u>\$ 26,649</u>	<u>\$ -</u>	<u>\$ 258,560</u>
\$ -	\$ 702	\$ -	\$ -	\$ -	\$ 1,407
-	13,963	109,756	-	-	123,719
-	14,665	109,756	-	-	125,126
5,107	-	10,181	-	-	18,865
-	83,451	-	26,649	-	110,100
-	-	-	-	-	13,123
-	-	-	-	-	(8,654)
<u>5,107</u>	<u>83,451</u>	<u>10,181</u>	<u>26,649</u>	<u>-</u>	<u>133,434</u>
<u>\$ 5,107</u>	<u>\$ 98,116</u>	<u>\$ 119,937</u>	<u>\$ 26,649</u>	<u>\$ -</u>	<u>\$ 258,560</u>

CITY OF WYOMING, MINNESOTA
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2011

	201	202	203	204
	Police Forfeiture	Police Impound	City-wide Celebration	Fire Department Donations
REVENUES				
Taxes				
General property	\$ -	\$ -	\$ -	\$ -
Charges for services	-	24,390	-	-
Interest on investments	200	284	-	-
Miscellaneous				
Contributions and donations	-	-	3,450	-
Other	-	-	-	-
TOTAL REVENUES	<u>200</u>	<u>24,674</u>	<u>3,450</u>	<u>-</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	2,784	11,651	-	2,818
Culture and recreation	-	-	8,858	-
Economic development	-	-	-	-
Public safety	-	-	-	-
Debt service				
Interest and other	-	-	-	-
TOTAL EXPENDITURES	<u>2,784</u>	<u>11,651</u>	<u>8,858</u>	<u>2,818</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,584)</u>	<u>13,023</u>	<u>(5,408)</u>	<u>(2,818)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	40,554	-
Gain on sale of capital assets	11,013	-	-	-
Transfers out	(15,972)	(11,418)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4,959)</u>	<u>(11,418)</u>	<u>40,554</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(7,543)	1,605	35,146	(2,818)
FUND BALANCES, JANUARY 1	<u>11,120</u>	<u>11,518</u>	<u>(35,146)</u>	<u>(5,836)</u>
FUND BALANCES, DECEMBER 31	<u>\$ 3,577</u>	<u>\$ 13,123</u>	<u>\$ -</u>	<u>\$ (8,654)</u>

205 Police Department Donations	280 Economic Development Authority	285 & 700 Revolving Loan	490 Charitable Gambling	330 Emergency Management	Total
\$ -	\$ 39,688	\$ -	\$ -	\$ -	\$ 39,688
-	-	-	-	-	24,390
254	-	1,141	361	108	2,348
711	-	-	-	-	4,161
-	32,000	32,344	7,856	-	72,200
<u>965</u>	<u>71,688</u>	<u>33,485</u>	<u>8,217</u>	<u>108</u>	<u>142,787</u>
-	-	-	2,000	-	2,000
-	-	-	-	127	17,380
-	-	-	-	-	8,858
-	33,540	25,875	1,519	-	60,934
1,030	-	-	-	-	1,030
-	30,067	-	-	-	30,067
<u>1,030</u>	<u>63,607</u>	<u>25,875</u>	<u>3,519</u>	<u>127</u>	<u>120,269</u>
<u>(65)</u>	<u>8,081</u>	<u>7,610</u>	<u>4,698</u>	<u>(19)</u>	<u>22,518</u>
-	76,499	-	-	-	117,053
-	-	-	-	-	11,013
-	-	(76,499)	-	(7,298)	(111,187)
-	76,499	(76,499)	-	(7,298)	16,879
(65)	84,580	(68,889)	4,698	(7,317)	39,397
5,172	(1,129)	79,070	21,951	7,317	94,037
<u>\$ 5,107</u>	<u>\$ 83,451</u>	<u>\$ 10,181</u>	<u>\$ 26,649</u>	<u>\$ -</u>	<u>\$ 133,434</u>

CITY OF WYOMING, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011

	385	401	402	403
	TIF 3-3	Special Projects Fund	Building Fund	Equipment Fund
ASSETS				
Cash and temporary investments (deficits)	\$ 235,889	\$ 138,687	\$ 1,088	\$ 27,945
Receivables				
Taxes	8,921	-	-	-
Special assessments - deferred	-	8,361	-	-
Due from other governments	-	-	-	-
TOTAL ASSETS	<u>\$ 244,810</u>	<u>\$ 147,048</u>	<u>\$ 1,088</u>	<u>\$ 27,945</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Deferred revenue	\$ 8,475	\$ 8,361	\$ -	\$ -
FUND BALANCES				
Restricted	236,335	-	-	-
Assigned	-	138,687	1,088	27,945
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>236,335</u>	<u>138,687</u>	<u>1,088</u>	<u>27,945</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 244,810</u>	<u>\$ 147,048</u>	<u>\$ 1,088</u>	<u>\$ 27,945</u>

404 Park Acquisition Fund	405 Park Trail Fund	406 Police and Public Works Remodel Fund	407 MSA Fund	408 Street Replacement	437 2009 Improvement Project	465 Selvig	Total
\$ 19,235	\$ 66,987	\$ -	\$ 55,299	\$ 500,000	\$ (215,506)	\$ 73,191	\$ 902,815
-	-	-	-	-	-	-	8,921
-	-	-	-	-	-	-	8,361
-	-	-	3,300	-	-	-	3,300
<u>\$ 19,235</u>	<u>\$ 66,987</u>	<u>\$ -</u>	<u>\$ 58,599</u>	<u>\$ 500,000</u>	<u>\$ (215,506)</u>	<u>\$ 73,191</u>	<u>\$ 923,397</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,836
-	-	-	58,599	-	-	-	294,934
19,235	66,987	-	-	500,000	-	73,191	827,133
-	-	-	-	-	(215,506)	-	(215,506)
<u>19,235</u>	<u>66,987</u>	<u>-</u>	<u>58,599</u>	<u>500,000</u>	<u>(215,506)</u>	<u>73,191</u>	<u>906,561</u>
<u>\$ 19,235</u>	<u>\$ 66,987</u>	<u>\$ -</u>	<u>\$ 58,599</u>	<u>\$ 500,000</u>	<u>\$ (215,506)</u>	<u>\$ 73,191</u>	<u>\$ 923,397</u>

CITY OF WYOMING, MINNESOTA
NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2011

	385	401	402	403
	TIF 3-3	Special Projects Fund	Building Fund	Equipment Fund
REVENUES				
Taxes				
Tax increments	\$ 56,355	\$ -	\$ -	\$ -
Intergovernmental	253	-	-	-
Special assessments	-	6,827	-	-
Interest on investments	2,959	1,976	-	403
TOTAL REVENUES	59,567	8,803	-	403
EXPENDITURES				
Capital outlay				
Public works	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	59,567	8,803	-	403
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
NET CHANGE IN FUND BALANCES	59,567	8,803	-	403
FUND BALANCES, JANUARY 1	176,768	129,884	1,088	27,542
FUND BALANCES, DECEMBER 31	\$ 236,335	\$ 138,687	\$ 1,088	\$ 27,945

404 Park Acquisition Fund	405 Park Trail Fund	406 Police and Public Works Remodel Fund	407 MSA Fund	408 Street Replacement	437 2009 Improvement Project	465 Selvig	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,355
-	-	-	84,150	-	-	-	84,403
-	-	-	-	-	-	-	6,827
278	967	-	828	-	-	1,059	8,470
278	967	-	84,978	-	-	1,059	156,055
-	-	-	66,000	-	3,601	-	69,601
278	967	-	18,978	-	(3,601)	1,059	86,454
-	-	11,418	-	500,000	-	-	511,418
278	967	11,418	18,978	500,000	(3,601)	1,059	597,872
18,957	66,020	(11,418)	39,621	-	(211,905)	72,132	308,689
<u>\$ 19,235</u>	<u>\$ 66,987</u>	<u>\$ -</u>	<u>\$ 58,599</u>	<u>\$ 500,000</u>	<u>\$ (215,506)</u>	<u>\$ 73,191</u>	<u>\$ 906,561</u>

CITY OF WYOMING, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CONTINUED ON THE FOLLOWING PAGES
FOR THE YEAR ENDED DECEMBER 31, 2011
(With comparative actual amounts for the year ended December 31, 2010)

	2011			Variance with Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
REVENUES					
Taxes					
General property taxes	\$ 2,907,966	\$ 2,907,966	\$ 2,922,719	\$ 14,753	\$ 2,927,764
Cable franchise fee	37,000	37,000	39,609	2,609	39,731
Total	2,944,966	2,944,966	2,962,328	17,362	2,967,495
Licenses and permits					
Business	8,500	8,500	9,735	1,235	10,980
Nonbusiness	11,600	11,600	88,215	76,615	60,935
Total	20,100	20,100	97,950	77,850	71,915
Intergovernmental					
Federal	8,700	8,700	720	(7,980)	500
State					
Property tax credits	139,464	139,464	2,160	(137,304)	2,793
Fire aid	32,000	32,000	28,279	(3,721)	30,393
Police aid	45,000	45,000	53,217	8,217	53,609
Other state aid	2,569	2,569	3,159	590	2,569
County	-	-	24,000	24,000	-
Total	227,733	227,733	111,535	(116,198)	89,864
Charges for services					
General government	1,000	1,000	39,863	38,863	12,826
Public safety	15,500	15,500	26,716	11,216	22,164
Public works	3,500	3,500	-	(3,500)	5,420
Culture and recreation	500	500	1,300	800	955
Total	20,500	20,500	67,879	47,379	41,365
Fines and forfeitures	51,100	51,100	59,455	8,355	58,781
Interest on investments	15,142	15,142	22,998	7,856	23,401
Miscellaneous					
Antenna rental	23,000	23,000	23,057	57	24,391
Refunds and reimbursements	-	-	14,489	14,489	1,578
Other revenues	-	-	4,796	4,796	1,415
Total	23,000	23,000	42,342	19,342	27,384
TOTAL REVENUES	3,302,541	3,302,541	3,364,487	61,946	3,280,205

CITY OF WYOMING, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2011
(With comparative actual amounts for the year ended December 31, 2010)

	2011				2010
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
EXPENDITURES					
Current					
General government					
Mayor and Council					
Personal services	\$ 13,872	\$ 13,872	\$ 26,584	\$ (12,712)	\$ 23,823
Supplies	1,352	1,352	1,085	267	297
Other services and charges	1,248	1,248	4,882	(3,634)	220
Total	<u>16,472</u>	<u>16,472</u>	<u>32,551</u>	<u>(16,079)</u>	<u>24,340</u>
Boards and commissions					
Personal services	20,808	20,808	4,721	16,087	6,206
Supplies	3,354	3,354	-	3,354	285
Other services and charges					
Total	<u>24,162</u>	<u>24,162</u>	<u>4,721</u>	<u>19,441</u>	<u>6,491</u>
City administration					
Personal services	204,429	204,429	191,740	12,689	172,218
Auditing and accounting					
Other services and charges	63,752	63,752	60,827	2,925	69,832
City attorney					
Other services and charges	35,000	35,000	22,247	12,753	22,875
General					
Supplies	52,082	52,082	38,930	13,152	45,928
Other services and charges	161,050	161,050	146,637	14,413	150,774
Total	<u>213,132</u>	<u>213,132</u>	<u>185,567</u>	<u>27,565</u>	<u>196,702</u>
Elections					
Personal services	-	-	-	-	4,230
Supplies	-	-	-	-	467
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,697</u>
Municipal building					
Supplies	2,950	2,950	1,253	1,697	1,047
Other services and charges	33,000	33,000	30,133	2,867	27,339
Total	<u>35,950</u>	<u>35,950</u>	<u>31,386</u>	<u>4,564</u>	<u>28,386</u>
Total general government	<u>592,897</u>	<u>592,897</u>	<u>529,039</u>	<u>63,858</u>	<u>525,541</u>

CITY OF WYOMING, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2011
(With comparative actual amounts for the year ended December 31, 2010)

	2011			Variance with Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current - Continued					
Public safety					
Police					
Personal services	\$ 878,035	\$ 878,035	\$ 898,724	\$ (20,689)	\$ 809,098
Supplies	57,572	57,572	79,003	(21,431)	65,782
Other services and charges	67,479	67,479	77,253	(9,774)	59,823
Total	<u>1,003,086</u>	<u>1,003,086</u>	<u>1,054,980</u>	<u>(51,894)</u>	<u>934,703</u>
Fire					
Personal services	141,000	141,000	124,146	16,854	150,161
Supplies	23,700	23,700	20,223	3,477	31,676
Pension contribution	45,000	45,000	32,879	12,121	35,993
Other services and charges	50,800	50,800	45,483	5,317	45,386
Total	<u>260,500</u>	<u>260,500</u>	<u>222,731</u>	<u>37,769</u>	<u>263,216</u>
Building inspection					
Personal services	114,757	114,757	80,750	34,007	107,184
Supplies	5,500	5,500	2,775	2,725	1,556
Other services and charges	12,350	12,350	6,998	5,352	4,507
Total	<u>132,607</u>	<u>132,607</u>	<u>90,523</u>	<u>42,084</u>	<u>113,247</u>
Animal control					
Other services and charges	-	-	-	-	260
Total public safety	<u>1,396,193</u>	<u>1,396,193</u>	<u>1,368,234</u>	<u>27,959</u>	<u>1,311,426</u>
Public works					
Streets					
Personal services	265,885	265,885	327,222	(61,337)	301,103
Supplies	48,700	48,700	44,883	3,817	44,088
Other services and charges	239,678	239,678	164,343	75,335	160,042
Total	<u>554,263</u>	<u>554,263</u>	<u>536,448</u>	<u>17,815</u>	<u>505,233</u>
Street lighting					
Other services and charges	69,019	69,019	72,740	(3,721)	66,364
Engineering					
Other services and charges	-	-	-	-	21,930
Total public works	<u>623,282</u>	<u>623,282</u>	<u>609,188</u>	<u>14,094</u>	<u>593,527</u>

CITY OF WYOMING, MINNESOTA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2011
(With comparative actual amounts for the year ended December 31, 2010)

	2011			Variance with Final Budget	2010
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current - Continued					
Culture and recreation					
Library					
Other services and charges	\$ 49,000	\$ 49,000	\$ 38,699	\$ 10,301	\$ 29,839
Miscellaneous					
Contingency	54,871	54,871	-	54,871	-
Total current expenditures	2,716,243	2,716,243	2,545,160	171,083	2,460,333
Capital outlay					
Public safety	78,684	78,684	131,450	(52,766)	399,619
Public works	175,670	175,670	319,709	(144,039)	81,701
Total capital outlay	254,354	254,354	451,159	(196,805)	481,320
Debt service					
Principal	52,000	52,000	47,471	4,529	31,000
Interest and other	33,000	33,000	43,714	(10,714)	6,915
Total debt service	85,000	85,000	91,185	(6,185)	37,915
TOTAL EXPENDITURES	3,055,597	3,055,597	3,087,504	(31,907)	2,979,568
EXCESS OF REVENUES OVER EXPENDITURES					
	246,944	246,944	276,983	30,039	300,637
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	10,670	10,670	52,706
Gain on sale of capital assets	-	-	29,851	29,851	1,350
Transfer out	(186,065)	(186,065)	(654,019)	(467,954)	(201,682)
TOTAL OTHER FINANCING SOURCES (USES)	(186,065)	(186,065)	(613,498)	(427,433)	(147,626)
NET CHANGE IN FUND BALANCES	60,879	60,879	(336,515)	(397,394)	153,011
FUND BALANCES, JANUARY 1	1,535,159	1,535,159	1,535,159	-	1,382,148
FUND BALANCES, DECEMBER 31	\$ 1,596,038	\$ 1,596,038	\$ 1,198,644	\$ (397,394)	\$ 1,535,159

CITY OF WYOMING, MINNESOTA
DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2011

	301 Public Project Revenue Bonds 2002	331 2007 G.O. Improvement Bonds	333 2006 G.O. Improvement Bonds	335 2001 G.O. Improvement Bonds
ASSETS				
Cash and temporary investments	\$ 71,278	\$ 48,609	\$ 58,193	\$ 76,968
Receivables				
Taxes	-	-	-	-
Accounts	-	2,000	-	-
Special assessments				
Delinquent	-	3,918	549	18
Deferred	-	121,266	69,338	2,164
	<u>\$ 71,278</u>	<u>\$ 175,793</u>	<u>\$ 128,080</u>	<u>\$ 79,150</u>
TOTAL ASSETS				
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Deferred revenue	-	121,266	69,885	2,182
	<u>-</u>	<u>121,266</u>	<u>69,885</u>	<u>2,182</u>
TOTAL LIABILITIES				
FUND BALANCES				
Restricted for debt service	<u>71,278</u>	<u>54,527</u>	<u>58,195</u>	<u>76,968</u>
	<u>\$ 71,278</u>	<u>\$ 175,793</u>	<u>\$ 128,080</u>	<u>\$ 79,150</u>
TOTAL LIABILITIES AND FUND BALANCES				

336 2004 G.O. Improvement Bonds	337 2009 G.O. Improvement Bonds	370 1999C & D G.O. Tax Increment Bonds (TIF 3-1)	390 1999C G.O. Bonds	Total
\$ 43,079	\$ 446,123	\$ 107,176	\$ 86,073	\$ 937,499
-	-	7,754	-	7,754
-	-	-	-	2,000
944	164,774	-	-	170,203
51,074	2,331,044	-	-	2,574,886
<u>\$ 95,097</u>	<u>\$ 2,941,941</u>	<u>\$ 114,930</u>	<u>\$ 86,073</u>	<u>\$ 3,692,342</u>
\$ -	\$ -	\$ 16,507	\$ -	\$ 16,507
51,771	2,495,646	7,754	-	2,748,504
51,771	2,495,646	24,261	-	2,765,011
43,326	446,295	90,669	86,073	927,331
<u>\$ 95,097</u>	<u>\$ 2,941,941</u>	<u>\$ 114,930</u>	<u>\$ 86,073</u>	<u>\$ 3,692,342</u>

CITY OF WYOMING, MINNESOTA
DEBT SERVICE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2011

	301	331	333	335
	Public Project Revenue Bonds 2002	2007 G.O. Improvement Bonds	2006 G.O. Improvement Bonds	2001 G.O. Improvement Bonds
REVENUES				
Taxes				
General property	\$ 28,000	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Intergovernmental	-	-	-	-
Special assessments	-	28,321	19,642	36,856
Interest on investments	805	518	626	802
	<u>28,805</u>	<u>28,839</u>	<u>20,268</u>	<u>37,658</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Economic development	-	-	-	-
Debt service				
Principal	35,000	23,000	20,000	40,000
Interest and other	4,734	7,682	5,482	2,850
	<u>39,734</u>	<u>30,682</u>	<u>25,482</u>	<u>42,850</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	(10,929)	(1,843)	(5,214)	(5,192)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
NET CHANGE IN FUND BALANCES				
	(10,929)	(1,843)	(5,214)	(5,192)
FUND BALANCES, JANUARY 1				
	<u>82,207</u>	<u>56,370</u>	<u>63,409</u>	<u>82,160</u>
FUND BALANCES, DECEMBER 31				
	<u>\$ 71,278</u>	<u>\$ 54,527</u>	<u>\$ 58,195</u>	<u>\$ 76,968</u>

336 2004 G.O. Improvement Bonds	337 2009 G.O. Improvement Bonds	370 1999C & D G.O. Tax Increment Bonds (TIF 3-1)	390 1999C G.O. Bonds	Total
\$ -	\$ 102,385	\$ 41,135	\$ -	\$ 171,520
-	-	102,278	-	102,278
-	62,296	-	-	62,296
16,225	140,010	-	3,114	244,168
535	4,766	337	1,266	9,655
<u>16,760</u>	<u>309,457</u>	<u>143,750</u>	<u>4,380</u>	<u>589,917</u>
-	-	16,507	-	16,507
20,000	95,000	110,000	25,000	368,000
3,620	178,029	39,755	6,591	248,743
<u>23,620</u>	<u>273,029</u>	<u>166,262</u>	<u>31,591</u>	<u>633,250</u>
(6,860)	36,428	(22,512)	(27,211)	(43,333)
<u>-</u>	<u>-</u>	<u>126,065</u>	<u>-</u>	<u>126,065</u>
(6,860)	36,428	103,553	(27,211)	82,732
50,186	409,867	(12,884)	113,284	844,599
<u>\$ 43,326</u>	<u>\$ 446,295</u>	<u>\$ 90,669</u>	<u>\$ 86,073</u>	<u>\$ 927,331</u>

CITY OF WYOMING, MINNESOTA
AGENCY FUNDS

COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED ON THE FOLLOWING PAGES
FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1	Additions	Deductions	Balance December 31
Xccent				
ASSETS				
Cash and temporary investments	\$ (9,031)	\$ -	\$ 1,229	\$ (10,260)
Accounts receivable	9,031	1,229	-	10,260
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 1,229</u>	<u>\$ 1,229</u>	<u>\$ -</u>
Silt Fence				
ASSETS				
Cash and temporary investments	\$ 94,977	\$ -	\$ 1,621	\$ 93,356
LIABILITIES				
Accounts payable	\$ 94,977	\$ -	\$ 1,621	\$ 93,356
Linda Kinney Escrow				
ASSETS				
Cash and temporary investments (deficits)	\$ (9,970)	\$ -	\$ -	\$ (9,970)
Accounts receivable	9,970	-	-	9,970
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Riverbanks				
ASSETS				
Cash and temporary investments (deficits)	\$ (7,490)	\$ -	\$ -	\$ (7,490)
Accounts receivable	7,490	-	-	7,490
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FEGOWI Escrow				
ASSETS				
Cash and temporary investments (deficits)	\$ (1,071)	\$ -	\$ -	\$ (1,071)
Accounts receivable	1,071	-	-	1,071
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF WYOMING, MINNESOTA
 AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1	Additions	Deductions	Balance December 31
Boschee Development				
ASSETS				
Cash and temporary investments	\$ 5,087	\$ -	\$ 5,087	\$ -
LIABILITIES				
Accounts payable	\$ 5,087	\$ -	\$ 5,087	\$ -
Ebenezer Escrow				
ASSET				
Cash and temporary investments (deficits)	\$ (5,967)	\$ -	\$ -	\$ (5,967)
Accounts receivable	5,967	-	-	5,967
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Hallberg Marine				
ASSETS				
Cash and temporary investments	\$ 2,655	\$ -	\$ -	\$ 2,655
LIABILITIES				
Accounts payable	\$ 2,655	\$ -	\$ -	\$ 2,655
General Safety				
ASSETS				
Cash and temporary investments	\$ 1,729	\$ -	\$ 1,380	\$ 349
LIABILITIES				
Accounts payable	\$ 1,729	\$ -	\$ 1,380	\$ 349
Xcel Escrow				
ASSETS				
Cash and temporary investments	\$ 3,482	\$ -	\$ 126	\$ 3,356
LIABILITIES				
Accounts payable	\$ 3,482	\$ -	\$ 126	\$ 3,356
Whistler Enterprises				
ASSETS				
Cash and temporary investments (deficits)	\$ (266)	\$ -	\$ -	\$ (266)
Accounts receivable	266	-	-	266
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Credit Union Recovery Escrow				
ASSETS				
Cash and temporary investments	\$ 4,420	\$ -	\$ -	\$ 4,420
LIABILITIES				
Accounts payable	\$ 4,420	\$ -	\$ -	\$ 4,420

CITY OF WYOMING, MINNESOTA
 AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1	Additions	Deductions	Balance December 31
Spirit and Praise Church				
ASSETS				
Cash and temporary investments (deficits)	\$ (563)	\$ -	\$ -	\$ (563)
Accounts receivable	563	-	-	563
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Greenwood Development				
ASSETS				
Cash and temporary investments (deficits)	\$ (1,498)	\$ -	\$ -	\$ (1,498)
Accounts receivable	1,498	-	-	1,498
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Stars and Srikes				
ASSETS				
Cash and temporary investments (deficits)	\$ (285)	\$ -	\$ 72	\$ (357)
Accounts receivable	285	72	-	357
TOTAL ASSETS	\$ -	\$ 72	\$ 72	\$ -
Dresel Contracting				
ASSETS				
Cash and temporary investments	\$ 1,040	\$ -	\$ -	\$ 1,040
LIABILITIES				
Accounts payable	\$ 1,040	\$ -	\$ -	\$ 1,040
Grant Homes				
ASSETS				
Cash and temporary investments (deficits)	\$ (253)	\$ -	\$ -	\$ (253)
Accounts receivable	253	-	-	253
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Sunrise Meadows				
ASSETS				
Cash and temporary investments (deficits)	\$ (9,639)	\$ -	\$ -	\$ (9,639)
Accounts receivable	9,639	-	-	9,639
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -

CITY OF WYOMING, MINNESOTA
 AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1	Additions	Deductions	Balance December 31
Timberline Development				
ASSETS				
Cash and temporary investments	\$ 3,479	\$ -	\$ -	\$ 3,479
LIABILITIES				
Accounts payable	\$ 3,479	\$ -	\$ -	\$ 3,479
Preston				
ASSETS				
Cash and temporary investments	\$ 2,316	\$ -	\$ -	\$ 2,316
LIABILITIES				
Accounts payable	\$ 2,316	\$ -	\$ -	\$ 2,316
All Safe				
ASSETS				
Cash and temporary investments (deficits)	\$ (533)	\$ -	\$ -	\$ (533)
Accounts receivable	533	-	-	533
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
North Lakes Charter Academy				
ASSETS				
Cash and temporary investments	\$ 983	\$ -	\$ 427	\$ 556
LIABILITIES				
Accounts payable	\$ 983	\$ -	\$ 427	\$ 556
Trailhead Development Escrow				
ASSETS				
Cash and temporary investments (deficits)	\$ (17,458)	\$ -	\$ -	\$ (17,458)
Accounts receivable	17,458	-	-	17,458
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Mortenson Escrow				
ASSETS				
Cash and temporary investments (deficits)	\$ (597)	\$ -	\$ -	\$ (597)
Accounts receivable	597	-	-	597
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -

CITY OF WYOMING, MINNESOTA
 AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1	Additions	Deductions	Balance December 31
Peterson Estates				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Preserve at Birch Lake				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Liberty Ponds				
ASSETS				
Cash and temporary investments (deficits)	\$ (5,881)	\$ -	\$ 846	\$ (6,727)
Accounts receivable	5,881	-	(846)	6,727
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
Carriage Pass				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
Liberty Ponds Seal Coating				
ASSETS				
Cash and temporary investments	\$ 13,280	\$ -	\$ -	\$ 13,280
LIABILITIES				
Accounts payable	\$ 13,280	\$ -	\$ -	\$ 13,280
Comfort Heights				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000

CITY OF WYOMING, MINNESOTA
 AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2011

	Balance January 1	Additions	Deductions	Balance December 31
Delmonico Park				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ 1,263	\$ (263)
Accounts receivable	-	-	(263)	263
TOTAL ASSETS	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ -</u>
LIABILITIES				
Accounts payable	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ -</u>
Christianson Manufacturing				
ASSETS				
Cash and temporary investments	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>
LIABILITIES				
Accounts payable	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>
Reashler Manufacturing				
ASSETS				
Cash and temporary investments	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>
LIABILITIES				
Accounts payable	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>
Banta Manufacturing				
ASSETS				
Cash and temporary investments	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>
LIABILITIES				
Accounts payable	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000</u>
Strand Mining Permit				
ASSETS				
Cash and temporary investments	<u>\$ 18,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,100</u>
LIABILITIES				
Accounts payable	<u>\$ 18,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,100</u>
Harris Manufactured Homes				
ASSETS				
Cash and temporary investments	<u>\$ 2,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,450</u>
LIABILITIES				
Accounts payable	<u>\$ 2,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,450</u>

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CITY OF WYOMING, MINNESOTA
 AGENCY FUNDS
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED
 FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Balance</u> <u>January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and temporary investments	\$ 94,496	\$ -	\$ 12,051	\$ 82,445
Accounts receivable	<u>70,502</u>	<u>1,301</u>	<u>(1,109)</u>	<u>72,912</u>
TOTAL ASSETS	<u><u>\$ 164,998</u></u>	<u><u>\$ 1,301</u></u>	<u><u>\$ 10,942</u></u>	<u><u>\$ 155,357</u></u>
LIABILITIES				
Accounts payable	<u><u>\$ 164,998</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 9,641</u></u>	<u><u>\$ 155,357</u></u>

CITY OF WYOMING, MINNESOTA
SUMMARY FINANCIAL REPORT
REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS
GOVERNMENTAL FUNDS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

	Total		Percent Increase (Decrease)
	2011	2010	
REVENUES			
Taxes	\$ 3,332,169	\$ 3,146,648	5.90 %
Special assessments	250,995	321,305	(21.88)
Licenses and permits	97,950	108,661	(9.86)
Intergovernmental	258,234	932,284	(72.30)
Charges for services	92,269	191,290	(51.76)
Fines and forfeits	59,455	54,354	9.38
Investment earnings	43,471	105,332	(58.73)
Miscellaneous	118,703	107,838	10.08
TOTAL REVENUES	\$ 4,253,246	\$ 4,967,712	(14.38) %
Per Capita	\$ 606	\$ 716	(15.27) %
EXPENDITURES			
Current			
General government	\$ 531,039	\$ 478,319	11.02 %
Public safety	1,385,614	1,333,189	3.93
Public works	609,188	834,891	(27.03)
Culture and recreation	47,557	55,727	(14.66)
Economic development	77,441	46,980	64.84
Capital outlay			
General government	-	22,097	(100.00)
Public safety	132,480	305,238	(56.60)
Public works	389,310	4,202,662	(90.74)
Culture and recreation	-	8,033	(100.00)
Economic development	-	55,557	(100.00)
Debt service			
Principal	415,471	538,139	(22.79)
Interest and other charges	322,524	211,327	52.62
TOTAL EXPENDITURES	\$ 3,910,624	\$ 8,092,159	(51.67) %
Per Capita	\$ 558	\$ 1,166	(52.18) %
Total Long-term Indebtedness	\$ 5,538,422	\$ 6,268,346	(11.64) %
Per Capita	790	903	(12.56)
General Fund Balance - December 31	\$ 1,198,644	\$ 1,535,159	(21.92) %
Per Capita	171	221	(22.73)

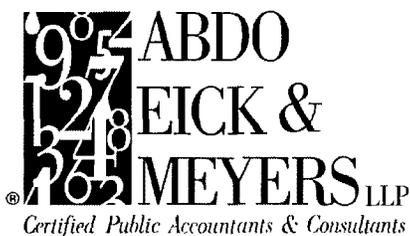
The purpose of this report is to provide a summary of financial information concerning the City of Wyoming to interested citizens. The complete financial statements may be examined at City Hall, PO Box 188, 26885 Forest Blvd., Wyoming, MN 55092. Questions about this report should be directed to Craig Mattson, City Administrator at (651) 462-0575.

OTHER REQUIRED REPORTS

CITY OF WYOMING
WYOMING, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2011

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5201 Eden Avenue
Suite 250
Edina, MN 55436

REPORT ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and City Council
City of Wyoming, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Wyoming, Minnesota (the City), as of and for the year ended December 31, 2011 which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 15, 2012.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minnesota Legal Compliance Audit Guide for Local Government, promulgated by the Minnesota Office of the State Auditor pursuant to Minnesota statute, section 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

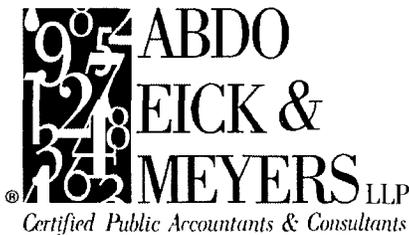
The Minnesota Legal Compliance Audit Guide for Local Government covers seven main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous City provisions and tax increment financing. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the City complied with the material terms and conditions of applicable legal provisions, except as described in the Schedule of Finding and Responses as finding 2011-3

This report is intended solely for the information and use of the Council, management and the Minnesota Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

June 15, 2012
Minneapolis, Minnesota

Abdo, Eick & Meyers, LLP
ABDO, EICK & MEYERS, LLP
Certified Public Accountants



5201 Eden Avenue
Suite 250
Edina, MN 55436

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS

Honorable Mayor and City Council
City of Wyoming, Minnesota

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Wyoming, Minnesota (the City), as of and for the year ended December 31, 2011 which collectively comprise the City's basic financial statements and have issued our report thereon dated June 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of the City as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, we consider the City's internal control over financial reporting as a basis of designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiencies in internal control that we consider significant deficiencies as described in the accompanying Schedule of Findings and Responses as finding 2011-1 and 2011-2. *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.



The City's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Council, management, others within the City and the Minnesota Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

June 15, 2012
Minneapolis, Minnesota

ABDO, EICK & MEYERS, LLP
Certified Public Accountants

CITY OF WYOMING, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2011

Finding Description

2011-1 Preparation of financial statements

Condition: We were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Auditing standards require auditors to communicate this situation to the Council as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of your statements and footnotes, and the responsibility of the auditor to determine the fairness of presentation of those statements. It is our responsibility to inform you that this deficiency could result in a material misstatement to the financial statements that could have been prevented or detected by your management. Essentially, the auditors cannot be part of your internal control process.

Criteria: Internal controls should be in place to provide reasonable assurance over financial reporting.

Cause: From a practical standpoint we do both for you at the same time in connection with our audit. This is not unusual for us to do with an organization of your size.

Effect: The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in internal controls can result in undetected errors in financial reporting.

Recommendation: It is your responsibility to make the ultimate decision to accept this degree of risk associated with this condition because of cost or other considerations. As in prior years, we have instructed management to review a draft of the auditor prepared financials in detail for their accuracy; we have answered any questions they might have, and have encouraged research of any accounting guidance in connection with the adequacy and appropriateness of classification of disclosure in your statements. We are satisfied that the appropriate steps have been taken to provide you with the completed financial statements. While the City is reviewing the financial statements we recommend that a disclosure checklist be utilized to ensure all required disclosures are presented and the City should agree its financial software to the numbers reported in the financial statements.

Management response:

For now, the City's management accepts the degree of risk associated with this condition and thoroughly reviews a draft of the financial statements.

CITY OF WYOMING, MINNESOTA
SCHEDULE OF FINDINGS AND RESPONSES - CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Finding</u>	<u>Description</u>
2011-2	<p>Limited segregation of duties</p> <p><i>Condition:</i> During our audit we reviewed procedures over cash receipts, cash disbursements, payroll, utility billing, financial reporting, and capital assets and found the City to have limited segregation of duties over those transaction cycles.</p> <p><i>Criteria:</i> There are four general categories of duties: authorization, custody, record keeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities.</p> <p><i>Cause:</i> As a result of the limited number of staff, in the disbursement cycle, the accountant has access to checks, ability to posts to the general ledger, and prepares bank reconciliations. In the receipts cycle, the accountant maintains accounts receivable invoices, posts to the general ledger, prepares deposits and brings to the bank, and reconciles the bank statement. In the payroll cycle, the Accounting Clerk has control over the checks, sets up employee records, posts to the general ledger. In the utility billing cycle, the Council approves rates but the Utility Billing Clerk, does all other duties. In the financial reporting and capital asset transaction cycles, the accountant performs all of the duties.</p> <p><i>Effect:</i> The existence of this limited segregation of duties increases the risk of fraud.</p> <p><i>Recommendation:</i> While we recognize the number of staff is not large enough to eliminate this deficiency, we recommend that the City evaluate the current procedures and segregate duties where possible and implement any compensating controls. We are aware some compensating controls are in place; however, it is important that the Council is aware of this condition and monitor all financial information.</p> <p><i>Management response:</i></p> <p>Management recognizes that it is not economically feasible to correct this finding, however is aware of the deficiency and is relying on oversight by management and the Council to monitor this deficiency.</p>
2011-3	<p>Collateral coverage</p> <p><i>Condition:</i> Auditing for legal compliance requires a review of the City's deposits and investments. Our study indicated an instance of non-compliance that we believe is required to be remedied.</p> <p><i>Criteria:</i> In accordance with Minnesota statute, section 118A.03, the City is required to have pledged collateral equal to 110 percent of the deposit not covered with FDIC insurance.</p> <p><i>Cause:</i> The City had \$202,959 of deposits uncollateralized on December 31, 2011.</p> <p><i>Effect:</i> The City is in violation of this statute.</p> <p><i>Recommendation:</i> We recommend that the City review collateral coverage each month when completing the bank reconciliation and when planning for cash flow. This will not result in any additional cost and will ensure that the City complies with the applicable statute.</p> <p><i>Management response:</i></p> <p>The City is aware of the situation and plans to monitor the coverage to ensure compliance is met. The City has also pledged additional collateral subsequent to year end to cover the uninsured amount.</p>

