

CITY OF WYOMING  
WYOMING, MINNESOTA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED  
DECEMBER 31, 2012

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CITY OF WYOMING, MINNESOTA  
ANNUAL FINANCIAL REPORT  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Page No.</u>
<b>INTRODUCTORY SECTION</b>	
Elected and Appointed Officials	5
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	9
Management's Discussion and Analysis	13
<b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position	27
Statement of Activities	28
Fund Financial Statements	
Governmental Funds	
Balance Sheet	32
Reconciliation of the Balance Sheet to the Statement of Net Position	33
Statement of Revenues, Expenditures and Changes in Fund Balances	34
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	35
General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	37
Proprietary Funds	
Statements of Net Position	38
Statements of Revenues, Expenses and Changes in Net Position	40
Statements of Cash Flows	42
Fiduciary Fund	
Statement of Fiduciary Net Position	46
Notes to the Financial Statements	47
<b>Required Supplementary Information</b>	
Schedule of Funding Progress for the Postemployment Benefit Plan	70
<b>Combining and Individual Fund Financial Statements and Schedules</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet	72
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	73
Nonmajor Special Revenue Funds	
Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	76
Nonmajor Capital Projects Funds	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	80
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	82
Debt Service Funds	
Combining Balance Sheet	86
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	88
Agency Funds	
Combining Schedule of Changes in Assets and Liabilities	90
Summary Financial Report	
Revenues and Expenditures for General Operations - Governmental Funds	98
<b>OTHER REQUIRED REPORTS</b>	
Auditor's Report on Legal Compliance	101

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**INTRODUCTORY SECTION**

CITY OF WYOMING  
WYOMING, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2012

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CITY OF WYOMING, MINNESOTA  
ELECTED AND APPOINTED OFFICIALS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**ELECTED**

<u>Name</u>	<u>Title</u>	<u>Term Ends</u>
Eric Peterson	Mayor	12/31/2014
Roger Elmore	Council Member	12/31/2014
Joe Zerwas	Council Member	12/13/2016
Steve Zerwas	Council Member	12/31/2014
Linda Nanko Yeager	Council Member	12/31/2016

**APPOINTED**

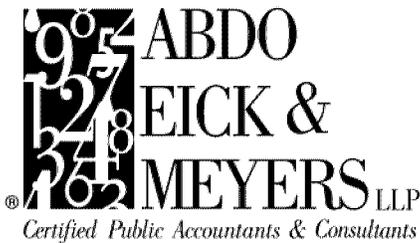
Craig Mattson	Administrator
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**FINANCIAL SECTION**  
**CITY OF WYOMING**  
**WYOMING, MINNESOTA**

**FOR THE YEAR ENDED**  
**DECEMBER 31, 2012**

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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

### **Report on the Financial Statements**

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, 2012, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. The prior year comparative information has been derived from the City's 2011 financial statements and, in our report dated June 15, 2012 we express 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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

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## 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, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Change in Accounting Standards*

As described in the Note 8 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the year ended December 31, 2012. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 13 and the Schedule of Funding Progress on page 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information in Relation to the Financial Statements as a Whole*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. 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 basic 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic 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 11, 2013  
Minneapolis, Minnesota

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, 2012.

### **Financial Highlights**

- The assets of the City exceeded its liabilities, and deferred inflows of resources at the close of the most recent fiscal year by \$31,937,598. Of this amount, \$5,931,408 may be used to meet the City's ongoing obligations to citizens and creditors and is identified as unrestricted.
- The City's total net position increased by \$1,151,364.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$3,336,221, an increase of \$170,251 in comparison with the prior year.
- At the end of the current fiscal year, unassigned and assigned fund balance for the General fund was \$1,283,054 and \$618,292, or 67 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**

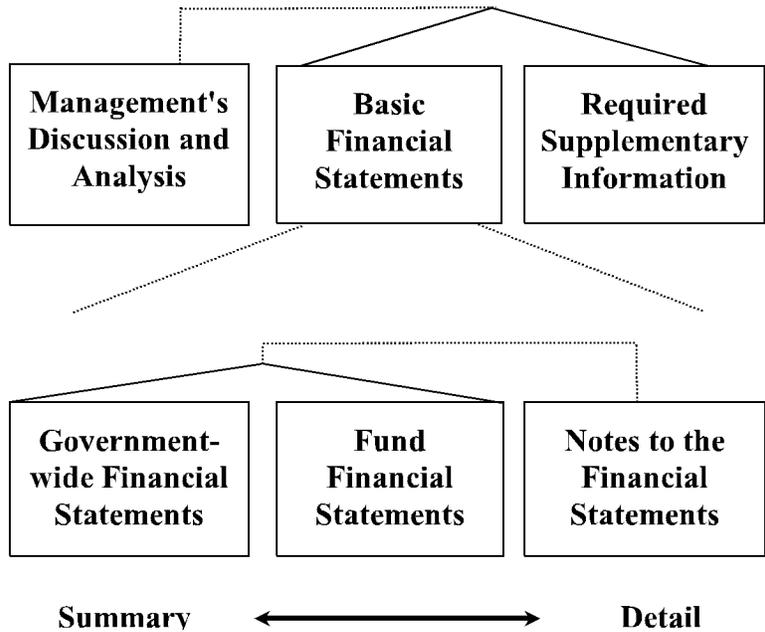


Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the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

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

	<b>Fund Financial Statements</b>		
	<b>Government-wide Statements</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>
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"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Revenues, Expenses and Changes in Fund Net Position</li> <li>• Statement of Cash Flows</li> </ul>
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 deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid.	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid.
Type of inflow/outflow 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 position* presents information on all of the City’s assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. 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 27 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 30 individual governmental funds, 8 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, Debt Service fund, and the Highway 61 Improvement fund, all of which are considered to be major funds. Data from the other 20 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements 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 32 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 38 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 46 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 47 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 72 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities and deferred inflows of resources by \$31,937,598 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 position, \$22,574,195, 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 62 percent of the total and governmental are 38 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 Position

	Governmental Activities			Business-type Activities		
	2012	Restated 2011	Increase (Decrease)	2012	2011	Increase (Decrease)
<b>Assets</b>						
Current and other assets	\$ 6,585,662	\$ 6,372,845	\$ 212,817	\$ 4,260,696	\$ 4,012,879	\$ 247,817
Capital assets	11,497,820	10,581,659	916,161	15,692,280	16,182,571	(490,291)
<b>Total assets</b>	<b>18,083,482</b>	<b>16,954,504</b>	<b>1,128,978</b>	<b>19,952,976</b>	<b>20,195,450</b>	<b>(242,474)</b>
<b>Liabilities</b>						
Noncurrent liabilities						
outstanding	5,465,209	5,899,170	(433,961)	114,927	93,048	21,879
Other liabilities	399,249	258,738	140,511	119,475	112,764	6,711
<b>Total liabilities</b>	<b>5,864,458</b>	<b>6,157,908</b>	<b>(293,450)</b>	<b>234,402</b>	<b>205,812</b>	<b>28,590</b>
<b>Net position</b>						
Net investment in capital assets	6,881,915	5,548,981	1,332,934	15,692,280	16,182,571	(490,291)
Restricted for						
Debt service	2,939,215	3,049,605	(110,390)	-	-	-
Public safety expenses	13,039	8,684	4,355	-	-	-
Revolving loans	96,972	119,937	(22,965)	-	-	-
Tax increment financing	299,168	244,810	54,358	-	-	-
State aid streets	83,601	58,599	25,002	-	-	-
Unrestricted	1,905,114	1,765,980	139,134	4,026,294	3,807,067	219,227
<b>Total net position as restated</b>	<b>\$ 12,219,024</b>	<b>\$ 10,796,596</b>	<b>\$ 1,422,428</b>	<b>\$ 19,718,574</b>	<b>\$ 19,989,638</b>	<b>\$ (271,064)</b>

A portion of the City's net position (\$3,431,995) represents resources that are subject to external restrictions on how they may be used.

**Governmental activities.** Governmental activities increased the City's net position by \$1,422,428.

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

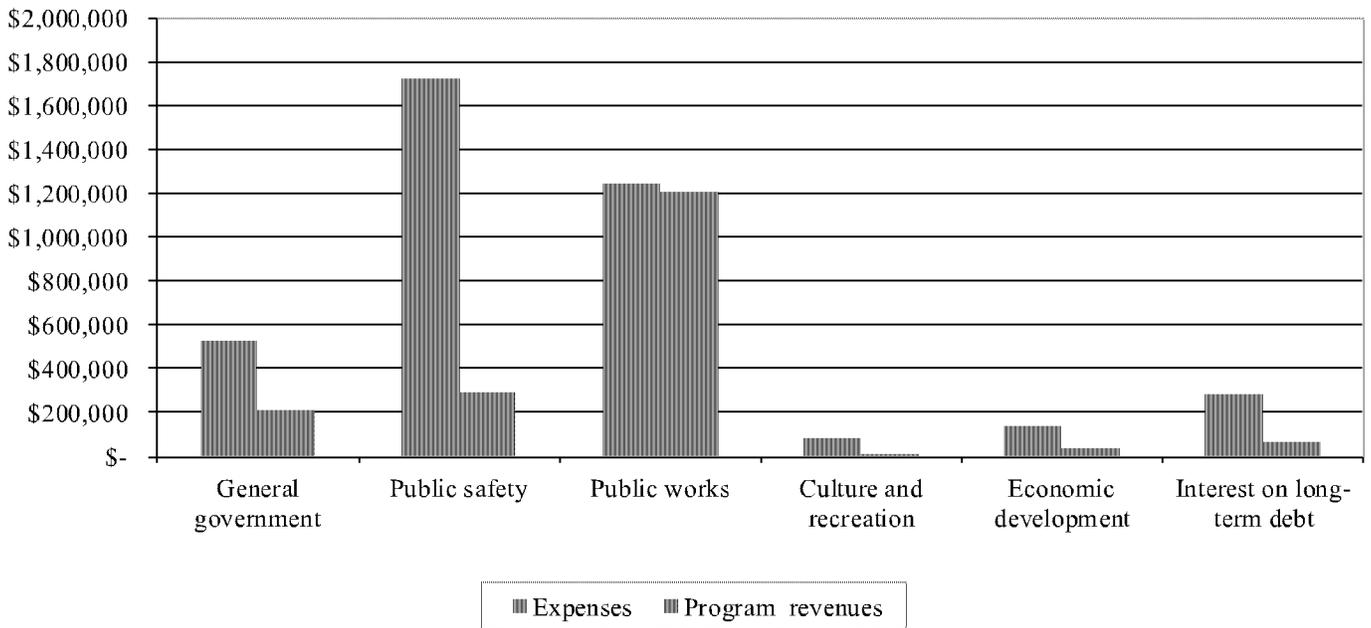
### City of Wyoming's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2012	Restated 2011	Increase (Decrease)	2012	2011	Increase (Decrease)
Revenues						
Program revenues						
Charges for services	\$ 360,675	\$ 253,313	\$ 107,362	\$ 1,031,578	\$ 854,133	\$ 177,445
Operating grants and contributions	248,773	242,005	6,768	-	-	-
Capital grants and contributions	1,209,603	269,601	940,002	365,312	14,220	351,092
General revenues						
Property taxes/tax increments	3,490,339	3,330,735	159,604	-	-	-
Other taxes	38,861	39,609	(748)	-	-	-
Grants and contributions not restricted to specific programs	4,856	5,319	(463)	-	-	-
Unrestricted investment earnings	57,047	43,471	13,576	80,100	79,494	606
Gain on sale of capital assets	-	14,500	(14,500)	-	-	-
<b>Total revenues</b>	<b>5,410,154</b>	<b>4,198,553</b>	<b>1,211,601</b>	<b>1,476,990</b>	<b>947,847</b>	<b>529,143</b>
Expenses						
General government	526,319	534,021	(7,702)	-	-	-
Public safety	1,722,546	1,581,798	140,748	-	-	-
Public works	1,241,687	1,271,615	(29,928)	-	-	-
Culture and recreation	84,284	76,944	7,340	-	-	-
Economic development	135,577	77,441	58,136	-	-	-
Interest on long-term debt	277,313	319,258	(41,945)	-	-	-
Water	-	-	-	506,396	508,491	(2,095)
Sewer	-	-	-	1,213,527	1,299,975	(86,448)
Surface water	-	-	-	28,131	85,909	(57,778)
<b>Total expenses</b>	<b>3,987,726</b>	<b>3,861,077</b>	<b>126,649</b>	<b>1,748,054</b>	<b>1,894,375</b>	<b>(146,321)</b>
<b>Change in net position</b>	<b>1,422,428</b>	<b>337,476</b>	<b>1,084,952</b>	<b>(271,064)</b>	<b>(946,528)</b>	<b>675,464</b>
Net position as restated, January 1	10,796,596	10,459,120	337,476	19,989,638	20,936,166	(946,528)
Net position as restated, December 31	<u>\$ 12,219,024</u>	<u>\$ 10,796,596</u>	<u>\$ 1,422,428</u>	<u>\$ 19,718,574</u>	<u>\$ 19,989,638</u>	<u>\$ (271,064)</u>

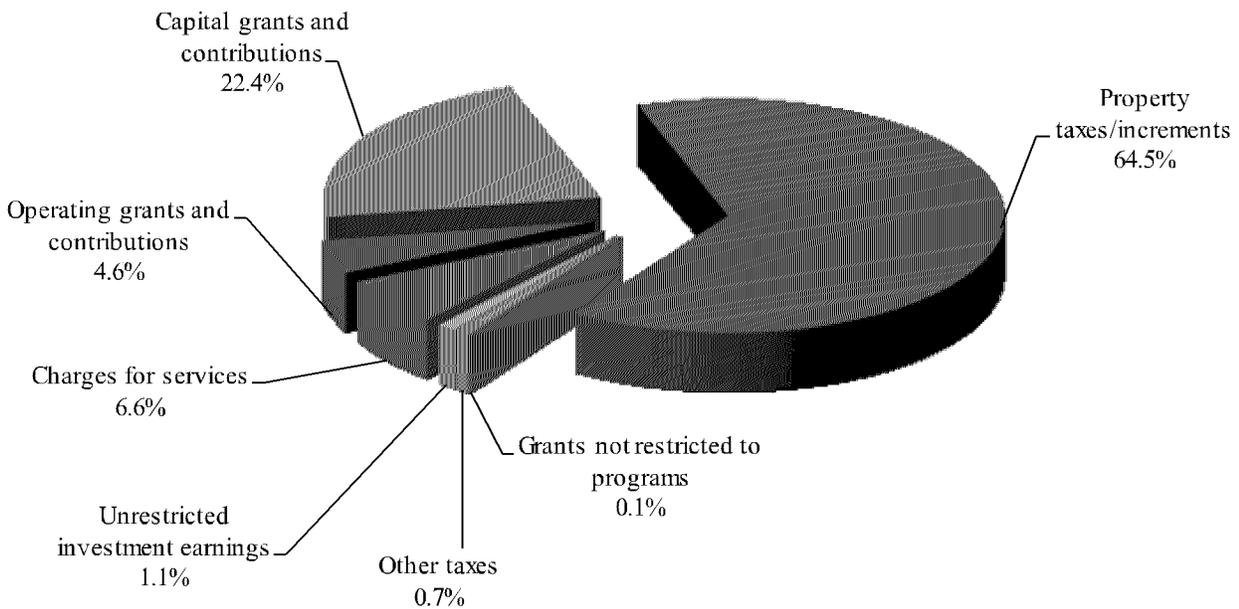
- Property taxes and tax increments increased in the governmental activities by \$159,604.
- Public safety expenses increased in the governmental activities by \$140,748 due to increase in personal services, vehicle maintenance, motor fuels, and communications.

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

### Expenses and Program Revenues - Governmental Activities



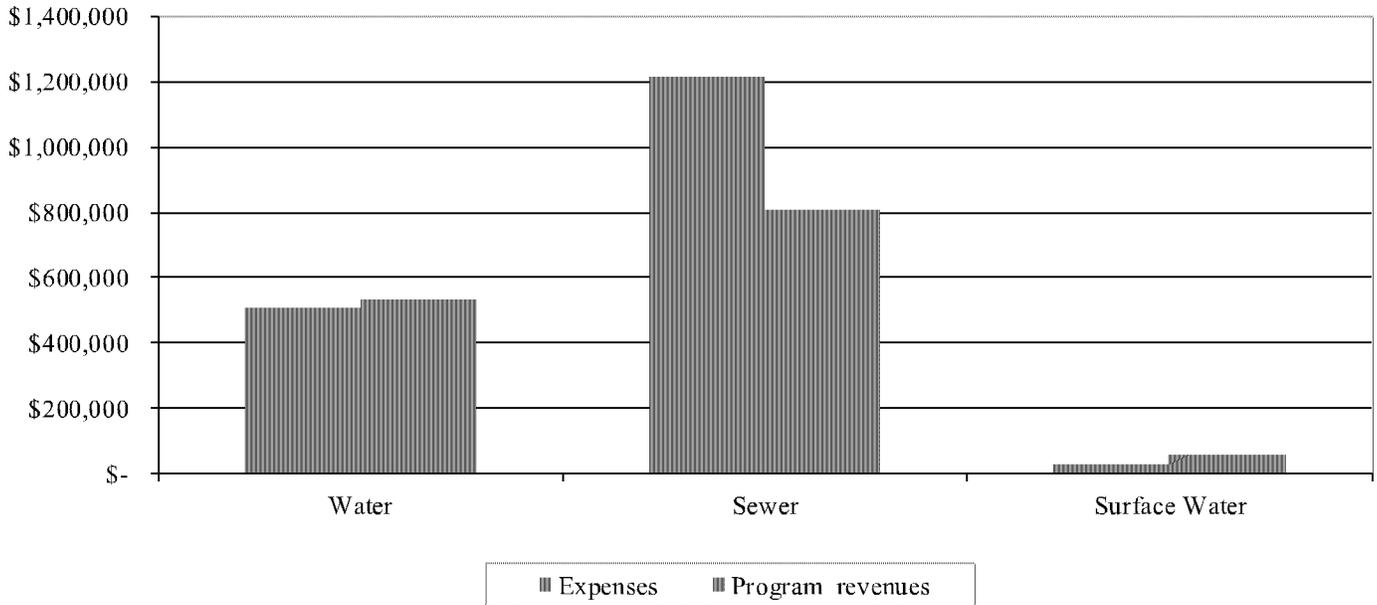
### Revenues by Source - Governmental Activities



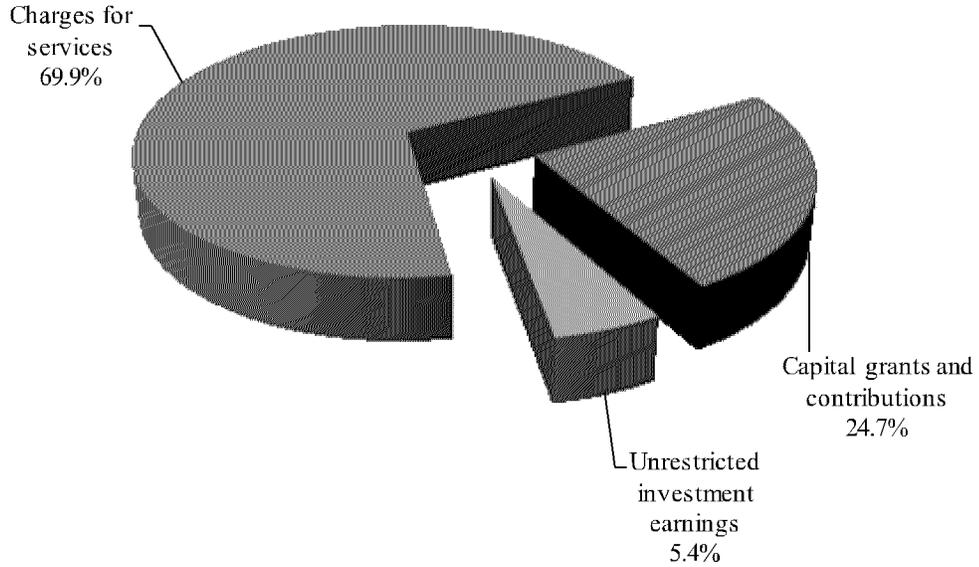
**Business-type activities.** Business-type activities decreased the City’s net position by \$271,064, as a result of increased expenses in the Sewer fund.

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 \$3,336,221, an increase of \$170,251 in comparison with the prior year. Of this total amount, \$569,953, constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance of \$2,766,268 is not available for new spending because it is either 1) restricted, \$1,163,520, 2) committed, \$129,347, or 3) assigned, \$1,473,401.

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 \$1,901,346, of which \$618,292 is assigned and \$1,283,054 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 56.9 percent of 2013 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 position of the enterprise funds at year end amounted to \$4,026,294. The total decreased in net position for the funds was \$271,064.

### General Fund Budgetary Highlights

The City's General fund budget was not amended during the year. Overall revenue and other financing sources were \$388,785 over budget. The largest positive variance was license and permits, which was \$227,931 over budget.

The City was under budget in expenditures by \$313,917. The City was under budget in all departments except public safety by \$35,334. Public Safety was over budget due to the police department being over budget due to increases in personal services, vehicle maintenance, motor fuels, and communications.

## 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		
	2012	2011	Increase (Decrease)	2012	2011	Increase (Decrease)
Land	\$ 856,787	\$ 856,787	\$ -	\$ 6,284	\$ 6,284	\$ -
Buildings and structures	223,334	243,621	(20,287)	345,435	362,587	(17,152)
Machinery and equipment	1,265,605	1,387,203	(121,598)	99,548	84,438	15,110
Infrastructure	7,724,219	8,094,048	(369,829)	15,241,013	15,729,262	(488,249)
Construction in progress	1,427,875	-	1,427,875	-	-	-
<b>Total</b>	<b>\$ 11,497,820</b>	<b>\$ 10,581,659</b>	<b>\$ 916,161</b>	<b>\$ 15,692,280</b>	<b>\$ 16,182,571</b>	<b>\$ (490,291)</b>

Additional information on the City's capital assets can be found in Note 3B starting on page 56 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 \$5,015,905. 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		
	2012	2011	Increase (Decrease)	2012	2011	Increase (Decrease)
General obligation improvement bonds	\$ 4,080,000	\$ 4,398,000	\$ (318,000)	\$ -	\$ -	\$ -
G.O. capital notes	112,000	146,000	(34,000)	-	-	-
G.O. tax increment bonds	400,000	520,000	(120,000)	-	-	-
Revenue bonds	40,000	80,000	(40,000)	-	-	-
Notes payable	383,905	394,422	(10,517)	-	-	-
Other post employment benefits payable	152,849	105,029	47,820	43,009	26,258	16,751
Compensated absences	296,455	255,719	40,736	71,918	66,790	5,128
<b>Total</b>	<b>\$ 5,465,209</b>	<b>\$ 5,899,170</b>	<b>\$ (433,961)</b>	<b>\$ 114,927</b>	<b>\$ 93,048</b>	<b>\$ 21,879</b>

The City's total long-term debt decreased \$412,082 (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 \$19,147,551. The City has \$112,000 of debt outstanding against this limit.

Additional information on the City's long-term debt can be found in Note 3D starting on page 58 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 levied \$500,000 (debt levy) for the street replacement fund to assist in financing future street construction projects.
- The City combined police, fire and emergency management into one Public Safety Department.
- The City has contracted the billing of the City's utility accounts to an outside vender.

All of these factors were considered in preparing the City's budget for the 2013 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, 2012

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CITY OF WYOMING, MINNESOTA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2012

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and temporary investments	\$ 4,102,661	\$ 2,829,929	\$ 6,932,590
Receivables			
Interest	6,455	-	6,455
Taxes	202,149	-	202,149
Accounts	101,669	587,064	688,733
Loans	80,302	-	80,302
Special assessments	2,683,342	122,202	2,805,544
Internal balances	(609,391)	609,391	-
Due from other governments	18,475	112,110	130,585
Land and construction in progress	2,284,662	6,284	2,290,946
Depreciable infrastructure, buildings, property and equipment, net	9,213,158	15,685,996	24,899,154
TOTAL ASSETS	18,083,482	19,952,976	38,036,458
<b>LIABILITIES</b>			
Accounts payable	208,671	56,880	265,551
Due to other governments	40,828	39,303	80,131
Accrued interest payable	94,933	-	94,933
Accrued salaries payable	54,817	13,328	68,145
Unearned revenue	-	9,964	9,964
Noncurrent liabilities			
Due within one year	553,212	6,780	559,992
Due in more than one year	4,911,997	108,147	5,020,144
TOTAL LIABILITIES	5,864,458	234,402	6,098,860
<b>NET POSITION</b>			
Net investment in capital assets	6,881,915	15,692,280	22,574,195
Restricted for			
Debt service	2,939,215	-	2,939,215
Public safety expenses	13,039	-	13,039
Revolving loans	96,972	-	96,972
Tax increment financing	299,168	-	299,168
State aid streets	83,601	-	83,601
Unrestricted	1,905,114	4,026,294	5,931,408
TOTAL NET POSITION	\$ 12,219,024	\$ 19,718,574	\$ 31,937,598

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, 2012

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 526,319	\$ 168,804	\$ 40,228	\$ -
Public safety	1,722,546	190,776	103,441	-
Public works	1,241,687	-	-	1,209,603
Culture and recreation	84,284	1,095	9,065	-
Economic development	135,577	-	34,890	-
Interest on long-term debt	277,313	-	61,149	-
Total governmental activities	<u>3,987,726</u>	<u>360,675</u>	<u>248,773</u>	<u>1,209,603</u>
Business-type activities				
Water	506,396	358,931	-	171,711
Sewer	1,213,527	615,695	-	193,601
Surface water	28,131	56,952	-	-
Total business-type activities	<u>1,748,054</u>	<u>1,031,578</u>	<u>-</u>	<u>365,312</u>
Total	<u>\$ 5,735,780</u>	<u>\$ 1,392,253</u>	<u>\$ 248,773</u>	<u>\$ 1,574,915</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

Total general revenues and transfers

Change in net position

Net position as restated - January 1

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (317,287)	\$ -	\$ (317,287)
(1,428,329)	-	(1,428,329)
(32,084)	-	(32,084)
(74,124)	-	(74,124)
(100,687)	-	(100,687)
(216,164)	-	(216,164)
<u>(2,168,675)</u>	<u>-</u>	<u>(2,168,675)</u>
-	24,246	24,246
-	(404,231)	(404,231)
-	28,821	28,821
<u>-</u>	<u>(351,164)</u>	<u>(351,164)</u>
<u>(2,168,675)</u>	<u>(351,164)</u>	<u>(2,519,839)</u>
2,792,629	-	2,792,629
253,782	-	253,782
351,687	-	351,687
92,241	-	92,241
38,861	-	38,861
4,856	-	4,856
57,047	80,100	137,147
<u>3,591,103</u>	<u>80,100</u>	<u>3,671,203</u>
1,422,428	(271,064)	1,151,364
<u>10,796,596</u>	<u>19,989,638</u>	<u>30,786,234</u>
<u>\$ 12,219,024</u>	<u>\$ 19,718,574</u>	<u>\$ 31,937,598</u>

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**FUND FINANCIAL STATEMENTS**

CITY OF WYOMING  
WYOMING, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2012

CITY OF WYOMING, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2012

	General	Debt Service	Highway 61 Improvement	Other Governmental Funds	Total
<b>ASSETS</b>					
Cash and temporary investments	\$ 2,528,389	\$ 773,772	\$ 131,669	\$ 668,831	\$ 4,102,661
Receivables					
Interest	6,455	-	-	-	6,455
Taxes	165,579	15,591	-	20,979	202,149
Accounts	100,625	-	-	1,044	101,669
Special assessments	19,122	2,662,186	-	2,034	2,683,342
Loans	-	-	-	80,302	80,302
Due from other governments	18,475	-	-	-	18,475
<b>TOTAL ASSETS</b>	<b><u>\$ 2,838,645</u></b>	<b><u>\$ 3,451,549</u></b>	<b><u>\$ 131,669</u></b>	<b><u>\$ 773,190</u></b>	<b><u>\$ 7,195,053</u></b>
<b>LIABILITIES</b>					
Accounts payable	\$ 66,876	\$ 17,401	\$ 75,422	\$ 48,972	\$ 208,671
Due to other governments	40,636	-	-	192	40,828
Advance from other funds	609,391	-	-	-	609,391
Accrued salaries payable	54,817	-	-	-	54,817
<b>TOTAL LIABILITIES</b>	<b><u>771,720</u></b>	<b><u>17,401</u></b>	<b><u>75,422</u></b>	<b><u>49,164</u></b>	<b><u>913,707</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - taxes	165,579	15,591	-	20,772	201,942
Unavailable revenue - special assessments	-	2,660,847	-	2,034	2,662,881
Unavailable revenue - loans	-	-	-	80,302	80,302
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b><u>165,579</u></b>	<b><u>2,676,438</u></b>	<b><u>-</u></b>	<b><u>103,108</u></b>	<b><u>2,945,125</u></b>
<b>FUND BALANCES</b>					
Restricted	-	757,710	-	405,810	1,163,520
Committed	-	-	-	129,347	129,347
Assigned	618,292	-	56,247	798,862	1,473,401
Unassigned	1,283,054	-	-	(713,101)	569,953
<b>TOTAL FUND BALANCES</b>	<b><u>1,901,346</u></b>	<b><u>757,710</u></b>	<b><u>56,247</u></b>	<b><u>620,918</u></b>	<b><u>3,336,221</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 2,838,645</u></b>	<b><u>\$ 3,451,549</u></b>	<b><u>\$ 131,669</u></b>	<b><u>\$ 773,190</u></b>	<b><u>\$ 7,195,053</u></b>

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 POSITION  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2012

Total fund balances - governmental	\$ 3,336,221
Amounts reported for the governmental activities in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	19,443,999
Less accumulated depreciation	(7,946,179)
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	(296,455)
Other post employment benefits payable	(152,849)
Bonds payable	(5,015,905)
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are shown as unavailable revenue in the funds.	
Special assessments receivable	2,662,881
Delinquent taxes receivable	201,942
Loans receivable	80,302
Governmental funds do not report a liability for accrued interest until due and payable.	(94,933)
Total net position - governmental activities	\$ 12,219,024

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, 2012

	General	Debt Service	Highway 61 Improvements	Other Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 3,136,572	\$ 292,692	\$ -	\$ 93,494	\$ 3,522,758
Licenses and permits	236,431	-	-	-	236,431
Intergovernmental	99,513	61,149	1,046,596	23,625	1,230,883
Charges for services	30,625	-	-	17,810	48,435
Fines and forfeitures	54,878	-	-	-	54,878
Special assessments	-	213,391	-	6,827	220,218
Interest on investments	22,019	9,098	3,329	22,601	57,047
Miscellaneous	62,732	-	-	76,127	138,859
<b>TOTAL REVENUES</b>	<b>3,642,770</b>	<b>576,330</b>	<b>1,049,925</b>	<b>240,484</b>	<b>5,509,509</b>
<b>EXPENDITURES</b>					
<b>Current</b>					
General government	502,605	-	-	2,000	504,605
Public safety	1,477,557	-	-	23,702	1,501,259
Public works	633,968	-	764	118,420	753,152
Culture and recreation	38,190	-	-	-	38,190
Economic development	-	77,650	-	57,927	135,577
Capital outlay	181,745	-	992,914	430,576	1,605,235
Debt service			-		
Principal	34,000	478,000	-	10,517	522,517
Interest and other	36,994	230,704	-	20,912	288,610
<b>TOTAL EXPENDITURES</b>	<b>2,905,059</b>	<b>786,354</b>	<b>993,678</b>	<b>664,054</b>	<b>5,349,145</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>737,711</b>	<b>(210,024)</b>	<b>56,247</b>	<b>(423,570)</b>	<b>160,364</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	40,403	-	-	40,403
Sale of capital assets	5,394	-	-	4,493	9,887
Transfers out	(40,403)	-	-	-	(40,403)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(35,009)</b>	<b>40,403</b>	<b>-</b>	<b>4,493</b>	<b>9,887</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>702,702</b>	<b>(169,621)</b>	<b>56,247</b>	<b>(419,077)</b>	<b>170,251</b>
<b>FUND BALANCES, JANUARY 1</b>	<b>1,198,644</b>	<b>927,331</b>	<b>-</b>	<b>1,039,995</b>	<b>3,165,970</b>
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 1,901,346</b>	<b>\$ 757,710</b>	<b>\$ 56,247</b>	<b>\$ 620,918</b>	<b>\$ 3,336,221</b>

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, 2012

Net change in fund balances - governmental funds	\$ 170,251
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	1,533,178
Depreciation expense	(614,522)
Loss on sale of capital asset	(2,495)
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 position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are delayed and amortized in the statement of activities.	
Principal repayments	522,517
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.	
	11,297
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	(86,230)
Loan repayments	(29,454)
TIF Property taxes	6,442
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	(40,736)
Other post employment benefits	<u>(47,820)</u>
Change in net position - governmental activities	<u><u>\$ 1,422,428</u></u>

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, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,037,920	\$ 3,037,920	\$ 3,136,572	\$ 98,652
Licenses and permits	8,500	8,500	236,431	227,931
Intergovernmental	84,569	84,569	99,513	14,944
Charges for services	36,250	36,250	30,625	(5,625)
Fines and forfeitures	51,500	51,500	54,878	3,378
Interest on investments	15,000	15,000	22,019	7,019
Miscellaneous	25,640	25,640	62,732	37,092
<b>TOTAL REVENUES</b>	<b>3,259,379</b>	<b>3,259,379</b>	<b>3,642,770</b>	<b>383,391</b>
<b>EXPENDITURES</b>				
Current				
General government	625,191	625,191	502,605	122,586
Public safety	1,442,223	1,442,223	1,477,557	(35,334)
Public works	716,499	716,499	633,968	82,531
Culture and recreation	46,200	46,200	38,190	8,010
Miscellaneous	10,914	10,914	-	10,914
Capital outlay	221,100	221,100	181,745	39,355
Debt service	156,849	156,849	70,994	85,855
<b>TOTAL EXPENDITURES</b>	<b>3,218,976</b>	<b>3,218,976</b>	<b>2,905,059</b>	<b>313,917</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>40,403</b>	<b>40,403</b>	<b>737,711</b>	<b>697,308</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	-	-	5,394	5,394
Transfers out	(40,403)	(40,403)	(40,403)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(40,403)</b>	<b>(40,403)</b>	<b>(35,009)</b>	<b>5,394</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>702,702</b>	<b>702,702</b>
<b>FUND BALANCES, JANUARY 1</b>	<b>1,198,644</b>	<b>1,198,644</b>	<b>1,198,644</b>	<b>-</b>
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 1,198,644</b>	<b>\$ 1,198,644</b>	<b>\$ 1,901,346</b>	<b>\$ 702,702</b>

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

CITY OF WYOMING, MINNESOTA  
STATEMENTS OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2012 AND 2011

	Business-type Activities - Enterprise Funds			
	601		602	
	Water		Sewer	
	2012	2011	2012	2011
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and temporary investments	\$ 363,016	\$ 263,821	\$ 2,220,616	\$ 2,332,787
Receivables				
Accounts	229,073	65,035	339,499	131,272
Special assessments	18,145	15,337	3,516	2,295
Due from other governments	-	-	112,110	168,000
Advance to other funds - current	47,384	43,893	47,384	43,893
<b>TOTAL CURRENT ASSETS</b>	<b>657,618</b>	<b>388,086</b>	<b>2,723,125</b>	<b>2,678,247</b>
<b>NONCURRENT ASSETS</b>				
Special assessments - noncurrent	-	-	100,541	122,750
Advance to other funds - noncurrent	257,312	304,695	257,311	304,695
Capital assets				
Land	6,284	6,284	-	-
Buildings	845,950	845,950	-	-
Machinery and equipment	50,055	50,055	150,981	126,777
Infrastructure	6,913,448	6,913,448	13,980,024	13,980,024
Total capital assets	7,815,737	7,815,737	14,131,005	14,106,801
Less accumulated depreciation	(2,983,947)	(2,798,212)	(3,977,932)	(3,674,482)
Net capital assets	4,831,790	5,017,525	10,153,073	10,432,319
<b>TOTAL NONCURRENT ASSETS</b>	<b>5,089,102</b>	<b>5,322,220</b>	<b>10,510,925</b>	<b>10,859,764</b>
<b>TOTAL ASSETS</b>	<b>5,746,720</b>	<b>5,710,306</b>	<b>13,234,050</b>	<b>13,538,011</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	3,263	17,147	51,817	42,023
Due to other governments	19	-	39,284	-
Accrued salaries payable	6,493	13,539	6,835	13,539
Unearned revenue	1,495	3,894	2,989	7,787
Current portion of compensated absences payable	3,390	11,162	3,390	11,162
<b>TOTAL CURRENT LIABILITIES</b>	<b>14,660</b>	<b>45,742</b>	<b>104,315</b>	<b>74,511</b>
<b>NONCURRENT LIABILITIES</b>				
Compensated absences, less current portion above	32,569	22,233	32,569	22,233
Other post employment benefits	21,386	13,129	21,623	13,129
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>53,955</b>	<b>35,362</b>	<b>54,192</b>	<b>35,362</b>
<b>TOTAL LIABILITIES</b>	<b>68,615</b>	<b>81,104</b>	<b>158,507</b>	<b>109,873</b>
<b>NET POSITION</b>				
Net investment in capital assets	4,831,790	5,017,525	10,153,073	10,432,319
Unrestricted	846,315	611,677	2,922,470	2,995,819
<b>TOTAL NET POSITION</b>	<b>\$ 5,678,105</b>	<b>\$ 5,629,202</b>	<b>\$ 13,075,543</b>	<b>\$ 13,428,138</b>

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

Business-type Activities - Enterprise Funds

<b>610</b>			
Surface Water		Totals	
2012	2011	2012	2011
\$ 246,297	\$ 206,853	\$ 2,829,929	\$ 2,803,461
18,492	7,553	587,064	203,860
-	-	21,661	17,632
-	-	112,110	168,000
-	-	94,768	87,786
<u>264,789</u>	<u>214,406</u>	<u>3,645,532</u>	<u>3,280,739</u>
-	-	100,541	122,750
-	-	<u>514,623</u>	<u>609,390</u>
-	-	6,284	6,284
-	-	845,950	845,950
-	-	201,036	176,832
<u>767,994</u>	<u>767,994</u>	<u>21,661,466</u>	<u>21,661,466</u>
767,994	767,994	22,714,736	22,690,532
<u>(60,577)</u>	<u>(35,267)</u>	<u>(7,022,456)</u>	<u>(6,507,961)</u>
<u>707,417</u>	<u>732,727</u>	<u>15,692,280</u>	<u>16,182,571</u>
<u>707,417</u>	<u>732,727</u>	<u>16,307,444</u>	<u>16,914,711</u>
<u>972,206</u>	<u>947,133</u>	<u>19,952,976</u>	<u>20,195,450</u>
1,800	559	56,880	59,729
-	-	39,303	-
-	-	13,328	27,078
5,480	14,276	9,964	25,957
-	-	6,780	22,324
<u>7,280</u>	<u>14,835</u>	<u>126,255</u>	<u>135,088</u>
-	-	65,138	44,466
-	-	<u>43,009</u>	<u>26,258</u>
-	-	108,147	70,724
<u>7,280</u>	<u>14,835</u>	<u>234,402</u>	<u>205,812</u>
707,417	732,727	15,692,280	16,182,571
<u>257,509</u>	<u>199,571</u>	<u>4,026,294</u>	<u>3,807,067</u>
<u>\$ 964,926</u>	<u>\$ 932,298</u>	<u>\$ 19,718,574</u>	<u>\$ 19,989,638</u>

CITY OF WYOMING, MINNESOTA  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	Business-type Activities - Enterprise Funds			
	601		602	
	Water		Sewer	
	2012	2011	2012	2011
OPERATING REVENUES				
Charges for services	\$ 353,032	\$ 317,051	\$ 589,488	\$ 483,600
OPERATING EXPENSES				
Personal services	208,740	177,862	210,173	177,991
Supplies	25,932	44,330	14,775	122,107
Repairs and maintenance	18,389	14,563	47,146	31,522
Other services and charges	38,361	59,397	368,413	355,793
Utilities	29,239	30,386	269,570	308,122
Depreciation	185,735	181,953	303,450	304,440
TOTAL OPERATING EXPENSES	506,396	508,491	1,213,527	1,299,975
OPERATING INCOME (LOSS)	(153,364)	(191,440)	(624,039)	(816,375)
NONOPERATING REVENUES (EXPENSES)				
Special assessments	-	-	26,207	24,914
Interest income	24,657	23,014	51,636	53,557
Miscellaneous income	5,899	193	-	32
TOTAL NONOPERATING REVENUES (EXPENSES)	30,556	23,207	77,843	78,503
INCOME (LOSS) BEFORE TRANSFERS	(122,808)	(168,233)	(546,196)	(737,872)
TRANSFERS AND CONTRIBUTIONS				
Capital contributions from governmental funds	171,711	10,400	193,601	3,820
CHANGE IN NET POSITION	48,903	(157,833)	(352,595)	(734,052)
NET POSITION, JANUARY 1	5,629,202	5,787,035	13,428,138	14,162,190
NET POSITION, DECEMBER 31	<u>\$ 5,678,105</u>	<u>\$ 5,629,202</u>	<u>\$ 13,075,543</u>	<u>\$ 13,428,138</u>

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

Business-type Activities - Enterprise Funds

<b>610</b>			
Surface Water		Totals	
2012	2011	2012	2011
\$ 56,952	\$ 28,343	\$ 999,472	\$ 828,994
-	-	418,913	355,853
-	-	40,707	166,437
-	-	65,535	46,085
2,821	51,899	409,595	467,089
-	-	298,809	338,508
25,310	34,010	514,495	520,403
28,131	85,909	1,748,054	1,894,375
28,821	(57,566)	(748,582)	(1,065,381)
-	-	26,207	24,914
3,807	2,923	80,100	79,494
-	-	5,899	225
3,807	2,923	112,206	104,633
32,628	(54,643)	(636,376)	(960,748)
-	-	365,312	14,220
32,628	(54,643)	(271,064)	(946,528)
932,298	986,941	19,989,638	20,936,166
<u>\$ 964,926</u>	<u>\$ 932,298</u>	<u>\$ 19,718,574</u>	<u>\$ 19,989,638</u>

CITY OF WYOMING, MINNESOTA  
STATEMENTS OF CASH FLOWS - CONTINUED ON THE FOLLOWING PAGES  
PROPRIETARY FUNDS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	Business-type Activities - Enterprise Funds			
	601 Water		602 Sewer	
	2012	2011	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers	\$ 189,686	\$ 307,675	\$ 453,341	\$ 478,413
Payments to suppliers	(125,786)	(154,696)	(650,826)	(785,383)
Payments to employees	(204,965)	(171,853)	(205,819)	(171,856)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(141,065)</u>	<u>(18,874)</u>	<u>(403,304)</u>	<u>(478,826)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Receipt on advance to other funds	43,892	31,397	43,893	31,397
Advance to other funds	-	(85,000)	-	(85,000)
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>43,892</u>	<u>(53,603)</u>	<u>43,893</u>	<u>(53,603)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Connection charges	-	-	-	-
Amount received from other governments for capital	-	-	-	94,812
Special assessments received	-	-	26,207	33,527
Acquisition and construction of capital assets	171,711	4,386	169,397	(73,382)
Payment on short-term account used to finance the purchase of capital assets	-	(189,255)	-	-
<b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>171,711</u>	<u>(184,869)</u>	<u>195,604</u>	<u>54,957</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	24,657	23,014	51,636	53,557
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	99,195	(234,332)	(112,171)	(423,915)
<b>CASH AND CASH EQUIVALENTS, JANUARY 1</b>	<u>263,821</u>	<u>498,153</u>	<u>2,332,787</u>	<u>2,756,702</u>
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<u><u>\$ 363,016</u></u>	<u><u>\$ 263,821</u></u>	<u><u>\$ 2,220,616</u></u>	<u><u>\$ 2,332,787</u></u>

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

Business-type Activities - Enterprise Funds

<b>610</b>			
Surface Water		Totals	
2012	2011	2012	2011
\$ 37,217	\$ 42,161	\$ 680,244	\$ 828,249
(1,580)	(52,513)	(778,192)	(992,592)
-	-	(410,784)	(343,709)
<u>35,637</u>	<u>(10,352)</u>	<u>(508,732)</u>	<u>(508,052)</u>
-	-	87,785	62,794
-	-	-	(170,000)
<u>-</u>	<u>-</u>	<u>87,785</u>	<u>(107,206)</u>
-	-	-	-
-	-	-	94,812
-	-	26,207	33,527
-	(8,700)	341,108	(77,696)
<u>-</u>	<u>(9,253)</u>	<u>-</u>	<u>(198,508)</u>
<u>-</u>	<u>(17,953)</u>	<u>367,315</u>	<u>(147,865)</u>
<u>3,807</u>	<u>2,923</u>	<u>80,100</u>	<u>79,494</u>
39,444	(25,382)	26,468	(683,629)
<u>206,853</u>	<u>232,235</u>	<u>2,803,461</u>	<u>3,487,090</u>
<u>\$ 246,297</u>	<u>\$ 206,853</u>	<u>\$ 2,829,929</u>	<u>\$ 2,803,461</u>

CITY OF WYOMING, MINNESOTA  
STATEMENTS OF CASH FLOWS - CONTINUED  
PROPRIETARY FUNDS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	Business-type Activities - Enterprise Funds			
	601		602	
	Water		Sewer	
	2012	2011	2012	2011
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (153,364)	\$ (191,440)	\$ (624,039)	\$ (816,375)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Other income related to operations	5,899	193	-	32
Depreciation	185,735	181,953	303,450	304,440
(Increase) decrease in assets				
Accounts receivable	(164,038)	5,945	(208,227)	(3,081)
Due from other governments	-	-	55,890	-
Special assessments receivable	(2,808)	(1,172)	20,988	11,627
Increase (decrease) in liabilities				
Accounts payable	(13,884)	(6,020)	9,794	32,161
Due to other governments	19	-	39,284	-
Accrued salaries and compensated absences payable	(4,482)	1,382	(4,140)	1,382
Unearned revenue	(2,399)	(14,342)	(4,798)	(13,765)
Other post employment benefits payable	8,257	4,627	8,494	4,753
 NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	 <u>\$ (141,065)</u>	 <u>\$ (18,874)</u>	 <u>\$ (403,304)</u>	 <u>\$ (478,826)</u>
 NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital assets contributed from other funds	<u>\$ 171,711</u>	<u>\$ 10,400</u>	<u>\$ 193,601</u>	<u>\$ 3,820</u>

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

Business-type Activities - Enterprise Funds

**610**

Surface Water		Totals	
2012	2011	2012	2011
\$ 28,821	\$ (57,566)	\$ (748,582)	\$ (1,065,381)
-	-	5,899	225
25,310	34,010	514,495	520,403
(10,939)	1,200	(383,204)	4,064
-	-	55,890	-
-	-	18,180	10,455
1,241	(614)	(2,849)	25,527
-	-	39,303	-
-	-	(8,622)	2,764
(8,796)	12,618	(15,993)	(15,489)
-	-	16,751	9,380
<u>\$ 35,637</u>	<u>\$ (10,352)</u>	<u>\$ (508,732)</u>	<u>\$ (508,052)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 365,312</u>	<u>\$ 14,220</u>

CITY OF WYOMING, MINNESOTA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2012

	<u>Escrow Agency</u>
ASSETS	
Cash and temporary investments	\$ 63,978
Accounts receivable	<u>112,045</u>
 TOTAL ASSETS	 <u><u>\$ 176,023</u></u>
 LIABILITIES	
Accounts payable	<u><u>\$ 176,023</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, 2012

**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 City Council composed of an elected Mayor and four elected City Council members. The City Council exercises legislative authority and determines all matters of policy. The City 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 City Council. The seven member board of commissioners consists of two City Council members and five members appointed by City 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 position 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, 2012

**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.

Unearned 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 unearned revenue. On the modified accrual basis, receivables that will not be collected within the available period have also been reported as unearned 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.

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

- 1) Total assets, liabilities and deferred inflows of resources, 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 and deferred inflows of resources, 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.

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

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 *Highway 61 Improvement fund* accounts for the financial resources for the Highway 61 Improvement project.

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.

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.

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

**D. Assets, liabilities, deferred inflows of resources, and net position/fund balance**

*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.

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 City 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.

Delinquent taxes receivable include the past six years' uncollected taxes. Governmental delinquent taxes have been offset by a deferred inflow of resources 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 2012. There has been no allowance for doubtful accounts established.

CITY OF WYOMING, MINNESOTA  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2012

**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 inflow of resources 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 nonspendable fund balance 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.

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

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

***Deferred inflows of resources***

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies as needing to be reported in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: taxes, special assessments and loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available

***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 January 1, 2012.

***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 position. The recognition of bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

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, 2012

**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, which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City 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 City Council itself or by an official to which the governing body delegates the authority. The City 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 position***

Net position represents the difference between assets and liabilities. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consist of net position balances 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 position - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

***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, 2012

**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 City Council for review. The City 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 City 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 \$5,147,522 and the bank balance was \$5,166,312. The bank balance was covered by Federal depository insurance totaling \$250,486 and \$4,915,826 covered by collateral held by the City's agent in the City's name.

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED**

***Investments***

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

Investment Type	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Government agencies	AAA	1 - 3 years	\$ 76,289
Government agencies	AAA	> 3 years	240,075
Mortgage backed securities	AAA	> 3 years	562,990
Broker certificates of deposits	N/A	1 - 3 years	322,751
Broker certificates of deposits	N/A	> 3 years	619,463
Broker Money Market	N/A	N/A	32,127
Total pooled investments			<u>\$ 1,853,695</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

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 50 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.

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED**

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

Carrying amount of deposits	\$ 5,147,522
Investments	<u>1,853,695</u>
Total	<u><u>\$ 7,001,217</u></u>
Cash and temporary investments	
Government-wide	
Cash and temporary investments	\$ 6,932,590
Agency funds	<u>68,627</u>
Total	<u><u>\$ 7,001,217</u></u>

**B. Capital assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities</b>				
Capital assets not being depreciated				
Land	\$ 856,787	\$ -	\$ -	\$ 856,787
Construction in progress	<u>-</u>	<u>1,427,875</u>	<u>-</u>	<u>1,427,875</u>
Total capital assets not being depreciated	<u>856,787</u>	<u>1,427,875</u>	<u>-</u>	<u>2,284,662</u>
Capital assets being depreciated				
Buildings and structures	567,756	-	-	567,756
Machinery and equipment	3,429,565	90,428	(18,704)	3,501,289
Infrastructure	<u>13,075,417</u>	<u>14,875</u>	<u>-</u>	<u>13,090,292</u>
Total capital assets being depreciated	<u>17,072,738</u>	<u>105,303</u>	<u>(18,704)</u>	<u>17,159,337</u>
Less accumulated depreciation for				
Buildings and structures	(324,135)	(20,287)	-	(344,422)
Machinery and equipment	(2,042,362)	(209,531)	16,209	(2,235,684)
Infrastructure	<u>(4,981,369)</u>	<u>(384,704)</u>	<u>-</u>	<u>(5,366,073)</u>
Total accumulated depreciation	<u>(7,347,866)</u>	<u>(614,522)</u>	<u>16,209</u>	<u>(7,946,179)</u>
Total capital assets being depreciated, net	<u>9,724,872</u>	<u>(509,219)</u>	<u>(2,495)</u>	<u>9,213,158</u>
Governmental activities capital assets, net	<u><u>\$ 10,581,659</u></u>	<u><u>\$ 918,656</u></u>	<u><u>\$ (2,495)</u></u>	<u><u>\$ 11,497,820</u></u>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Business-type activities</b>				
Capital assets not being depreciated				
Land	\$ 6,284	\$ -	\$ -	\$ 6,284
Capital assets being depreciated				
Buildings and structures	845,950	-	-	845,950
Machinery and equipment	176,832	24,204	-	201,036
Infrastructure	21,661,466	-	-	21,661,466
Total capital assets being depreciated	<u>22,684,248</u>	<u>24,204</u>	<u>-</u>	<u>22,708,452</u>
Less accumulated depreciation for				
Buildings and structures	(483,363)	(17,152)	-	(500,515)
Machinery and equipment	(92,394)	(9,094)	-	(101,488)
Infrastructure	<u>(5,932,204)</u>	<u>(488,249)</u>	<u>-</u>	<u>(6,420,453)</u>
Total accumulated depreciation	<u>(6,507,961)</u>	<u>(514,495)</u>	<u>-</u>	<u>(7,022,456)</u>
Total capital assets being depreciated, net	<u>16,176,287</u>	<u>(490,291)</u>	<u>-</u>	<u>15,685,996</u>
Business-type activities capital assets, net	<u>\$ 16,182,571</u>	<u>\$ (490,291)</u>	<u>\$ -</u>	<u>\$ 15,692,280</u>

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

<b>Governmental activities</b>		
General government		\$ 11,587
Public safety		133,390
Public works		439,450
Culture and recreation		<u>30,095</u>
Total depreciation expense - governmental activities		<u>\$ 614,522</u>
<b>Business-type activities</b>		
Water		\$ 185,736
Sewer		303,450
Surface Water		<u>25,309</u>
Total depreciation expense - business-type activities		<u>\$ 514,495</u>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED**

**C. 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, 2012 totals of \$54,628.

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, 2012 totals of \$406,616.

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, 2012 totals of \$148,147.

A budgeted transfer of \$40,403 was made from the General fund to the debt service fund to ensure enough resources are available for the debt service requirements.

**D. 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	\$ 80,000
G.O. Improvement Bonds, Series 2004A	175,000	3.80 - 4.10	11/09/04	02/01/15	60,000
G.O. Improvement Bonds, Series 2006A	200,000	3.70 - 4.05	11/13/06	02/01/17	110,000
G.O. Improvement Bonds, Series 2007A	246,000	3.95	10/22/07	02/01/18	160,000
G.O. Improvement Bonds, Series 2009A	3,955,000	2.00 - 5.50	09/15/09	02/01/25	<u>3,670,000</u>
Total G.O. Improvement Bonds					<u>\$ 4,080,000</u>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED**

Requirement to maturity for general obligation improvement bonds follows:

<u>Year Ending December 31,</u>	General Obligation Improvement Bonds Governmental Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	308,000	134,022	442,022
2018 - 2022	1,459,000	461,633	1,920,633
2023 - 2025	1,005,000	83,739	1,088,739
Total	<u>\$ 4,080,000</u>	<u>\$ 1,343,758</u>	<u>\$ 5,423,758</u>

G.O. capital notes

The following capital notes were issued to finance the purchase of a fire truck and will be repaid from ad valorem tax levies.

<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>\$ 112,000</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>
2013	\$ 36,000	\$ 3,452	\$ 39,452
2014	37,000	2,138	39,138
2015	39,000	731	39,731
Total	<u>\$ 112,000</u>	<u>\$ 6,321</u>	<u>\$ 118,321</u>

CITY OF WYOMING, MINNESOTA  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2012

**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	\$ 160,000
Taxable G.O. Tax Increment Bonds, Series 1999D	755,000	7.55 - 7.80	09/01/99	02/01/15	<u>240,000</u>
 Total G.O. Tax Increment Bonds					<u><u>\$ 400,000</u></u>

Requirement to maturity for general obligation tax increment bonds follows:

Year Ending December 31,	General Obligation Tax Increment Governmental Activities		
	Principal	Interest	Total
2013	\$ 125,000	\$ 23,158	\$ 148,158
2014	135,000	14,288	149,288
2015	<u>140,000</u>	<u>4,827</u>	<u>144,827</u>
Total	<u><u>\$ 400,000</u></u>	<u><u>\$ 42,273</u></u>	<u><u>\$ 442,273</u></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><u>\$ 40,000</u></u>

Requirement to maturity for revenue bonds follows:

Year Ending December 31,	Revenue Bonds Governmental Activities		
	Principal	Interest	Total
2013	<u><u>\$ 40,000</u></u>	<u><u>\$ 1,000</u></u>	<u><u>\$ 41,000</u></u>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**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:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
EDA Land Purchase	\$ 440,000	6.50 %	05/01/02	11/01/14	<u>\$ 383,905</u>

Requirement to maturity for notes payable follows:

Year Ending December 31,	Notes Payable Governmental Activities		
	Principal	Interest	Total
2013	\$ 11,144	\$ 20,285	\$ 31,429
2014	<u>372,761</u>	<u>19,684</u>	<u>392,445</u>
Total	<u>\$ 383,905</u>	<u>\$ 39,969</u>	<u>\$ 423,874</u>

Changes in general long-term liabilities

During the year ended December 31, 2012, the following changes occurred in long-term liabilities:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Bonds payable					
G.O. Improvement	\$ 4,398,000	\$ -	\$ (318,000)	\$ 4,080,000	\$ 330,000
G.O. Capital Notes	146,000	-	(34,000)	112,000	36,000
G.O. Tax Increment Revenue	520,000	-	(120,000)	400,000	120,000
	<u>80,000</u>	-	<u>(40,000)</u>	<u>40,000</u>	<u>40,000</u>
Total bonds payable	5,144,000	-	(512,000)	4,632,000	526,000
Notes payable	394,422	-	(10,517)	383,905	11,144
Compensated absences payable	255,719	56,323	(15,587)	296,455	16,068
Other postemployment benefits payable	<u>105,029</u>	<u>47,820</u>	<u>-</u>	<u>152,849</u>	<u>-</u>
Governmental activity long-term liabilities	<u>\$ 5,899,170</u>	<u>\$ 104,143</u>	<u>\$ (538,104)</u>	<u>\$ 5,465,209</u>	<u>\$ 553,212</u>
<b>Business-type activities</b>					
Compensated absences payable	\$ 66,790	\$ 11,705	\$ (6,577)	\$ 71,918	\$ 6,780
Other postemployment benefits payable	<u>26,258</u>	<u>16,751</u>	<u>-</u>	<u>43,009</u>	<u>-</u>
Business-type activity long-term liabilities	<u>\$ 93,048</u>	<u>\$ 28,456</u>	<u>\$ (6,577)</u>	<u>\$ 114,927</u>	<u>\$ 6,780</u>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 3: DETAILED NOTES ON ALL FUNDS - CONTINUED**

**E. 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 \$400,000 bonds outstanding related to tax increment financing districts.

**F. Fund balance components**

At December 31, 2012, 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:

	General	Debt Service	Highway 61 Improvement	Other Governmental Funds	Total Governmental Funds
Restricted for					
Debt service	\$ -	\$ 757,710	\$ -	\$ -	\$ 757,710
Tax increment financing	-	-	-	292,500	292,500
MSA	-	-	-	83,601	83,601
Police forfeiture	-	-	-	8,121	8,121
Police donations	-	-	-	4,918	4,918
Revolving loan	-	-	-	16,670	16,670
<b>Total restricted</b>	<b>\$ -</b>	<b>\$ 757,710</b>	<b>\$ -</b>	<b>\$ 405,810</b>	<b>\$ 1,163,520</b>
Committed for					
Economic development	\$ -	\$ -	\$ -	\$ 95,058	\$ 95,058
Park, trail, open space development	-	-	-	34,289	34,289
<b>Total committed</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129,347</b>	<b>\$ 129,347</b>
Assigned for					
General fund, capital improvements	\$ 618,292	\$ -	\$ -	\$ -	\$ 618,292
Highway 61 improvement	-	-	-	56,247	56,247
Special projects	-	-	-	148,064	148,064
Buildings	-	-	-	1,107	1,107
Equipment	-	-	-	534	534
Park acquisition	-	-	-	19,582	19,582
Park trail fund	-	-	-	52,684	52,684
Street replacement	-	-	-	494,853	494,853
Selvig	-	-	-	74,512	74,512
Police impound	-	-	-	7,526	7,526
<b>Total assigned</b>	<b>\$ 618,292</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 855,109</b>	<b>\$ 1,473,401</b>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**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](http://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.

**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 2012. PEPFF members were required to contribute 9.60 percent of their annual covered salary in 2012. 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, 2012, 2011 and 2010 were \$53,463, \$49,357, and \$43,856, respectively. The City's contributions to the PEPFF for the years ending December 31, 2012, 2011 and 2010 were \$89,763, \$86,452, and \$75,943, respectively. The City's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 5: 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 20 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 City 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 2012, the City did not contribute anything to the plan. Plan members receiving benefits contribute 100 percent of their premium costs.

**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	\$ 65,359
Interest on net OPEB obligation	3,938
Adjustment to annual required contribution	(4,726)
 Annual OPEB cost (expense)	 64,571
 Contributions made	 -
 Increase in net OPEB obligation	 64,571
 Net OPEB obligation - beginning of year	 131,287
 Net OPEB obligation - end of year	 \$ 195,858

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for December 31, 2012, 2011 and 2010 follows:

Year Ending	Trend Information		
	Annual OPEB Cost	Percentage Annual OPEB Contributed	Net OPEB Obligation
12/31/12	\$ 64,571	- %	\$ 195,858
12/31/11	44,072	-	131,287
12/31/10	43,762	-	87,215

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

**D. Funded status and funding progress**

As of January 1, 2012, the actuarial accrued liability for benefits was \$477,427, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,159,303, and the ratio of unfunded actuarial accrued liability to the covered payroll was 41.2 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.

**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 2008 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 10.2 percent initially, increased to a rate of 5.85 percent after six years, was used.

*Health insurance premiums* - 2012 and 2013 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 2.48 percent was based on projected changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) in The 2011 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 3.0 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, 2012 was thirty years.

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 6: 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 \$638,251,700 for a margin of \$19,147,551. The City has \$112,000 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 2012 and 2011 respectively. Totals from the most recently issued condensed combined financial statements of the CLJSTC are as follows:

Statement of Net Position  
December 31, 2012

Assets	
Current and other assets	\$ 4,001,993
Capital assets	<u>15,902,774</u>
Total assets	<u>19,904,767</u>
Liabilities	
Long-term liabilities outstanding	10,747,046
Other liabilities	<u>144,568</u>
Total liabilities	<u>10,891,614</u>
Net asset	
Net investment in capital assets	5,160,495
Restricted	3,137,143
Unrestricted	<u>715,515</u>
Total net position	<u>\$ 9,013,153</u>

CITY OF WYOMING, MINNESOTA  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**Note 6: OTHER INFORMATION - CONTINUED**

Statement of Activities  
For the Year Ended December 31, 2012

Operating revenue	\$ 1,864,945
Operating expenses	<u>1,741,277</u>
Operating income	123,668
Nonoperating revenue (expenses)	<u>(181,355)</u>
Change in net position	(57,687)
Net position, January 1	<u>9,070,840</u>
Net position, December 31	<u><u>\$ 9,013,153</u></u>

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

**Note 7: CHANGE IN ACCOUNTING PRINCIPLE**

During fiscal year 2012, the City implemented several new accounting pronouncements issued by the Government Accounting Standards Board (GASB), including Statement No. 63, “*Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*” and Statement No. 65, “*Items Previously Reported as Assets and Liabilities*”. These standards required a retroactive implementation which resulted in the restatement of beginning balances in the December 31, 2012 financial statements. Changes related to these standards are reflected in the financial statements and schedules and related disclosures are included in Note 1.

As a result of the restatement of beginning balances, the following schedule reconciles the previously reported December 31, 2010 balances to the December 31, 2011 financial statements:

	Net Position December 31, 2010 as Previously Reported	(1) Restatement	Net Position January 1, 2011 as Restated
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Governmental Activities	\$ 10,555,585	\$ (96,465)	\$ 10,459,120
	<u>                    </u>	<u>                    </u>	<u>                    </u>

(1) Write-off of unamortized bond issuance cost balances at December 31, 2010.

As a result of the restatement of beginning balances, the following schedule reconciles the previously reported December 31, 2011 balances to the December 31, 2012 financial statements:

	Net Position December 31, 2011 as Previously Reported	(2) Restatement	Net Position January 1, 2012 as Restated
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Governmental Activities	\$ 10,884,114	\$ (87,518)	\$ 10,796,596
	<u>                    </u>	<u>                    </u>	<u>                    </u>

(2) Write-off of unamortized bond issuance cost balances at December 31, 2011.

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**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF WYOMING  
WYOMING, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2012

CITY OF WYOMING, MINNESOTA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2012

**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
1/1/2012	\$ -	\$ 477,427	\$ 477,427	- %	\$ 1,159,303	41.2 %
12/31/2008	-	272,045	272,045	-	1,118,507	24.3

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

CITY OF WYOMING  
WYOMING, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2012

CITY OF WYOMING, MINNESOTA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2012

	Special Revenue	Capital Projects	Total
<b>ASSETS</b>			
Cash and temporary investments	\$ 158,462	\$ 510,369	\$ 668,831
Receivables			
Taxes	14,311	6,668	20,979
Accounts	1,044	-	1,044
Special assessments	-	2,034	2,034
Loans	80,302	-	80,302
	<u>\$ 254,119</u>	<u>\$ 519,071</u>	<u>\$ 773,190</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 1,593	\$ 47,379	\$ 48,972
Due to other governments	192	-	192
	<u>1,785</u>	<u>47,379</u>	<u>49,164</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - taxes	14,104	6,668	20,772
Unavailable revenue - special assessments	-	2,034	2,034
Unavailable revenue - loans	80,302	-	80,302
	<u>94,406</u>	<u>8,702</u>	<u>103,108</u>
<b>FUND BALANCES</b>			
Restricted	29,709	376,101	405,810
Committed	129,347	-	129,347
Assigned	7,526	791,336	798,862
Unassigned	(8,654)	(704,447)	(713,101)
	<u>157,928</u>	<u>462,990</u>	<u>620,918</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
	<u>\$ 254,119</u>	<u>\$ 519,071</u>	<u>\$ 773,190</u>

CITY OF WYOMING, MINNESOTA  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes			
General property	\$ 41,925	\$ -	\$ 41,925
Tax increments	-	51,569	51,569
Intergovernmental	-	23,625	23,625
Charges for services	17,810	-	17,810
Special assessments	-	6,827	6,827
Interest on investments	2,161	20,440	22,601
Miscellaneous	76,127	-	76,127
	<u>138,023</u>	<u>102,461</u>	<u>240,484</u>
TOTAL REVENUES			
EXPENDITURES			
Current			
General government	2,000	-	2,000
Public safety	23,702	-	23,702
Public works	-	118,420	118,420
Economic development	57,927	-	57,927
Capital outlay			
Public safety	2,964	-	2,964
Public works	-	412,237	412,237
Culture and recreation	-	15,375	15,375
Debt service			
Principal	10,517	-	10,517
Interest	20,912	-	20,912
	<u>118,022</u>	<u>546,032</u>	<u>664,054</u>
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>20,001</u>	<u>(443,571)</u>	<u>(423,570)</u>
OTHER FINANCING SOURCES			
Sale of capital assets and forfeitures	4,493	-	4,493
	<u>4,493</u>	<u>-</u>	<u>4,493</u>
NET CHANGE IN FUND BALANCES	24,494	(443,571)	(419,077)
FUND BALANCES, JANUARY 1	<u>133,434</u>	<u>906,561</u>	<u>1,039,995</u>
FUND BALANCES, DECEMBER 31	<u>\$ 157,928</u>	<u>\$ 462,990</u>	<u>\$ 620,918</u>

CITY OF WYOMING, MINNESOTA  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2012

	<b>201</b>	<b>202</b>	<b>204</b>	<b>205</b>
	Police	Police	Fire	Police
	Forfeiture	Impound	Department	Department
	<u>          </u>	<u>          </u>	Donations	Donations
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>				
Cash and temporary investments	\$ 8,313	\$ 8,232	\$ (8,654)	\$ 5,805
Receivables				
Taxes	-	-	-	-
Accounts	-	-	-	-
Loans	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u>\$ 8,313</u>	<u>\$ 8,232</u>	<u>\$ (8,654)</u>	<u>\$ 5,805</u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 706	\$ -	\$ 887
Due to other governments	192	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL LIABILITIES</b>	<u>192</u>	<u>706</u>	<u>-</u>	<u>887</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - taxes	-	-	-	-
Unavailable revenue - loans	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted	8,121	-	-	4,918
Committed	-	-	-	-
Assigned	-	7,526	-	-
Unassigned	-	-	(8,654)	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUND BALANCES</b>	<u>8,121</u>	<u>7,526</u>	<u>(8,654)</u>	<u>4,918</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 8,313</u>	<u>\$ 8,232</u>	<u>\$ (8,654)</u>	<u>\$ 5,805</u>

<b>280</b> Economic Development Authority	<b>285 &amp; 700</b> Revolving Loan	<b>490</b> Charitable Gambling	Total
\$ 94,851	\$ 16,670	\$ 33,245	\$ 158,462
14,311	-	-	14,311
-	-	1,044	1,044
-	80,302	-	80,302
<u>\$ 109,162</u>	<u>\$ 96,972</u>	<u>\$ 34,289</u>	<u>\$ 254,119</u>
\$ -	\$ -	\$ -	\$ 1,593
-	-	-	192
-	-	-	1,785
14,104	-	-	14,104
-	80,302	-	80,302
<u>14,104</u>	<u>80,302</u>	<u>-</u>	<u>94,406</u>
-	16,670	-	29,709
95,058	-	34,289	129,347
-	-	-	7,526
-	-	-	(8,654)
<u>95,058</u>	<u>16,670</u>	<u>34,289</u>	<u>157,928</u>
<u>\$ 109,162</u>	<u>\$ 96,972</u>	<u>\$ 34,289</u>	<u>\$ 254,119</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, 2012

	<b>201</b>	<b>202</b>	<b>204</b>	<b>205</b>
	Police Forfeiture	Police Impound	Fire Department Donations	Police Department Donations
<b>REVENUES</b>				
Taxes				
General property	\$ -	\$ -	\$ -	\$ -
Charges for services	-	17,810	-	-
Interest on investments	126	220	-	82
Miscellaneous				
Contributions and donations	-	-	-	2,693
Other	-	-	-	-
<b>TOTAL REVENUES</b>	<u>126</u>	<u>18,030</u>	<u>-</u>	<u>2,775</u>
<b>EXPENDITURES</b>				
Current				
General government	-	-	-	-
Public safety	75	23,627	-	-
Economic development	-	-	-	-
Capital outlay				
Public safety	-	-	-	2,964
Debt service				
Principal	-	-	-	-
Interest and other	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>75</u>	<u>23,627</u>	<u>-</u>	<u>2,964</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>51</u>	<u>(5,597)</u>	<u>-</u>	<u>(189)</u>
<b>OTHER FINANCING SOURCES</b>				
Sale of capital assets and forfeitures	<u>4,493</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	4,544	(5,597)	-	(189)
<b>FUND BALANCES, JANUARY 1</b>	<u>3,577</u>	<u>13,123</u>	<u>(8,654)</u>	<u>5,107</u>
<b>FUND BALANCES, DECEMBER 31</b>	<u>\$ 8,121</u>	<u>\$ 7,526</u>	<u>\$ (8,654)</u>	<u>\$ 4,918</u>

<b>280</b> Economic Development Authority	<b>285 &amp; 700</b> Revolving Loan	<b>490</b> Charitable Gambling	Total
\$ 41,925	\$ -	\$ -	\$ 41,925
-	-	-	17,810
1,163	20	550	2,161
-	-	-	2,693
<u>32,000</u>	<u>32,344</u>	<u>9,090</u>	<u>73,434</u>
<u>75,088</u>	<u>32,364</u>	<u>9,640</u>	<u>138,023</u>
-	-	2,000	2,000
-	-	-	23,702
32,052	25,875	-	57,927
-	-	-	2,964
10,517	-	-	10,517
<u>20,912</u>	<u>-</u>	<u>-</u>	<u>20,912</u>
<u>63,481</u>	<u>25,875</u>	<u>2,000</u>	<u>118,022</u>
<u>11,607</u>	<u>6,489</u>	<u>7,640</u>	<u>20,001</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>4,493</u>
11,607	6,489	7,640	24,494
<u>83,451</u>	<u>10,181</u>	<u>26,649</u>	<u>133,434</u>
<u>\$ 95,058</u>	<u>\$ 16,670</u>	<u>\$ 34,289</u>	<u>\$ 157,928</u>

CITY OF WYOMING, MINNESOTA  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2012

	<b>385</b>	<b>401</b>	<b>402</b>	<b>403</b>
	TIF 3-3	Special Projects Fund	Building Fund	Equipment Fund
<b>ASSETS</b>				
Cash and temporary investments	\$ 292,500	\$ 148,064	\$ 1,107	\$ 534
Receivables				
Taxes	6,668	-	-	-
Special assessments	-	2,034	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL ASSETS</b>	<u><u>\$ 299,168</u></u>	<u><u>\$ 150,098</u></u>	<u><u>\$ 1,107</u></u>	<u><u>\$ 534</u></u>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - taxes	6,668	-	-	-
Unavailable revenue - special assessments	-	2,034	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>6,668</u>	<u>2,034</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted	292,500	-	-	-
Assigned	-	148,064	1,107	534
Unassigned	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUND BALANCES</b>	<u>292,500</u>	<u>148,064</u>	<u>1,107</u>	<u>534</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
	<u><u>\$ 299,168</u></u>	<u><u>\$ 150,098</u></u>	<u><u>\$ 1,107</u></u>	<u><u>\$ 534</u></u>

<b>404</b> Park Acquisition Fund	<b>405</b> Park Trail Fund	<b>407</b> MSA Fund	<b>408</b> Street Replacement	<b>420</b> Fallbrook Avenue Construction	<b>437</b> 2009 Improvement Project	<b>465</b> Selvig	Total
\$ 19,582	\$ 52,684	\$ 83,601	\$ 509,027	\$ (403,747)	\$ (267,495)	\$ 74,512	\$ 510,369
-	-	-	-	-	-	-	6,668
-	-	-	-	-	-	-	2,034
<u>\$ 19,582</u>	<u>\$ 52,684</u>	<u>\$ 83,601</u>	<u>\$ 509,027</u>	<u>\$ (403,747)</u>	<u>\$ (267,495)</u>	<u>\$ 74,512</u>	<u>\$ 519,071</u>
\$ -	\$ -	\$ -	\$ 14,174	\$ 33,205	\$ -	\$ -	\$ 47,379
-	-	-	-	-	-	-	6,668
-	-	-	-	-	-	-	2,034
-	-	-	-	-	-	-	8,702
-	-	83,601	-	-	-	-	376,101
19,582	52,684	-	494,853	-	-	74,512	791,336
-	-	-	-	(436,952)	(267,495)	-	(704,447)
<u>19,582</u>	<u>52,684</u>	<u>83,601</u>	<u>494,853</u>	<u>(436,952)</u>	<u>(267,495)</u>	<u>74,512</u>	<u>462,990</u>
<u>\$ 19,582</u>	<u>\$ 52,684</u>	<u>\$ 83,601</u>	<u>\$ 509,027</u>	<u>\$ (403,747)</u>	<u>\$ (267,495)</u>	<u>\$ 74,512</u>	<u>\$ 519,071</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, 2012

	385	401	402	403
	TIF 3-3	Special Projects Fund	Building Fund	Equipment Fund
REVENUES				
Taxes				
Tax increments	\$ 51,569	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Special assessments	-	6,827	-	-
Interest on investments	4,596	2,550	19	131
TOTAL REVENUES	<u>56,165</u>	<u>9,377</u>	<u>19</u>	<u>131</u>
EXPENDITURES				
Current				
Public works	-	-	-	-
Capital outlay				
Public works	-	-	-	27,542
Culture and recreation	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,542</u>
NET CHANGE IN FUND BALANCES	56,165	9,377	19	(27,411)
FUND BALANCES, JANUARY 1	<u>236,335</u>	<u>138,687</u>	<u>1,088</u>	<u>27,945</u>
FUND BALANCES, DECEMBER 31	<u>\$ 292,500</u>	<u>\$ 148,064</u>	<u>\$ 1,107</u>	<u>\$ 534</u>

<b>404</b> Park Acquisition Fund	<b>405</b> Park Trail Fund	<b>407</b> MSA Fund	<b>408</b> Street Replacement	<b>420</b> Fallbrook Avenue Construction	<b>437</b> 2009 Improvement Project	<b>465</b> Selvig	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,569
-	-	23,625	-	-	-	-	23,625
-	-	-	-	-	-	-	6,827
347	1,072	1,377	9,027	-	-	1,321	20,440
347	1,072	25,002	9,027	-	-	1,321	102,461
-	-	-	14,174	104,246	-	-	118,420
-	-	-	-	332,706	51,989	-	412,237
-	15,375	-	-	-	-	-	15,375
-	15,375	-	14,174	436,952	51,989	-	546,032
347	(14,303)	25,002	(5,147)	(436,952)	(51,989)	1,321	(443,571)
19,235	66,987	58,599	500,000	-	(215,506)	73,191	906,561
<u>\$ 19,582</u>	<u>\$ 52,684</u>	<u>\$ 83,601</u>	<u>\$ 494,853</u>	<u>\$ (436,952)</u>	<u>\$ (267,495)</u>	<u>\$ 74,512</u>	<u>\$ 462,990</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, 2012  
(With comparative actual amounts for the year ended December 31, 2011)

	2012				2011
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
<b>REVENUES</b>					
Taxes					
General property taxes	\$ 2,998,420	\$ 2,998,420	\$ 3,097,711	\$ 99,291	\$ 2,922,719
Cable franchise fee	39,500	39,500	38,861	(639)	39,609
Total	3,037,920	3,037,920	3,136,572	98,652	2,962,328
Licenses and permits					
Business	8,500	8,500	9,685	1,185	9,735
Nonbusiness	-	-	226,746	226,746	88,215
Total	8,500	8,500	236,431	227,931	97,950
Intergovernmental					
Federal	-	-	7,800	7,800	720
State					
Property tax credits	-	-	2,287	2,287	2,160
Fire aid	32,000	32,000	31,841	(159)	28,279
Police aid	50,000	50,000	55,016	5,016	53,217
Other state aid	2,569	2,569	2,569	-	3,159
County	-	-	-	-	24,000
Total	84,569	84,569	99,513	14,944	111,535
Charges for services					
General government	5,500	5,500	19,446	13,946	39,863
Public safety	26,750	26,750	10,084	(16,666)	26,716
Public works	3,500	3,500	-	(3,500)	-
Culture and recreation	500	500	1,095	595	1,300
Total	36,250	36,250	30,625	(5,625)	67,879
Fines and forfeitures	51,500	51,500	54,878	3,378	59,455
Interest on investments	15,000	15,000	22,019	7,019	22,998
Miscellaneous					
Antenna rental	24,500	24,500	22,529	(1,971)	23,057
Refunds and reimbursements	1,140	1,140	31,115	29,975	14,489
Contributions and donations	-	-	9,065	9,065	-
Other revenues	-	-	23	23	4,796
Total	25,640	25,640	62,732	37,092	42,342
<b>TOTAL REVENUES</b>	<b>3,259,379</b>	<b>3,259,379</b>	<b>3,642,770</b>	<b>383,391</b>	<b>3,364,487</b>

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, 2012  
(With comparative actual amounts for the year ended December 31, 2011)

	2012				2011
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
<b>EXPENDITURES</b>					
Current					
General government					
Mayor and Council					
Personal services	\$ 22,707	\$ 22,707	\$ 21,663	\$ 1,044	\$ 26,584
Supplies	1,000	1,000	85	915	1,085
Other services and charges	10,020	10,020	30	9,990	4,882
Total	<u>33,727</u>	<u>33,727</u>	<u>21,778</u>	<u>11,949</u>	<u>32,551</u>
Boards and commissions					
Personal services	21,530	21,530	8,324	13,206	4,721
Supplies	2,500	2,500	-	2,500	-
Other services and charges					
Total	<u>24,030</u>	<u>24,030</u>	<u>8,324</u>	<u>15,706</u>	<u>4,721</u>
City administration					
Personal services	209,089	209,089	233,171	(24,082)	191,740
Auditing and accounting					
Other services and charges	35,000	35,000	26,550	8,450	60,827
City attorney					
Other services and charges	35,000	35,000	22,548	12,452	22,247
General					
Supplies	64,695	64,695	35,823	28,872	38,930
Other services and charges	177,750	177,750	123,593	54,157	143,005
Total	<u>242,445</u>	<u>242,445</u>	<u>159,416</u>	<u>83,029</u>	<u>181,935</u>
Elections					
Personal services	4,400	4,400	3,865	535	-
Supplies	600	600	626	(26)	-
Other services and charges	-	-	183	(183)	-
Total	<u>5,000</u>	<u>5,000</u>	<u>4,674</u>	<u>326</u>	<u>-</u>
Municipal building					
Supplies	2,500	2,500	-	2,500	1,253
Other services and charges	38,400	38,400	26,144	12,256	30,133
Total	<u>40,900</u>	<u>40,900</u>	<u>26,144</u>	<u>14,756</u>	<u>31,386</u>
Total general government	<u>625,191</u>	<u>625,191</u>	<u>502,605</u>	<u>122,586</u>	<u>525,407</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, 2012  
(With comparative actual amounts for the year ended December 31, 2011)

	2012			Variance with Final Budget	2011
	Budgeted Amounts		Actual		Actual
	Original	Final	Amounts		Amounts
EXPENDITURES - CONTINUED					
Current - Continued					
Public safety					
Police and Fire					
Personal services	\$ 1,108,011	\$ 1,108,011	\$ 1,120,364	\$ (12,353)	\$ 1,029,531
Supplies	116,641	116,641	138,434	(21,793)	100,258
Other services and charges	129,753	129,753	137,452	(7,699)	147,922
Total	<u>1,354,405</u>	<u>1,354,405</u>	<u>1,396,250</u>	<u>(41,845)</u>	<u>1,277,711</u>
Building inspection					
Personal services	75,718	75,718	73,725	1,993	80,750
Supplies	3,000	3,000	2,758	242	2,775
Other services and charges	9,100	9,100	4,824	4,276	6,998
Total	<u>87,818</u>	<u>87,818</u>	<u>81,307</u>	<u>6,511</u>	<u>90,523</u>
Total public safety	<u>1,442,223</u>	<u>1,442,223</u>	<u>1,477,557</u>	<u>(35,334)</u>	<u>1,368,234</u>
Public works					
Streets					
Personal services	350,999	350,999	335,546	15,453	327,222
Supplies	56,000	56,000	38,765	17,235	44,883
Other services and charges	238,000	238,000	192,153	45,847	164,343
Total	<u>644,999</u>	<u>644,999</u>	<u>566,464</u>	<u>78,535</u>	<u>536,448</u>
Street lighting					
Other services and charges	71,500	71,500	67,504	3,996	72,740
Total public works	<u>716,499</u>	<u>716,499</u>	<u>633,968</u>	<u>82,531</u>	<u>609,188</u>
Culture and recreation					
Library					
Other services and charges	46,200	46,200	38,190	8,010	38,699
Miscellaneous					
Contingency	10,914	10,914	-	10,914	-
Total current expenditures	<u>2,841,027</u>	<u>2,841,027</u>	<u>2,652,320</u>	<u>188,707</u>	<u>2,541,528</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, 2012  
(With comparative actual amounts for the year ended December 31, 2011)

	2012				2011
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
EXPENDITURES - CONTINUED					
Capital outlay					
General government	\$ 50,000	\$ 50,000	\$ -	\$ 50,000	\$ 3,632
Public safety	75,100	75,100	86,123	(11,023)	131,450
Public works	96,000	96,000	94,998	1,002	319,709
Culture and recreation	-	-	624	(624)	-
Total capital outlay	<u>221,100</u>	<u>221,100</u>	<u>181,745</u>	<u>39,355</u>	<u>454,791</u>
Debt service					
Principal	119,855	119,855	34,000	85,855	47,471
Interest and other	36,994	36,994	36,994	-	43,714
Total debt service	<u>156,849</u>	<u>156,849</u>	<u>70,994</u>	<u>85,855</u>	<u>91,185</u>
TOTAL EXPENDITURES	<u>3,218,976</u>	<u>3,218,976</u>	<u>2,905,059</u>	<u>313,917</u>	<u>3,087,504</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>40,403</u>	<u>40,403</u>	<u>737,711</u>	<u>697,308</u>	<u>276,983</u>
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	-	-	10,670
Sale of capital assets	-	-	5,394	5,394	29,851
Transfer out	(40,403)	(40,403)	(40,403)	-	(654,019)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(40,403)</u>	<u>(40,403)</u>	<u>(35,009)</u>	<u>5,394</u>	<u>(613,498)</u>
NET CHANGE IN FUND BALANCES	-	-	702,702	702,702	(336,515)
FUND BALANCES, JANUARY 1	<u>1,198,644</u>	<u>1,198,644</u>	<u>1,198,644</u>	-	<u>1,535,159</u>
FUND BALANCES, DECEMBER 31	<u>\$ 1,198,644</u>	<u>\$ 1,198,644</u>	<u>\$ 1,901,346</u>	<u>\$ 702,702</u>	<u>\$ 1,198,644</u>

CITY OF WYOMING, MINNESOTA  
DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2012

	<b>301</b>	<b>331</b>	<b>333</b>	<b>335</b>
	Public Project Revenue Bonds 2002	2007 G.O. Improvement Bonds	2006 G.O. Improvement Bonds	2001 G.O. Improvement Bonds
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>				
Cash and temporary investments	\$ 40,920	\$ 52,418	\$ 50,053	\$ 38,984
Receivables				
Taxes	-	-	-	-
Special assessments	-	101,655	57,769	18
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL ASSETS	<u>\$ 40,920</u>	<u>\$ 154,073</u>	<u>\$ 107,822</u>	<u>\$ 39,002</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - taxes	-	-	-	-
Unavailable revenue - special assessments	-	101,655	56,554	18
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>101,655</u>	<u>56,554</u>	<u>18</u>
<b>FUND BALANCES</b>				
Restricted for debt service	<u>40,920</u>	<u>52,418</u>	<u>51,268</u>	<u>38,984</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 40,920</u>	<u>\$ 154,073</u>	<u>\$ 107,822</u>	<u>\$ 39,002</u>

<b>336</b> 2004 G.O. Improvement Bonds	<b>337</b> 2009 G.O Improvement Bonds	<b>370</b> 1999C & D G.O. Tax Increment Bonds (TIF 3-1)	<b>390</b> 1999C G.O. Bonds	Total
\$ 38,528	\$ 413,026	\$ 82,789	\$ 57,054	\$ 773,772
-	-	15,591	-	15,591
35,448	2,467,296	-	-	2,662,186
<u>\$ 73,976</u>	<u>\$ 2,880,322</u>	<u>\$ 98,380</u>	<u>\$ 57,054</u>	<u>\$ 3,451,549</u>
\$ -	\$ -	\$ 17,401	\$ -	\$ 17,401
-	-	15,591	-	15,591
35,448	2,467,172	-	-	2,660,847
35,448	2,467,172	15,591	-	2,676,438
38,528	413,150	65,388	57,054	757,710
<u>\$ 73,976</u>	<u>\$ 2,880,322</u>	<u>\$ 98,380</u>	<u>\$ 57,054</u>	<u>\$ 3,451,549</u>

CITY OF WYOMING, MINNESOTA  
DEBT SERVICE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2012

	<b>301</b>	<b>331</b>	<b>333</b>	<b>335</b>
	Public Project Revenue <u>Bonds 2002</u>	2007 G.O. Improvement <u>Bonds</u>	2006 G.O. Improvement <u>Bonds</u>	2001 G.O. Improvement <u>Bonds</u>
REVENUES				
Taxes				
General property	\$ 12,000	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Intergovernmental	-	-	-	-
Special assessments	-	26,994	17,073	2,300
Interest on investments	602	672	731	666
	<u>12,602</u>	<u>27,666</u>	<u>17,804</u>	<u>2,966</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Economic development	-	-	-	-
Debt service				
Principal	40,000	23,000	20,000	40,000
Interest and other	2,960	6,775	4,731	950
	<u>42,960</u>	<u>29,775</u>	<u>24,731</u>	<u>40,950</u>
TOTAL EXPENDITURES				
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(30,358)	(2,109)	(6,927)	(37,984)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
NET CHANGE IN FUND BALANCES	(30,358)	(2,109)	(6,927)	(37,984)
FUND BALANCES, JANUARY 1	<u>71,278</u>	<u>54,527</u>	<u>58,195</u>	<u>76,968</u>
FUND BALANCES, DECEMBER 31	<u>\$ 40,920</u>	<u>\$ 52,418</u>	<u>\$ 51,268</u>	<u>\$ 38,984</u>

<b>336</b> 2004 G.O. Improvement Bonds	<b>337</b> 2009 G.O. Improvement Bonds	<b>370</b> 1999C & D G.O. Tax Increment Bonds (TIF 3-1)	<b>390</b> 1999C G.O. Bonds	Total
\$ -	\$ 116,423	\$ 123,597	\$ -	\$ 252,020
-	-	40,672	-	40,672
-	61,149	-	-	61,149
17,553	149,471	-	-	213,391
498	4,898	-	1,031	9,098
<u>18,051</u>	<u>331,941</u>	<u>164,269</u>	<u>1,031</u>	<u>576,330</u>
-	-	77,650	-	77,650
20,000	190,000	120,000	25,000	478,000
2,849	175,086	32,303	5,050	230,704
<u>22,849</u>	<u>365,086</u>	<u>229,953</u>	<u>30,050</u>	<u>786,354</u>
(4,798)	(33,145)	(65,684)	(29,019)	(210,024)
-	-	40,403	-	40,403
(4,798)	(33,145)	(25,281)	(29,019)	(169,621)
<u>43,326</u>	<u>446,295</u>	<u>90,669</u>	<u>86,073</u>	<u>927,331</u>
<u>\$ 38,528</u>	<u>\$ 413,150</u>	<u>\$ 65,388</u>	<u>\$ 57,054</u>	<u>\$ 757,710</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, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Xccent</b>				
<b>ASSETS</b>				
Cash and temporary investments	\$ (10,260)	\$ -	\$ -	\$ (10,260)
Accounts receivable	10,260	-	-	10,260
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Silt Fence</b>				
<b>ASSETS</b>				
Cash and temporary investments	\$ 93,356	\$ 9,991	\$ -	\$ 103,347
<b>LIABILITIES</b>				
Accounts payable	\$ 93,356	\$ 9,991	\$ -	\$ 103,347
<b>Linda Kinney Escrow</b>				
<b>ASSETS</b>				
Cash and temporary investments	\$ (9,970)	\$ -	\$ -	\$ (9,970)
Accounts receivable	9,970	-	-	9,970
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Riverbanks</b>				
<b>ASSETS</b>				
Cash and temporary investments	\$ (7,490)	\$ -	\$ 1	\$ (7,491)
Accounts receivable	7,490	1	-	7,491
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ -</b>
<b>FEGOWI Escrow</b>				
<b>ASSETS</b>				
Cash and temporary investments	\$ (1,071)	\$ -	\$ -	\$ (1,071)
Accounts receivable	1,071	-	-	1,071
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ebenezer Escrow</b>				
<b>ASSET</b>				
Cash and temporary investments	\$ (5,967)	\$ -	\$ -	\$ (5,967)
Accounts receivable	5,967	-	-	5,967
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Hallberg Marine</b>				
ASSETS				
Cash and temporary investments	\$ 2,655	\$ -	\$ -	\$ 2,655
LIABILITIES				
Accounts payable	\$ 2,655	\$ -	\$ -	\$ 2,655
<b>General Safety</b>				
ASSETS				
Cash and temporary investments	\$ 349	\$ -	\$ 1,578	\$ (1,229)
Accounts receivable	-	1,229	-	1,229
TOTAL ASSETS	\$ 349	\$ 1,229	\$ 1,578	\$ -
LIABILITIES				
Accounts payable	\$ 349	\$ -	\$ 349	\$ -
<b>Xcel Escrow</b>				
ASSETS				
Cash and temporary investments	\$ 3,356	\$ 126	\$ -	\$ 3,482
LIABILITIES				
Accounts payable	\$ 3,356	\$ 126	\$ -	\$ 3,482
<b>Whistler Enterprises</b>				
ASSETS				
Cash and temporary investments	\$ (266)	\$ -	\$ -	\$ (266)
Accounts receivable	266	-	-	266
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -
<b>Credit Union Recovery Escrow</b>				
ASSETS				
Cash and temporary investments	\$ 4,420	\$ -	\$ -	\$ 4,420
LIABILITIES				
Accounts payable	\$ 4,420	\$ -	\$ -	\$ 4,420
<b>Spirit and Praise Church</b>				
ASSETS				
Cash and temporary investments	\$ (563)	\$ -	\$ -	\$ (563)
Accounts receivable	563	-	-	563
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ -

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Greenwood Development</b>				
ASSETS				
Cash and temporary investments	\$ (1,498)	\$ -	\$ -	\$ (1,498)
Accounts receivable	1,498	-	-	1,498
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Stars and Srikes</b>				
ASSETS				
Cash and temporary investments	\$ (357)	\$ -	\$ -	\$ (357)
Accounts receivable	357	-	-	357
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Lavasseur Appeal</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ 261	\$ -	\$ 261
LIABILITIES				
Accounts payable	\$ -	\$ 261	\$ -	\$ 261
<b>Mohagen/Hansen - Fairview Lakes</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ 16,703	\$ (16,703)
Accounts receivable	-	16,703	-	16,703
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 16,703</b>	<b>\$ 16,703</b>	<b>\$ -</b>
<b>Overland Contracting</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ 9,035	\$ -	\$ 9,035
LIABILITIES				
Accounts payable	\$ -	\$ 9,035	\$ -	\$ 9,035
<b>Dresel Contracting</b>				
ASSETS				
Cash and temporary investments	\$ 1,040	\$ -	\$ -	\$ 1,040
LIABILITIES				
Accounts payable	\$ 1,040	\$ -	\$ -	\$ 1,040

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Grant Homes</b>				
ASSETS				
Cash and temporary investments	\$ (253)	\$ -	\$ -	\$ (253)
Accounts receivable	253	-	-	253
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Sunrise Meadows</b>				
ASSETS				
Cash and temporary investments	\$ (9,639)	\$ -	\$ -	\$ (9,639)
Accounts receivable	9,639	-	-	9,639
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Timberline Development</b>				
ASSETS				
Cash and temporary investments	\$ 3,479	\$ -	\$ -	\$ 3,479
LIABILITIES				
Accounts payable	\$ 3,479	\$ -	\$ -	\$ 3,479
<b>Preston</b>				
ASSETS				
Cash and temporary investments	\$ 2,316	\$ -	\$ -	\$ 2,316
LIABILITIES				
Accounts payable	\$ 2,316	\$ -	\$ -	\$ 2,316
<b>All Safe</b>				
ASSETS				
Cash and temporary investments	\$ (533)	\$ -	\$ -	\$ (533)
Accounts receivable	533	-	-	533
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>North Lakes Charter Academy</b>				
ASSETS				
Cash and temporary investments	\$ 556	\$ -	\$ -	\$ 556
LIABILITIES				
Accounts payable	\$ 556	\$ -	\$ -	\$ 556

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Trailhead Development Escrow</b>				
ASSETS				
Cash and temporary investments	\$ (17,458)	\$ -	\$ -	\$ (17,458)
Accounts receivable	17,458	-	-	17,458
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Mortenson Escrow</b>				
ASSETS				
Cash and temporary investments	\$ (597)	\$ -	\$ -	\$ (597)
Accounts receivable	597	-	-	597
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Peterson Estates</b>				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ 1,530	\$ (530)
Accounts receivable	-	530	-	530
<b>TOTAL ASSETS</b>	<b>\$ 1,000</b>	<b>\$ 530</b>	<b>\$ 1,530</b>	<b>\$ -</b>
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ 1,000	\$ -
<b>Peterson</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ 17,233	\$ (17,233)
Accounts receivable	-	17,233	-	17,233
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 17,233</b>	<b>\$ 17,233</b>	<b>\$ -</b>
<b>Ryan Companies</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ 3,289	\$ (3,289)
Accounts receivable	-	3,289	-	3,289
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 3,289</b>	<b>\$ 3,289</b>	<b>\$ -</b>
<b>T-mobile</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ 2,082	\$ -	\$ 2,082
LIABILITIES				
Accounts payable	\$ -	\$ 2,082	\$ -	\$ 2,082

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Preserve at Birch Lake</b>				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
<b>Liberty Ponds</b>				
ASSETS				
Cash and temporary investments	\$ (6,727)	\$ 3,850	\$ -	\$ (2,877)
Accounts receivable	6,727	-	3,850	2,877
TOTAL ASSETS	\$ -	\$ 3,850	\$ 3,850	\$ -
<b>Carriage Pass</b>				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
<b>Liberty Ponds Seal Coating</b>				
ASSETS				
Cash and temporary investments	\$ 13,280	\$ -	\$ -	\$ 13,280
LIABILITIES				
Accounts payable	\$ 13,280	\$ -	\$ -	\$ 13,280
<b>Comfort Heights</b>				
ASSETS				
Cash and temporary investments	\$ 1,000	\$ -	\$ -	\$ 1,000
LIABILITIES				
Accounts payable	\$ 1,000	\$ -	\$ -	\$ 1,000
<b>Delmonico Park</b>				
ASSETS				
Cash and temporary investments	\$ (263)	\$ 20	\$ -	\$ (243)
Accounts receivable	263	-	20	243
TOTAL ASSETS	\$ -	\$ 20	\$ 20	\$ -

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1	Additions	Deductions	Balance December 31
<b>Christianson Manufacturing</b>				
ASSETS				
Cash and temporary investments	\$ 2,000	\$ -	\$ -	\$ 2,000
LIABILITIES				
Accounts payable	\$ 2,000	\$ -	\$ -	\$ 2,000
<b>Reashler Manufacturing</b>				
ASSETS				
Cash and temporary investments	\$ 2,000	\$ -	\$ -	\$ 2,000
LIABILITIES				
Accounts payable	\$ 2,000	\$ -	\$ -	\$ 2,000
<b>Banta Manufacturing</b>				
ASSETS				
Cash and temporary investments	\$ 2,000	\$ -	\$ -	\$ 2,000
LIABILITIES				
Accounts payable	\$ 2,000	\$ -	\$ -	\$ 2,000
<b>Strand Mining Permit</b>				
ASSETS				
Cash and temporary investments	\$ 18,100	\$ -	\$ -	\$ 18,100
LIABILITIES				
Accounts payable	\$ 18,100	\$ -	\$ -	\$ 18,100
<b>Harris Manufactured Homes</b>				
ASSETS				
Cash and temporary investments	\$ 2,450	\$ -	\$ -	\$ 2,450
LIABILITIES				
Accounts payable	\$ 2,450	\$ -	\$ -	\$ 2,450
<b>Hagle</b>				
ASSETS				
Cash and temporary investments	\$ -	\$ -	\$ 4,018	\$ (4,018)
Accounts receivable	-	4,018	-	4,018
TOTAL ASSETS	\$ -	\$ 4,018	\$ 4,018	\$ -

CITY OF WYOMING, MINNESOTA  
 AGENCY FUNDS  
 COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - CONTINUED  
 FOR THE YEAR ENDED DECEMBER 31, 2012

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<b>Imperial Court Blacktop</b>				
ASSETS				
Cash and temporary investments	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ 520</u>
LIABILITIES				
Accounts payable	<u>\$ -</u>	<u>\$ 520</u>	<u>\$ -</u>	<u>\$ 520</u>
<b>TOTAL AGENCY FUNDS</b>				
ASSETS				
Cash and temporary investments	\$ 82,445	\$ 25,885	\$ 44,352	\$ 63,978
Accounts receivable	<u>72912</u>	<u>43003</u>	<u>3870</u>	<u>\$ 112,045</u>
TOTAL ASSETS	<u>\$ 155,357</u>	<u>\$ 68,888</u>	<u>\$ 48,222</u>	<u>\$ 176,023</u>
LIABILITIES				
Accounts payable	<u>\$ 155,357</u>	<u>\$ 22,015</u>	<u>\$ 1,349</u>	<u>\$ 176,023</u>

CITY OF WYOMING, MINNESOTA  
SUMMARY FINANCIAL REPORT  
REVENUES AND EXPENDITURES FOR GENERAL OPERATIONS  
GOVERNMENTAL FUNDS  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

	Total		Percent Increase (Decrease)
	2012	2011	
<b>REVENUES</b>			
Taxes	\$ 3,522,758	\$ 3,332,169	5.72 %
Special assessments	220,218	250,995	(12.26)
Licenses and permits	236,431	97,950	141.38
Intergovernmental	1,230,883	258,234	376.65
Charges for services	48,435	92,269	(47.51)
Fines and forfeits	54,878	59,455	(7.70)
Investment earnings	57,047	43,471	31.23
Miscellaneous	138,859	118,703	16.98
<b>TOTAL REVENUES</b>	<b>\$ 5,509,509</b>	<b>\$ 4,253,246</b>	<b>29.54 %</b>
Per Capita	\$ 707	\$ 606	16.53 %
<b>EXPENDITURES</b>			
Current			
General government	\$ 504,605	\$ 531,039	(4.98) %
Public safety	1,501,259	1,385,614	8.35
Public works	753,152	609,188	23.63
Culture and recreation	38,190	47,557	(19.70)
Economic development	135,577	77,441	75.07
Capital outlay			
General government	-	-	100.00
Public safety	89,087	132,480	(32.75)
Public works	1,500,149	389,310	285.34
Culture and recreation	15,999	-	100.00
Debt service			
Principal	522,517	415,471	25.76
Interest and other charges	288,610	322,524	(10.52)
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,349,145</b>	<b>\$ 3,910,624</b>	<b>36.78 %</b>
Per Capita	\$ 686	\$ 558	23.05 %
Total Long-term Indebtedness	\$ 5,015,905	\$ 5,538,422	(9.43) %
Per Capita	643	790	(18.53)
General Fund Balance - December 31	\$ 1,901,346	\$ 1,198,644	58.62 %
Per Capita	244	171	42.69

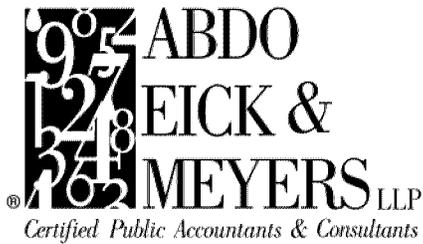
The purpose of this report is to provide a summary of financial information concerning the City of Wyoming to interested parties. The complete financial statements may be examined at City Hall, PO Box 188, 26885 Forest Blvd., Wyoming, MN 55092. Questions about this report should be directed to Craig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

**OTHER REQUIRED REPORTS**

CITY OF WYOMING  
WYOMING, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2012

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5201 Eden Avenue  
Suite 250  
Edina, MN 55436

## AUDITOR'S REPORT ON 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, 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, 2012 which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 11, 2013.

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 Political Subdivisions*, 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 Political Subdivisions* 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.

This report is intended solely for the information and use of the City 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 11, 2013  
Minneapolis, Minnesota

ABDO, EICK & MEYERS, LLP  
*Certified Public Accountants*