

**CITY OF GREEN RIVER,
WYOMING**

**Audited Financial Statements
For the Year Ended June 30, 2008**





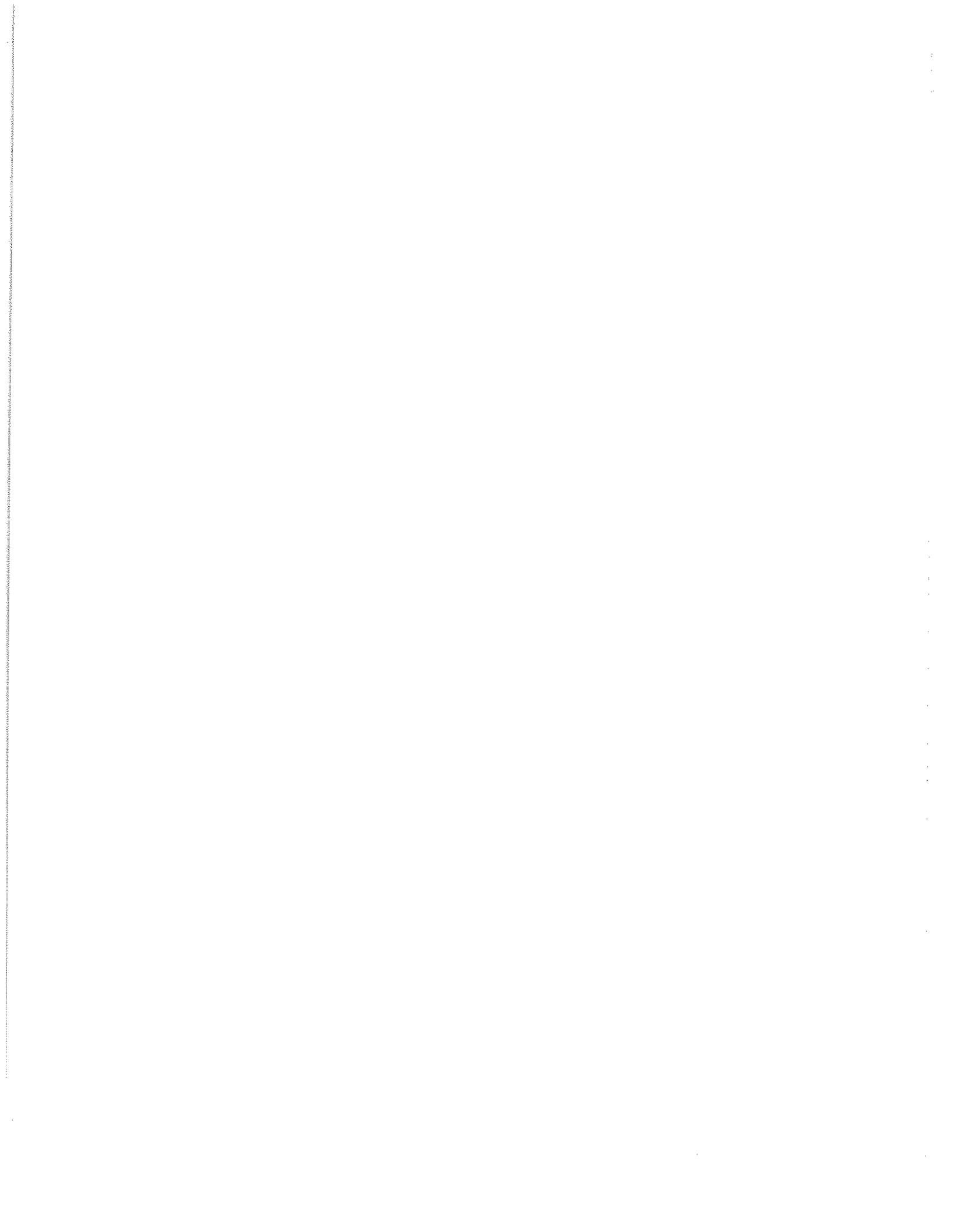
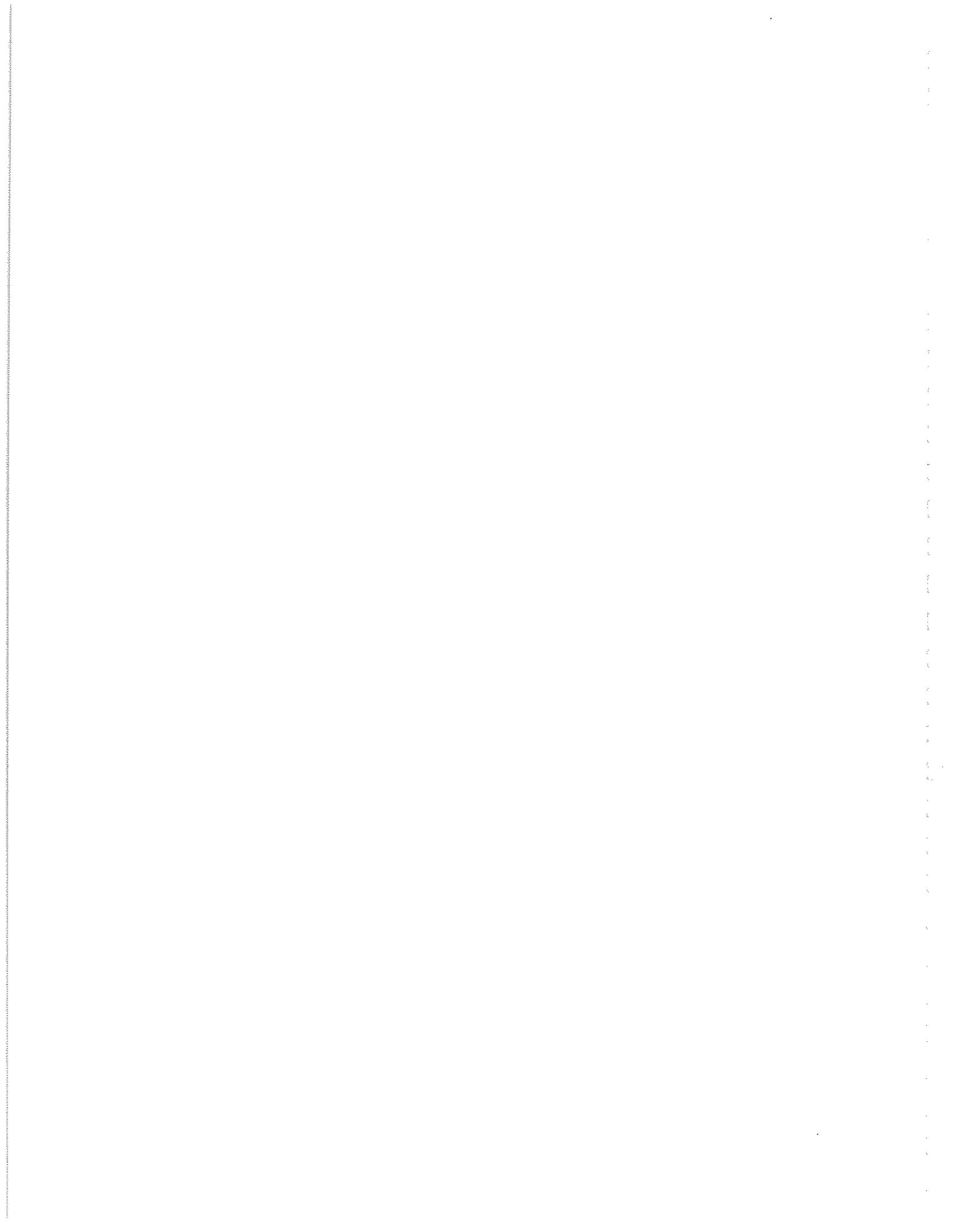


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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council Members
City of Green River, Wyoming

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Green River, Wyoming, as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Green River, Wyoming's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Green River, Wyoming, as of June 30, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2008, on our consideration of the City of Green River, Wyoming's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

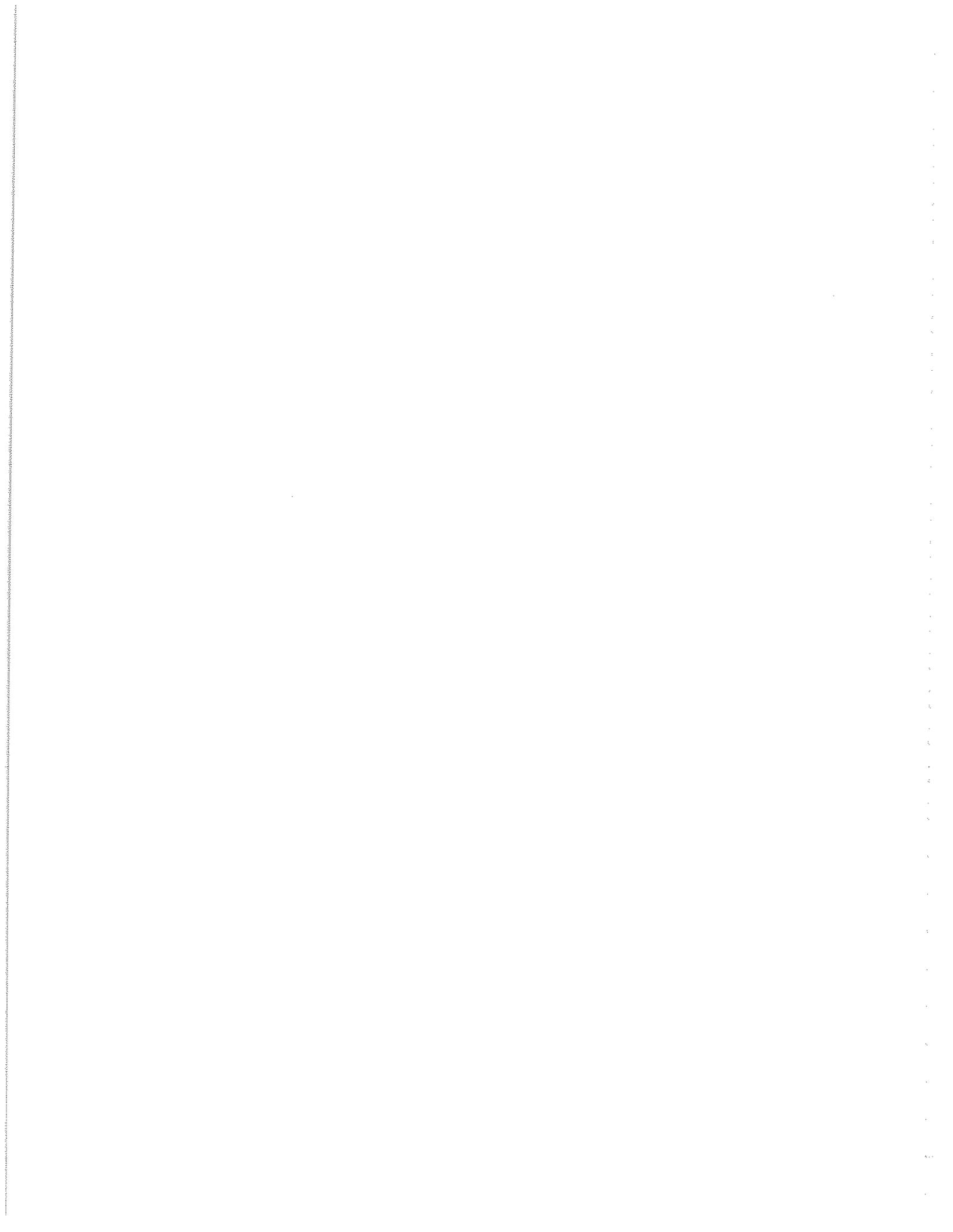
The management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 19, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Green River, Wyoming's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Karren, Hendrix, Stagg, Allen & Company

Karren, Hendrix, Stagg, Allen & Company
November 21, 2008

Management's Discussion and Analysis



This section of the City of Green River's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on June 30, 2008. Please read it in conjunction with the City's financial statements which follow this section.

Financial Highlights

The City's combined net assets remained at \$83.2 million during fiscal year 2008. Overall keeping the City's fund balance almost unchanged is a good fiscal accomplishment due sales tax proceeds leveling off and a very aggressive capital expenditures for the year.

The business type activities increased net assets slightly with an ending balance to just over \$18 million. The business type activities had a cumulative gain of \$466,000 of operations, which allowed them to maintain a \$9.7 million in unrestricted fund balance.

The solid waste fund posted a \$115,00 profit for fiscal year 2008, increasing the fund balance to just over \$2.1 million. Looking to the future the fund will be looking at several financial changes due to changes in operation from environmental factors. The City is currently completing a study to determine the financial effects of these factors. Overall, with \$1.4 million in unrestricted assets the fund is positioned well with its current rate structure but depending on future environmental factors may need to review its rate structure.

The wastewater fund recorded a \$248,000 profit for fiscal year 2008. The fund is financially strong with approximately \$3.1 million in unrestricted net assets. With the current rate schedule the fund has positioned itself in good position to maintain its infrastructure and look toward future replacement of the wastewater plant.

The water fund recorded a \$454,000 profit in for fiscal year 2008, increasing the fund balance to \$5.6 million. The fund has maintained solvency very well over the last few years with small annual rate increases. With unrestricted net assets of approximately \$3.4 million the fund is positioned well for the future as long as the Governing Body maintains the position of small periodic increases.

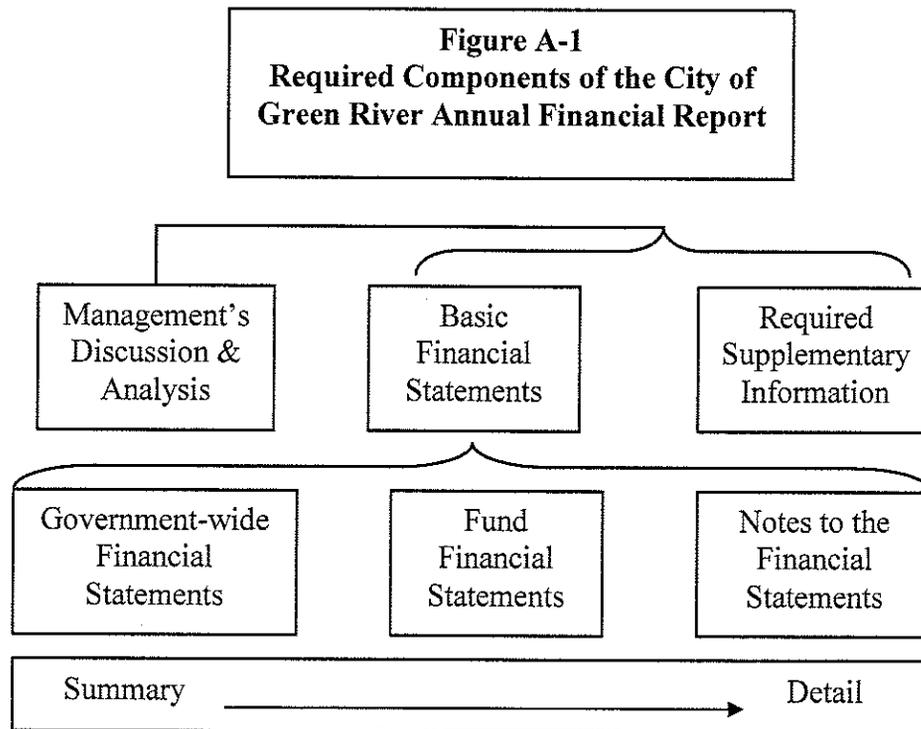
Overview of the Financial Statements

This annual report consists of three parts: 1) Management's Discussion and Analysis (this section) 2) The basic financial statements and 3) Required supplementary information. The basic financial statements include two kinds of statements that present different views of the City.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status similar to a private-sector company.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements do.
 - *Governmental fund* statements tell how general governmental services like public safety were financed in the short term as well as what remains for future spending.

- *Proprietary fund* statements offer short and long term financial information about the activities the government operates like businesses, such as the water and sewer systems.
- *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Green River’s own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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 required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows graphically how the required parts of the annual report are arranged and related to one another.



Below, figure A-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 the management’s discussion and analysis explains the structure and contents of each of the statements.

Figure A-2

Major Features of the City of Green River's Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City Government	The activities of the City that are not proprietary such as police, fire, and parks & recreation.	Activities the City operates similar to private businesses such as the water, sewer and solid waste program.
Required financial statements	Statement of Net Assets Statement of Activities	Balance Sheet, Statement of Revenues, Expenditures, and Changes in Fund Balances.	Statement of Net Assets, Statement of Revenues, Expenses, and Changes in Net Assets. Statement of Cash Flows.
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.
Type of Asset/ Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term.	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included.	All assets and liabilities both financial and capital, and short-term and long-term.
Type of inflow/ outflow information	All revenues and expenses during the 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.	All revenues and expenses during the year, regardless of when cash is received or paid.

Government-wide Statements

The government-wide statements, report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net assets (the difference between the City's assets and liabilities) is one way to measure the City's financial health, or position.

- Over time increases or decreases in the City's net assets are indicators of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City the reader of the financial statements needs to consider additional non-financial factors such as changes in the City's property tax base and the conditions of the economic base for sales taxes. The sales and property taxes account for more than 80% of the City's total general fund revenue.

The government-wide financial statements for the City are divided into two categories:

- **Governmental activities** – Most of the City's basic services are included here. Services such as police, public works, parks and recreation and general administration of the City. Property and sales taxes, charges for services, mineral royalties, severance taxes, and state and federal grants fund these activities. The one cent sales tax funds capital projects.
- **Business-type activities** – The City charges fees to customers to help it cover the costs of certain services it provides. The City's water, wastewater and solid waste services are under this umbrella.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds as opposed to the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has four kinds of funds:

Governmental fund – Most of the City's basic services are included in the governmental funds, which focus on: 1) how cash and other financial assets can readily be converted to cash flow in and out and 2) the balances left at year-end that are available for spending in the next year. Consequently, the governmental funds statements provide a detailed short-term view that helps determine whether or not there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provided additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

Proprietary fund – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements provide both long and short term financial information. In fact, the City’s enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information such as a statement of cash flows.

Internal service fund – The risk management fund accounts for the expenditures associated with the cost of providing property and liability insurance to the City. This account is designed to be self-sustaining. The interest earned on investments are expected to be enough to cover the expenses during the year.

Fiduciary fund – The fiduciary fund accounts for receipts and expenditures for the City’s partially funded self-insurance program and the GREEN program. The GREEN program provides city residents assistance in paying their utility bills. The Food Bank screens applicants and notifies the City of those who qualify. Private donations are collected and held specifically for this purpose.

Financial Analysis of the City as a Whole

Net Assets

Over time net assets serve as a useful indicator of a government’s financial position. On the next page, table A-3 summarizes the City of Green River’s net assets. The City’s assets exceed liabilities by \$82.6 million at the end of the fiscal year 2008.

Net assets can be separated further into current assets which equal \$34.6 million; decreasing by \$.4 million from the prior fiscal year. Investment in capital assets (net of depreciation) totaled \$54 million; increasing by \$1 million from the prior fiscal year. Total liabilities increased from last fiscal year up to \$6 million from \$5.3 million.

Governmental Activities The governmental activities of the City include general government, public safety, street maintenance, and parks and recreation. Additionally, the capital projects fund includes streets, recreation and miscellaneous projects.

Business Type Activities The business type activities include wastewater, solid waste, water, and risk management.

Table A-3
City of Green River's Net Assets
(In millions of dollars)

	Governmental Activities	Business Type Activities	Total
Current Assets	\$24.3	\$11.0	\$35.3
Capital Assets	\$45.1	\$8.9	\$54.0
Total Assets	\$69.4	\$19.9	\$89.3
Current Liabilities	\$3.3	\$0.6	\$3.9
Non-Current Liabilities	\$1.6	\$0.6	\$2.2
Total Liabilities	\$4.8	\$1.2	\$6.1
Invested in Capital Assets	\$45.1	\$8.9	\$54.0
Restricted	\$0.1	\$0.0	\$0.1
Unrestricted	\$19.3	\$9.8	\$29.1
Total Net Assets	\$64.5	\$18.7	\$83.2

Changes in Net Assets

On the following page, table A-4 depicts the change in net assets for the City of Green River; fiscal year ending 2008. City-wide, net assets decreased almost \$93,000 to an ending balance of \$ 82.7 million.

Governmental Activities Governmental activities decreased by \$785,000 during fiscal year 2008. This is a substantial decrease from last year's \$12 million net asset gain. The difference is attributable to most two factors. The first factor was the leveling off of the sales tax and the second was a very aggressive capital project budget for fiscal year 2008.

Sales and use taxes are the largest revenue source of the City's governmental funds. They make up approximately 80% of the total revenue during the fiscal year. The sales and use tax has three key components. The first component is the 4% general sales and use tax. Most of this tax is distributed to the State of Wyoming. The City received approximately \$7.9 million of 4% sales and use tax, which represents 33% of the City's total governmental activities revenue. The second component is the 1% sales and use tax (capital facilities and use tax). This tax is assessed by each county and all of it is distributed back to Sweetwater County. The City receives approximately 31 cents out of every dollar collected in Sweetwater County. The City received approximately \$5.1 million of 1% capital facilities sales and use tax, which represents 21% of the City's total governmental activities revenue. The third component of is a 1% optional capital construction tax. This is a local tax the voters of Sweetwater County voted into effect in the 2006 election. This tax is earmarked for a specific series of capital construction projects. The City received approximately \$3.8 million of 1% capital construction sales and use tax, which represents 16% of the City's total governmental activities revenue.

Table A-4
Changes in the City of Green River's Net Assets

Activity	Governmental Activities	Business Type Activities	Total
Revenue:			
Programmed Revenue:			
Charges for Services	\$ 780,120	\$ 4,830,684	\$ 5,610,804
Grants	120,559	-	120,559
Capital Grants	854,766	-	854,766
General Revenues:			
Sales	18,322,662	-	18,322,662
Property Tax	934,435	-	934,435
Impact Assistance	1,328,165	-	1,328,165
Misc taxes	586,470	-	586,470
Intergovernmental	1,573,486	-	1,573,486
Investment Earnings	776,236	431,969	1,208,205
Miscellaneous	277,263	57,824	335,087
Sale of Assets	60,432	-	60,432
Total Revenue	<u>25,614,594</u>	<u>5,320,477</u>	<u>30,935,071</u>
Expenses:			
General Government	4,973,184	-	4,973,184
Public Safety	4,427,186	-	4,427,186
Streets Maintenance	2,058,593	-	2,058,593
Parks & Recreation	5,130,296	-	5,130,296
Expensed Capital Outlay	9,654,995	-	9,654,995
Solid Waste	-	1,416,212	1,416,212
Sewer	-	596,865	596,865
Water	-	2,129,542	2,129,542
Risk Management	-	221,262	221,262
Total Expenses	<u>26,244,254</u>	<u>4,363,881</u>	<u>30,608,135</u>
Excess (deficiency) before transfers	<u>(629,660)</u>	<u>956,596</u>	<u>326,936</u>
Transfers	<u>(66,767.00)</u>	<u>(264,233)</u>	<u>(331,000)</u>
Increase (Decrease) in Net Assets	<u>(696,427)</u>	<u>692,363</u>	<u>(4,064)</u>
Beginning Net Assets	<u>65,186,548</u>	<u>18,029,285</u>	<u>83,215,833</u>
Ending Net Assets	<u>\$ 64,490,121</u>	<u>\$ 18,721,648</u>	<u>\$ 83,211,769</u>

The second largest contributor to the City's coffers is the intergovernmental revenues. This account is made up of state and federal grants, mineral royalties, severance taxes and one-time funding from the State. During the last few years the State has had a large surplus from the current oil and gas economy. To help distribute the excess funds to the local governments the State has setup two programs, the Business Ready Community Grant (BRC) program and the Impact Assistance Program (IAP) through the State Land and Investment Board. To date the City has applied for and received \$4.1 million in matching funds from these grants. These funds are being used to help complete several projects for the City including, water and wastewater system expansion, police facilities and a visitor center.

The City's 2008 expenditures by functional categories are typical as they relate to governmental activities. The General Government category is composed of: governing body, municipal court, city administrator, human resources, finance, legal services, and community revitalization. Public safety is comprised of police protection and fire protection. Streets maintenance is compromised of community development, public works and streets maintenance. Parks and recreation includes park maintenance, leisure programs, cemetery, and buildings maintenance and recreation center accounts. Capital outlay is the City's capital project program the builds general fund infrastructure such as streets, recreation projects, City expansion projects, urban renewal projects and other quality of life enhancements to the City.

The City's capital outlay programs are the largest expenditure category in the City at 36% of the governmental activities expenditures. Parks and Recreation is the second largest expenditure program at 19% and General Government is third at 18%.

Governmental Activities expenditures exceeded its programmed revenues by more than \$24.4 million. The excess expenditures over the governmental activities programmed revenue is made up mostly from tax revenue and unrestricted fund balance.

Business-Type Activities

The solid waste fund posted a \$115,000 profit for fiscal year 2008, increasing the fund balance to just over \$2.1 million. While this increase is lower than last it is still a very good increase since the fund a some large capital outlays for equipment. Looking to the future the fund will be looking at several financial changes due to changes in operation from environmental factors. The City is currently completing a study to determine the financial effects of these factors. Overall, with \$1.4 million in unrestricted assets the fund is positioned well with its current rate structure but due to environmental factors the City may need to review its rate structure.

The water fund remained steady this year with a \$454,000 gain in net assets. The fund's increase this year was attributed mainly to the fact it did not finance an infrastructure project this year. The addition of a 1% capital construction tax has aided the fund in its annual maintenance of infrastructure the city's future growth is going to be largest foreseeable hurdle for the water fund. During the fiscal year the fund completed a study detailing some of the cost associated with the expansion of the water system. Over the next several years it is estimated the fund will need approximately \$5 to \$12 million for expansion. The fund is looking at several different construction and financing options to complete the expansion.

The wastewater fund recorded a \$248,000 profit for fiscal year 2008. The fund is financially strong with approximately \$3.1 million in unrestricted net assets. With the current rate schedule the fund has positioned itself in good position to maintain its infrastructure and look toward future replacement of the wastewater plant.

In the internal service fund, risk management fund received approximately \$94,000 from other funds and used investment interest to finance the self-insurance pool. The remaining \$126,000 in expenditures were funded by a quasi endowment that was setup in fiscal year 2007.

Fiduciary Activities The City has the fiduciary oversight for the GREEN assistance program. This program enables individuals to donate money for others to help pay their City utility costs. During the fiscal year, the City received \$494 in donations and paid out \$890 to needy residents. The GREEN assistance program has a total of \$4,243 in cash at the end of the fiscal year.

The City's partially self-funded health insurance program ended the fiscal year with a gain of \$166,000. At the start of fiscal year 2008 the city decided it no longer wanted to maintain its partially self-funded insurance plan but instead moved to utilize a fully funded plan through the Wyoming Educators Benefit Trust. The fund will be eliminated in fiscal year 2009 and any assets transferred to the City's general fund.

General Fund Budgetary Highlights:

The City of Green River revised its original budget during the fiscal year. The budget is modified because the budgeting process started in January, 2007. Several factors lead to these modifications. They include: economic factors, change in governing officials, emergency purchases, and other factors.

During fiscal year 2008, the Governing Body continued its budget adjustment for the expenditure control budget (ECB) program. This program allows departments to carry over half of the money saved (not spent) by each department. The amount added to the budget for fiscal year 2008 in the general fund was \$129,000. This amount was allocated throughout the divisions based upon savings in the respective accounts. The enterprise funds received \$30,000 in ECB funds for the fiscal year.

The Governing Body approved a total of \$3.5 million in additional budget appropriations during the fiscal year. Approximately \$3.4 million of the budget modifications attributed to street and utility projects to expand and rebuild infrastructure in the community. The remainder of the modifications were attributable to small miscellaneous capital assets.

Capital Assets

At the end of the fiscal year, for governmental activities, the City had invested \$77.6 million in a wide range of capital assets including land and land improvements, buildings, equipment, infrastructure and vehicles. Capital assets increased by \$2.3 million (net of construction in progress) or 2.9% over last year. See Table A-5. Over all the City has utilizes approximately \$45.1 million (net of depreciation) of assets to provide general services to the citizens of Green River.

Table A-5
City of Green River's Capital Assets
Governmental Activities

	<u>Balance as of</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance as of</u> <u>June 30, 2007</u>
Non-Depreciated Assets				
Land and Land Improvements	\$ 7,697,285	\$ -	\$ 1,427,967	\$ 6,269,318
Total Non-Depreciated Assets	7,697,285	-	1,427,967	6,269,318
Depreciable Capital Assets				
Buildings	14,082,579	850,402	567,204	14,365,777
Construction in Progress	8,196,205	4,553,549	4,052,682	8,697,072
Equipment	1,807,347	358,151	143,012	2,022,486
Infrastructure	38,794,840	2,565,338	925,110	40,435,068
Vehicles	4,780,587	1,190,569	114,587	5,856,569
Total Depreciable Capital Assets	67,661,558	9,518,009	5,802,595	71,376,972
Less Accumulated Depreciation	31,126,784	2,362,959	968,871	32,520,872
Net Depreciable Assets	36,534,774	7,155,050	4,833,724	38,856,100
Total Capital Assets	<u>\$ 44,232,059</u>	<u>\$ 7,155,050</u>	<u>\$ 6,261,691</u>	<u>\$ 45,125,418</u>

For fiscal year 2008, for business type activities, had invested \$26.3 million in a wide range of capital assets including land and land improvements, buildings, equipment, infrastructure and vehicles. Capital assets increased by \$956,000 (net of construction in progress) or 1.2 % from last year. See below Table A-6. For proprietary activities, the City has invested \$8.9 million (net of depreciation) in providing city services to the citizens of Green River.

**Table A-6
City of Green River's Capital Assets
Business Type Activities**

	<u>Balance as of June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance as of June 30, 2008</u>
Non-Depreciated Assets				
Land and Land Improvements	\$ 296,507	\$ -	\$ -	\$ 296,507
Total Non-Depreciated Assets	296,507	-	-	296,507
Depreciable Capital Assets				
Buildings	5,074,896	-	-	5,074,896
Construction in Progress	14,850	-	14,850	-
Equipment	758,951	49,110	262,614	545,447
Infrastructure	16,938,596	859,899	-	17,798,495
Vehicles	2,354,782	454,763	129,930	2,679,615
Total Depreciable Capital Assets	25,142,075	1,363,772	407,394	26,098,453
Less Accumulated Depreciation	17,073,369	774,982	392,544	17,455,807
Net Depreciable Assets	8,068,706	588,790	14,850	8,642,646
Total Capital Assets	\$ 8,365,213	\$ 588,790	\$ 14,850	\$ 8,939,153

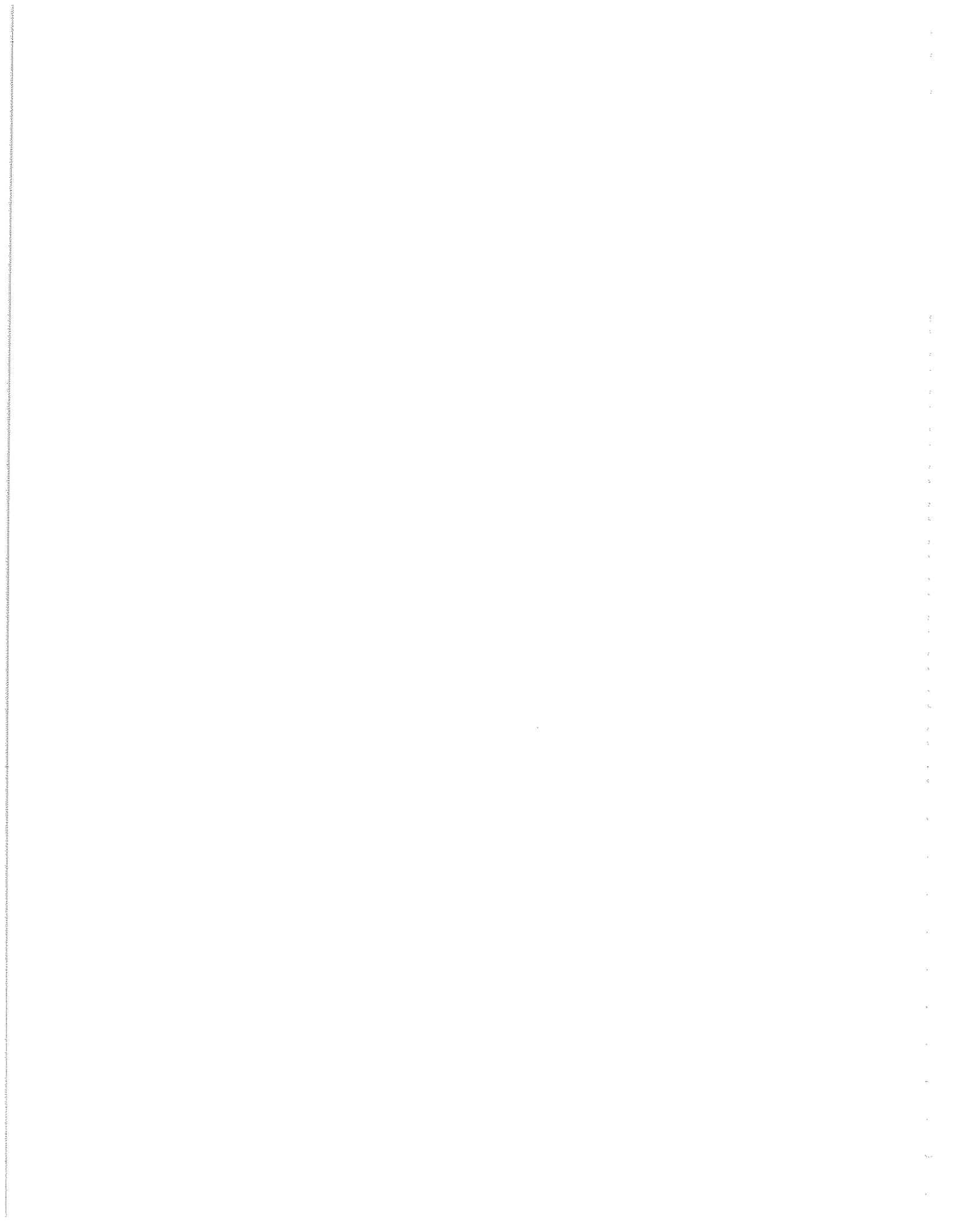
Long-Term Debt

The City has a small amount of long-term debt. This includes employee compensated absences, liability associated with the purchase of a fire truck and post closure liability of the City's landfill. This amounts to \$2.2 million or 2.7% of the City's net assets.

The City has no outstanding bonds issued. The City does however have conduit debt. These are industrial revenue bonds issued by private-sector entities. The City is not obligated in any manner for repayment of the bonds and accordingly, the bonds are not reported as a liability in the accompanying financial statements.

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Basic Financial Statements



City of Green River

Statement of Net Assets

June 30, 2008

	Primary Government		Totals	Component Unit Green River Futures
	Governmental Activities	Business-Type Activities		
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 3,963,278	\$ 842,270	\$ 4,805,548	\$ 159,338
Cash Held in Joint Custody	5,401	132,174	137,575	-
Investments	14,595,102	9,100,615	23,695,717	-
Receivables	5,436,037	470,851	5,906,888	17,166
Unbilled Receivables	-	138,766	138,766	-
Prepaid Expenses	3,741	-	3,741	-
Inventories	272,877	336,383	609,260	-
Total Current Assets	24,276,436	11,021,059	35,297,495	176,504
Non-current Assets				
Capital Assets				
Land	6,269,318	296,507	6,565,825	-
Buildings	14,365,777	5,074,896	19,440,673	-
Equipment	2,022,486	545,447	2,567,933	19,281.00
Vehicles	5,856,569	2,679,615	8,536,184	-
Infrastructure	40,435,068	17,798,495	58,233,563	-
Construction in Progress	8,697,072	-	8,697,072	-
Accumulated Depreciation	(32,520,872)	(17,455,807)	(49,976,679)	(12,711)
Total Capital Assets (Net of Accumulated Depreciation)	45,125,418	8,939,153	54,064,571	6,570
Total Non-current Assets	45,125,418	8,939,153	54,064,571	6,570
Total Assets	69,401,854	19,960,212	89,362,066	183,074
Liabilities				
Current Liabilities				
Accounts Payable	2,782,230	262,700	3,044,930	-
Compensated Absences	13,057	239,629	252,686	-
Court Bonds	3,605	-	3,605	-
Deposits	9,950	64,356	74,306	-
Salaries Payable	464,692	54,178	518,870	-
Total Current Liabilities	3,273,534	620,863	3,894,397	-
Non-Current Liabilities				
Compensated Absences	1,626,115	-	1,626,115	-
Capital Lease Obligations	-	-	-	-
Post Closure Liability	-	617,701	617,701	-
Unearned Revenue	12,084	-	12,084	-
Total Non-Current Liabilities	1,638,199	617,701	2,255,900	-
Total Liabilities	4,911,733	1,238,564	6,150,297	-
Net Assets				
Invested in Capital Assets	45,125,418	8,939,153	54,064,571	6,570
Restricted For:				
Federal Programs	39,811	-	39,811	52,917
Other	23,577	-	23,577	-
Unrestricted	19,301,315	9,782,495	29,083,810	123,587
Total Net Assets	\$ 64,490,121	\$ 18,721,648	\$ 83,211,769	\$ 183,074

The Notes to the Financial Statements are an Integral Part of this Statement

City of Green River
Statement of Activities
For the Year Ended June 30, 2008

	Program Revenues					Net (Expense) Revenue and Changes in Net Assets			Component Unit Green River Futures
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business Type Activities		Total	
						Governmental Activities	Business Type Activities		
Governmental Activities									
Primary Government									
General government	\$ 4,973,184	\$ 290,756	8,259	12,992	\$ (4,661,177)	\$ -	\$ (4,661,177)	\$ -	-
Public safety	4,427,186	12,743	112,300	28,099	(4,274,044)	-	(4,274,044)	-	-
Streets Maintenance	2,058,593	-	-	-	(2,058,593)	-	(2,058,593)	-	-
Parks and recreation	5,130,296	476,621	-	482,983	(4,170,692)	-	(4,170,692)	-	-
Capital outlay	9,654,995	-	-	330,692	(9,324,303)	-	(9,324,303)	-	-
Total governmental activities	26,244,254	780,120	120,559	854,766	(24,488,809)	-	(24,488,809)	-	-
Business type activities									
Solid Waste	1,416,212	1,501,022	-	-	-	84,810	84,810	-	-
Sewer	596,865	826,540	-	-	-	229,675	229,675	-	-
Water	2,129,542	2,503,122	-	-	-	373,580	373,580	-	-
Risk Management	221,262	-	-	-	-	(221,262)	(221,262)	-	-
Total business type activities	4,363,881	4,830,684	-	-	-	466,803	466,803	-	-
Total primary government	\$ 30,608,135	\$ 5,610,804	\$ 120,559	\$ 854,766	(24,488,809)	466,803	(24,022,006)	-	-
Component Unit									
Green River Futures	145,726	-	189,579	-	-	-	-	43,853	-
Total Component Unit	\$ 145,726	\$ -	\$ 189,579	\$ -	\$ -	\$ -	\$ -	\$ 43,853	\$ -
General Revenues:									
Taxes:									
Sales and Use					18,322,662			18,322,662	-
Impact Assistance					1,328,165			1,328,165	-
Property					934,435			934,435	-
Miscellaneous Taxes					586,470			586,470	-
Intergovernmental					1,573,486			1,573,486	-
Investment earnings					776,236		431,969	1,208,205	2,951
Miscellaneous					277,263		57,824	335,087	-
Sale of Assets					60,432		-	60,432	-
Transfers					(66,767)		(264,233)	(331,000)	-
Total general revenues and transfers					23,792,382		225,560	24,017,942	2,951
Change in net assets					(696,427)		692,363	(4,064)	46,804
Net assets- beginning					65,186,548		18,029,285	83,215,833	115,711
Net assets- ending					\$ 64,490,121		\$ 18,721,648	\$ 83,211,769	\$ 162,515

City of Green River

Balance Sheet

Governmental Funds

June 30, 2008

	<u>General</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 3,207,270	\$ 756,008	\$ 3,963,278
Cash Held in Joint Custody	-	5,401	5,401
Investments	14,012,910	582,192	14,595,102
Receivables	2,793,192	2,630,761	5,423,953
Prepaid Expenses	3,741	-	3,741
Inventories	272,877	-	272,877
Total Assets	<u>20,289,990</u>	<u>3,974,362</u>	<u>24,264,352</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts Payable	381,113	2,401,117	2,782,230
Compensated Absences	13,057	-	13,057
Salaries Payable	464,692	-	464,692
Court Bonds	3,605	-	3,605
Facility Deposits	9,950	-	9,950
Deferred Revenue	592,133	-	592,133
Total Liabilities	<u>1,464,550</u>	<u>2,401,117</u>	<u>3,865,667</u>
Fund Balance			
Reserved For:			
Federal Programs	39,811	-	39,811
Other	23,577	-	23,577
Unreserved	18,762,052	1,573,245	20,335,297
Total Fund Balance	<u>18,825,440</u>	<u>1,573,245</u>	<u>20,398,685</u>
Total Liabilities and Fund Balance	<u>\$ 20,289,990</u>	<u>\$ 3,974,362</u>	

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

Net Capital assets used in governmental activities are not financial resources and, therefore, are reported in the funds.	45,125,418
Other long-term assets that are not available to pay for current-period expenditures, and therefore, are deferred in funds.	604,217
Long-term liabilities not due and payable in the current financial period and, therefore, are not reported in the funds.	<u>(1,638,199)</u>
Total Net Assets of governmental activities	<u>\$ 64,490,121</u>

The Notes to the Financial Statements are an Integral Part of this Statement

City of Green River

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2008

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
Taxes:			
Sales and Use	\$ 14,499,399	\$ 3,823,263	\$ 18,322,662
Impact Assistance	1,328,165	-	1,328,165
Property	845,609	-	845,609
Miscellaneous Taxes	586,470	-	586,470
Charges for Services	492,437	-	492,437
Fines	117,017	-	117,017
Intergovernmental	2,160,444	388,367	2,548,811
Investment Earnings	710,891	65,345	776,236
Licenses and Permits	170,667	-	170,667
Miscellaneous	171,466	105,797	277,263
Sale of Assets	60,432	-	60,432
Total Revenues	<u>21,142,997</u>	<u>4,382,772</u>	<u>25,525,769</u>
Expenditures			
Current:			
General Government	4,783,089	-	4,783,089
Public Safety	5,062,658	-	5,062,658
Streets Maintenance	944,601	-	944,601
Parks and Recreation	4,070,898	-	4,070,898
Capital Outlay:			
Streets	-	7,679,362	7,679,362
Recreational Projects	-	1,529,362	1,529,362
Miscellaneous Projects	-	2,452,398	2,452,398
Total Expenditures	<u>14,861,246</u>	<u>11,661,122</u>	<u>26,522,368</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,281,751</u>	<u>(7,278,350)</u>	<u>(996,599)</u>
Other Financing Sources (Uses)			
Transfers In	-	6,426,564	6,426,564
Transfers Out	(6,493,331)	-	(6,493,331)
Total Other Financing Sources (Uses)	<u>(6,493,331)</u>	<u>6,426,564</u>	<u>(66,767)</u>
Net Change in Fund Balances	(211,580)	(851,786)	(1,063,366)
Fund Balances-Beginning	19,037,020	2,425,031	
Fund Balances-Ending	<u>\$ 18,825,440</u>	<u>\$ 1,573,245</u>	

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

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	88,826
Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in the governmental funds	(193,468)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.	471,581
Change in net assets-entity wide statements	<u>\$ (696,427)</u>

The Notes to the Financial Statements are an Integral Part of this Statement

City of Green River

Statement of Revenues, Expenditures, and Changes in
 General Fund Balances - Budget and Actual
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive/(Negative)
	Original	Final		
Revenues				
Taxes:				
Sales and Use	15,375,000	\$ 15,375,000	\$ 14,499,399	\$ (875,601)
Property	700,000	700,000	845,609	145,609
Impact Assistance	1,278,451	1,278,451	1,328,165	49,714
Miscellaneous	599,049	599,049	586,470	(12,579)
Charges for Services	435,400	435,400	492,437	57,037
Fines	130,200	130,200	117,017	(13,183)
Intergovernmental	1,736,519	1,732,267	2,160,444	428,177
Investment Earnings	350,000	350,000	710,891	360,891
Licenses and Permits	166,400	166,400	170,667	4,267
Miscellaneous	157,300	158,171	171,466	13,295
Sales	111,100	111,100	60,432	(50,668)
Total Revenues	<u>21,039,419</u>	<u>21,036,038</u>	<u>21,142,997</u>	<u>106,959</u>
Expenditures				
General Government				
Council	693,366	698,366	691,870	6,496
Municipal Court	194,922	195,755	176,224	19,531
City Administrator	282,085	279,492	286,415	(6,923)
Human Resources	324,588	374,410	349,994	24,416
Finance	1,442,379	1,489,864	1,261,084	228,780
Legal Services	177,475	181,279	135,462	45,817
Community Development	683,502	689,785	472,405	217,380
Community Revitalization	182,452	184,908	147,974	36,934
Public Works	603,961	613,610	512,962	100,648
Drainage	136,792	138,664	126,978	11,686
Vehicle Maintenance	682,067	686,010	622,299	63,711
Loss on Sale of Assets	-	-	(579)	579
Public Safety				
Police Protection	4,528,815	4,585,246	4,396,678	188,568
Fire Protection	676,567	688,257	665,980	22,277
Streets Maintenance	1,228,949	1,233,345	944,601	288,744
Parks and Recreation				
Parks Maintenance	1,842,662	1,848,402	1,617,354	231,048
Leisure Programs	1,016,083	1,027,758	851,072	176,686
Cemetery	275,360	276,214	168,930	107,284
Buildings	306,898	306,898	307,988	(1,090)
Recreation Center	1,283,825	1,296,518	1,125,555	170,963
Total Expenditures	<u>16,562,748</u>	<u>16,794,781</u>	<u>14,861,246</u>	<u>1,933,535</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,476,671	4,241,257	6,281,751	2,040,494
Other Financing Sources/(Uses)				
Transfers In	-	-	-	-
Transfers Out	(9,614,768)	(9,614,768)	(6,493,331)	3,121,437
Total Other Financing Sources (Uses)	<u>(9,614,768)</u>	<u>(9,614,768)</u>	<u>(6,493,331)</u>	<u>3,121,437</u>
Net Change in Fund Balances	(5,138,097)	(5,373,511)	(211,580)	\$ 5,161,931
Fund Balances-Beginning	19,037,020	19,037,020	19,037,020	
Fund Balances-Ending	<u>\$ 13,898,923</u>	<u>\$ 13,663,509</u>	<u>\$ 18,825,440</u>	

The Notes to the Financial Statements are an Integral Part of this Statement

City of Green River
Statement of Net Assets
Proprietary Funds
June 30, 2008

	<u>Solid Waste</u>	<u>Water</u>	<u>Wastewater</u>	<u>Total Enterprise Funds</u>	<u>Internal Service Fund</u>	<u>Total Proprietary Funds</u>
Assets						
Current assets						
Cash and Cash Equivalents	\$ 3,583	\$ 478,296	\$ 168,376	\$ 650,255	\$ 192,015	\$ 842,270
Cash With Other Governments	-	132,174	-	132,174	-	132,174
Investments	2,066,229	2,495,242	2,944,381	7,505,852	1,594,763	9,100,615
Accounts Receivable	149,542	243,337	77,972	470,851	-	470,851
Unbilled Receivable	23,854	114,912	-	138,766	-	138,766
Inventories	5,325	299,030	32,028	336,383	-	336,383
Total Current Assets	<u>2,248,533</u>	<u>3,762,991</u>	<u>3,222,757</u>	<u>9,234,281</u>	<u>1,786,778</u>	<u>11,021,059</u>
Non-current Assets						
Capital Assets						
Land	220,637	75,870	-	296,507	-	296,507
Buildings	162,162	197,900	4,714,834	5,074,896	-	5,074,896
Equipment	73,586	219,562	252,299	545,447	-	545,447
Vehicles	1,660,317	176,262	843,036	2,679,615	-	2,679,615
Infrastructure	-	3,973,775	13,824,720	17,798,495	-	17,798,495
Construction-in-Progress	-	-	-	-	-	-
Less Accumulated Depreciation	<u>(1,437,368)</u>	<u>(2,476,862)</u>	<u>(13,541,577)</u>	<u>(17,455,807)</u>	<u>-</u>	<u>(17,455,807)</u>
Total Non-current Assets	<u>679,334</u>	<u>2,166,507</u>	<u>6,093,312</u>	<u>8,939,153</u>	<u>-</u>	<u>8,939,153</u>
Total Assets	<u>2,927,867</u>	<u>5,929,498</u>	<u>9,316,069</u>	<u>18,173,434</u>	<u>1,786,778</u>	<u>19,960,212</u>
Liabilities						
Current Liabilities						
Accounts Payable	42,940	202,409	17,351	262,700	-	262,700
Deficiency in Cash and Cash Equivalents	-	-	-	-	-	-
Customer Deposits	-	64,356	-	64,356	-	64,356
Compensated Absences	93,362	24,569	121,698	239,629	-	239,629
Salaries Payable	23,669	10,214	20,295	54,178	-	54,178
Total Current Liabilities	<u>159,971</u>	<u>301,548</u>	<u>159,344</u>	<u>620,863</u>	<u>-</u>	<u>620,863</u>

	Solid Waste	Water	Wastewater	Total Enterprise Funds	Internal Service Fund	Total Proprietary Funds
Non-current Liabilities						
Post Closure Liability	617,701	-	-	617,701	-	617,701
Total Non-current Liabilities	617,701	-	-	617,701	-	617,701
Total Liabilities	777,672	301,548	159,344	1,238,564	-	1,238,564
Net Assets						
Invested in Capital Assets	679,334	2,166,507	6,093,312	8,939,153	-	8,939,153
Unrestricted	1,470,861	3,461,443	3,063,413	7,995,717	1,786,778	9,782,495
Total Net Assets	\$ 2,150,195	\$ 5,627,950	\$ 9,156,725	\$ 16,934,870	\$ 1,786,778	\$ 18,721,648

City of Green River
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2008

	Solid Waste	Water	Wastewater	Total Enterprise Funds	Internal Service Funds	Total Proprietary Funds
Operating Revenues:						
Charges for Services:						
Refuse Fees	1,501,022	-	-	1,501,022	-	1,501,022
Sewer Fees	-	-	826,540	826,540	-	826,540
Water fees	-	2,503,122	-	2,503,122	-	2,503,122
Other	1,693	992	55,139	57,824	-	57,824
Total Operating Revenues	1,502,715	2,504,114	881,679	4,888,508	-	4,888,508
Operating Expenses:						
Costs of Sales and Services	1,303,402	1,988,166	76,069	3,367,637	221,262	3,588,899
Depreciation	112,810	141,376	520,796	774,982	-	774,982
Total Operating expenses	1,416,212	2,129,542	596,865	4,142,619	221,262	4,363,881
Operating Income (Loss)	86,503	374,572	284,814	745,889	(221,262)	524,627
Non-Operating Revenues (Expenses):						
Investment Earnings	96,735	123,155	136,729	356,619	75,350	431,969
Total Non-operating Revenue (Expense)	96,735	123,155	136,729	356,619	75,350	431,969
Transfers in	-	-	-	-	19,117	19,117
Transfers Out	(67,402)	(42,735)	(173,213)	(283,350)	-	(283,350)
Change in net Assets	115,836	454,992	248,330	819,158	(126,795)	692,363
Total Net Assets-- Beginning	2,034,359	5,172,958	8,908,395	16,115,712	1,913,573	18,029,285
Total Net Assets--Ending	\$ 2,150,195	\$ 5,627,950	\$ 9,156,725	\$ 16,934,870	\$ 1,786,778	\$ 18,721,648

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City of Green River
Statement of Cash Flows
Proprietary Funds
For the Year ended June 30, 2008

	Solid Waste	Water	Wastewater	Total Enterprise Funds	Internal Service Fund	Total Proprietary Funds
Cash flows from Operating Activities						
Receipts from Customers and Users	\$ 1,502,715	\$ 2,504,114	\$ 881,679	\$ 4,888,508	\$ -	\$ 4,888,508
Payments to employees	(672,470)	(242,175)	(605,615)	(1,520,260)	-	(1,520,260)
Payments to suppliers	(553,616)	(1,732,779)	520,605	(1,765,790)	(221,294)	(1,987,084)
Net Cash Provided by (Used In) Operating Activities	276,629	529,160	796,669	1,602,458	(221,294)	1,381,164
Cash Flows from Non-capital Financing Activities						
Operating Transfers In (Out)	(67,402)	(42,735)	(173,213)	(283,350)	19,117	(264,233)
Net Cash Provided by (Used In) Non-capital Financing Activities	(67,402)	(42,735)	(173,213)	(283,350)	19,117	(264,233)
Cash Flows from Capital and Related Financing Activities						
Purchase of Capital Assets	(472,865)	(31,007)	(859,899)	(1,363,771)	-	(1,363,771)
Construction of Capital Assets	-	14,849	-	14,849	-	14,849
Proceeds from Capital Asset Sales	-	-	-	-	-	-
Net Cash Provided by (Used In) Capital and Related Financing Activities	(472,865)	(16,158)	(859,899)	(1,348,922)	-	(1,348,922)
Cash Flows from Investing Activities						
Interest Income	96,735	123,155	136,729	356,619	75,350	431,969
Purchase of Investments	128,482	(116,210)	266,025	278,297	305,634	583,931
Net Cash Provided by (Used In) Investing Activities	225,217	6,945	402,754	634,916	380,984	1,015,900
Net Change in Cash	(38,421)	477,212	166,311	605,102	178,807	783,909
Cash at Beginning of Year	42,004	133,258	2,065	177,327	13,208	190,535
Cash at End of Year	\$ 3,583	\$ 610,470	\$ 168,376	\$ 782,429	\$ 192,015	\$ 974,444

**Reconciliation of Operating Income to Net Cash Provided
by (Used In) Operating Activities**

Operating Income
 Adjustments to Reconcile Operating Income to Net Cash
 Provided By (Used In) Operating Activities

	Solid Waste	Water	Waste Water	Total Enterprise Funds	Internal Service Funds	Total Proprietary Funds
	\$ 86,503	\$ 374,572	\$ 284,814	\$ 745,889	\$ (221,262)	\$ 524,627
Depreciation Expense	112,810	141,376	520,796	774,982	-	774,982
(Increase) Decrease in Accounts Receivable	(7,376)	32,592	(15,743)	9,473	-	9,473
(Increase) Decrease in Inventories	2,995	2,998	5,781	11,774	-	11,774
(Decrease) Increase in Liabilities	81,697	(22,378)	1,021	60,340	(32)	60,308
Total Adjustments	190,126	154,588	511,855	856,569	(32)	856,537
Net Cash Provided by/(Used In) Operating Activities	\$ 276,629	\$ 529,160	\$ 796,669	\$ 1,602,458	\$ (221,294)	\$ 1,381,164

City of Green River

Statement of Fiduciary Net Assets/(Deficit)

Fiduciary Funds

June 30, 2008

	<u>GREEN Assistance</u>	<u>Health Insurance</u>
Assets		
Cash and Cash Equivalents	\$ 3,158	\$ 178,089
Investments	1,085	654,837
Accounts Receivable	-	(7)
Total Assets	<u>4,243</u>	<u>832,919</u>
Liabilities		
Accounts Payable	-	142,220
Claims Incurred But Not Reported	-	1,861
Total Liabilities	<u>-</u>	<u>144,081</u>
Net Assets/(Deficit)		
Restricted	4,243	-
Unrestricted (Deficit)	-	688,838
Total Net Assets (Deficit)	<u>\$ 4,243</u>	<u>\$ 688,838</u>

City of Green River
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Years Ended June 30, 2008

	GREEN Assistance	Health Insurance
Operating Revenues:		
Charges for Services:		
Donations	\$ 494	\$ -
Insurance Fees	-	1,587,359
Total Operating Revenues	<u>494</u>	<u>1,587,359</u>
Operating Expenses		
Administrative Expenses	92	17,678
Insurance	-	1,767,678
Payment of Utilities	890	-
Total Operating expenses	<u>982</u>	<u>1,785,356</u>
Operating Income	<u>(488)</u>	<u>(197,997)</u>
Non-Operating Revenues		
Investment Earnings	202	33,378
Transfers in	-	331,000
Total Non-operating Revenue	<u>202</u>	<u>364,378</u>
Change in net Assets	(286)	166,381
Total Net Assets-Beginning	<u>4,529</u>	<u>522,457</u>
Total Net Assets (Deficit)-Ending	<u>\$ 4,243</u>	<u>\$ 688,838</u>

I. Summary of Significant Accounting Policies:

The basic financial statements of the City of Green River, Wyoming (the City) have been prepared in conformity with generally accepted accounting principals (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principals.

A. Reporting Entity

The City was incorporated in 1868 and operates under a Mayor - Council - City Manager form of government. The governing body consists of six elected council members and a mayor who are elected to serve four-year terms. The City Manager, who is appointed, administers policies and coordinates the activities of the City. The heads of the various departments, formed to provide various services, are under the direct supervision of the City Manager.

Discretely Presented Component Units

Green River Futures, Inc. (Futures) is a legally separate, tax-exempt component unit of the City. Futures acts primarily to facilitate and promote economic growth in and around the City of Green River. As a majority of Futures funding is provided by the City and the use of Futures economic resources primarily benefits the City, Futures is considered a component unit of the City and is discretely presented in the City's financial statements. Complete financial statements may be obtained by writing to PO Box 130, Green River, WY 82935.

B. Government-wide and Fund Financial Statements

Basis of Presentation

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. 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 segments are offset by program income. *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*.

Indirect costs in the governmental activities that are not associated directly with a function or program in the City are included in the general governmental activities in the entity-wide statements.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide statements. Major

individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City's financial operations are accounted for in the following fund types:

Governmental Fund Types

General Fund- This fund accounts for the financial operations of the City which are not accounted for in any other fund. Principal sources of revenue are sales and property taxes, licenses and permits, state and county shared revenue and charges for administrative services from other funds, Primary expenditures are for police and fire protection, recreation and general government operations.

Capital Projects Fund- This fund accounts for the construction of capital assets. Principal revenue sources include State and Federal Grants and transfers from the General Fund.

Proprietary Fund Types

Enterprise Funds are used to account for operations that are financed and operated similar to private business enterprises. Within these funds, it is the intent of the City to recover the costs associated with providing certain goods or services on a continuing basis to the general public through user fees and/or charges. The City has the following funds, all of which are treated as major funds:

- The Solid Waste Fund accounts for the activities of the City's solid waste collections and landfill operations.
- The Water Fund accounts for the activities of the City's water distribution systems.
- The Wastewater Fund accounts for the activities of the City's wastewater treatment plant and collection systems

Additionally, the City reports on the following fund types:

Internal Service Funds are used to account for the financing of services provided from one department or division to another department or division within the City. The City currently has one internal service fund that provides property and liability insurance for the entire City.

The Green Assistance Fund is used to account for donations from individuals that are to be used for the financial assistance of low income residents to pay their utility bills. To qualify for financial assistance individuals must meet certain poverty guidelines as defined by the City's governing body.

The Health Insurance Fund is used to account for the City's partially self-funded health care plan. Employees contribute 7.5% of a predetermined funding level through payroll deductions to pay for expenses of providing health care.

The City has adopted GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting*. Accordingly, the City has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

C. Measurement Focus and Basis of Accounting

The government-wide and proprietary financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange takes place. 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 collectable 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 are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and other long-term liabilities, are recorded only when payment is due.

D. Cash and Investments

For all Governmental and Proprietary Fund Types, cash and cash equivalents include short-term investments with original maturities of three months or less when purchased, and cash in the city-wide pool.

The City participates in the Wyoming State Investment Pool and in the Wyoming Government Investment Fund. Funds residing in these pools may have a maturity of less than three months but are classified as investments for financial statement purposes. Annual reports may be obtained for each of these entities at: 200 West 24th Street, Cheyenne, WY 82002 and at 2323 Pioneer Ave, Cheyenne, WY 82001, respectively.

Investments, including equity in pooled cash and investments, are stated at fair value.

E. Receivables

Receivables of the enterprise funds are recorded as revenue as earned, including services earned but not billed. Estimated unbilled revenues from the Water Fund are recognized at the end of each fiscal year on a pro rata basis. The estimated amount is based on billings during the month following the close of the fiscal year.

F. Inventories

Inventories of materials and supplies in the funds are stated at cost on a first-in, first-out basis and expensed as used.

G. Capital Assets

In the government-wide financial statements and in the fund financial statements for proprietary funds, fixed assets are treated as capital assets. Capital assets include property, plant, equipment and infrastructure, e.g. roads bridges, sidewalks and similar items. Capital assets are defined by the City as items that have a cost more than \$5,000 (\$100,000 for infrastructure assets) and an estimated useful life in excess of one year. Such assets are valued at historical cost or estimated historical cost if purchased or constructed. Capital assets that are donated are recorded at estimated fair market value at the time of donation.

Depreciation is computed on assets in service using the straight-line method over their estimated useful lives as follows:

- Building and building improvements: 10 to 30 years
- Utility systems and other improvements: 20 to 40 years
- Machinery and equipment: 3 to 30 years.

Normal maintenance and repairs are expensed as incurred. Expenditures for major additions, improvements and replacements are capitalized. Gains or losses from sales or retirements of fixed assets are included in operations.

H. Accrued Compensated Absences and Sick Pay

Accumulated vested vacation pay is accrued as it is earned by the employees with a maximum of forty hours above an individual employee's annual accrual. Sick pay is vested and accrued at the time that it is earned, up to maximum payout of 960 hours upon termination.

I. Long-Term Obligations

In the government-wide financial statements and proprietary funds types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

J. Fund Equity

The entity-wide financial statements report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose.

K. Restricted Resources

During the year the City may receive funds that are restricted in nature, whether by donor's or legal requirements. Restricted funds are applied to expenditures solely at the discretion of the City Council.

L. Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered and for short-term interfund loans or transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When an internal service fund provides goods and services to another fund, redundancy is inherent because expenditures/expenses are reported in both the fund providing and the fund receiving the goods or services. Since internal service funds primarily benefit governmental funds, they are included in the governmental activities in the entity-wide statements. The basic assumption for internal service funds is that they operate on a breakeven basis. Accordingly, any net profit or loss has been allocated to the functions that benefited from the goods or services provided based on proportionate benefit. Any residual balances outstanding between the governmental activities and business activities are reported in the government-wide financial statements as "internal balances."

All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation between the governmental fund statements and the government-wide columnar presentation.

M. New Accounting Standards

As of June 30, 2008 there are two accounting standards issued by the Governmental Accounting Standards Board that will effect the City in the coming years, they are as follows:

Statement No. 53 – Accounting and Financial Reporting for Derivative Instruments

Management does not anticipate that the adoption of these new statements will have a significant effect on the financial statements of the City.

N. Use of Estimates

In preparing the City of Green River's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Comparative Data

Comparative total data for the prior year have been presented only for the individual enterprise funds and the internal service fund in order to provide an understanding of the changes in the financial position and operations of these funds.

II. Stewardship, Compliance and Accountability

A. Budgets

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

Each May, the City Manager submits a proposed budget to the City Council. The City is required to budget all funds. The City's budget is prepared for each fund on the modified accrual basis of accounting for all fund types. Interfund transfers are budgeted as sources and uses. Estimated receipts and expenditures are budgeted for by fund, program and object. Information on the past year's actual receipts and expenditures and current-year estimates are included in the budget document.

The City Council conducts public hearings for the purpose of obtaining citizens' comments and legally adopts the budget by resolution before the second Tuesday in June. The resolution establishes appropriations for each fund and expenditures cannot legally exceed these appropriations. The level of control established by the resolution for each fund is at the fund level. Appropriations lapse as of the year-end.

The City Council may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets as authorized by Wyoming Statutes. Unexpected additional resources or uses of funds may be added to the budget through the use of a supplemental budget amendment. A supplemental budget amendment requires an adoption of a supplementary budget resolution by the City Council. Expenditure appropriations may not be legally over expended. Management may transfer budget amounts between individual line items within the object group, but cannot make changes to departmental budgets themselves. During the fiscal year ended June 30, 2008, City Council approved fifty-two supplemental budget resolutions.

III. Detailed Notes on All Funds

A. Cash and Investments:

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments.

Cash and investments are comprised of the following at June 30, 2008:

Cash and Cash Equivalents	\$ 4,986,795
Cash held in Joint Custody	137,575
Investments	<u>24,351,639</u>
Total Cash and Investments	<u>\$ 29,476,009</u>

Cash

The total bank balance per the bank statements is \$ 4,957,878. Of these balances, \$100,000 was covered by federal depository insurance. For deposits in excess of federal depository insurance, the City requires the depository institution to maintain on deposit collateralized securities that meet the collateralization requirements pursuant to Wyoming Statutes, having a value not less than 110 percent of the amount over FDIC insurance. All bank balances in excess of federal depository insurance are collateralized by securities held by an entity other than the financial institution.

The City maintains a joint account with the Joint Powers Water Board (JPWB) for the purpose of capital maintenance on the water plant and infrastructure. As of June 30, 2008 the City held jointly with the JPWB \$ 132,174 which was 100 percent collateralized by the JPWB.

The City maintains additional joint retainage accounts with one of the City's capital improvement contractors. State statute requires the City to deposit retainage amounts from a capital improvement project into a joint account, if requested by a contractor. Funds from these accounts can only be released to the contractor by a written acknowledgement from the City. As of June 30, 2008 the City held jointly with Reiman Corp \$5,401.

Investments

As of June 30, 2008, the City has the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>	
		<u>Less than 1</u>	<u>1 - 5</u>
US Government Bonds*	\$ 2,410,330	\$ 825,241	\$ 1,585,089
Certificates of Deposits	1,085,292	1,085,292	-
State Investment Pool	13,063,222	13,063,222	-
Wyoming Gov. Pool	7,792,795	7,792,795	-
Total Cash and Investments	<u>\$ 24,351,639</u>	<u>\$ 22,766,550</u>	<u>\$ 1,585,089</u>

* Weighted average maturity date

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's investment portfolio to maturities of less than five years and a weighted average maturity of three years.

Because the State Investment Pool and the Wyoming Government Pool have an average maturity of less than one year they are presented as an investment with a maturity of less than one year.

Credit Risk. State statutes authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, bank repurchase agreements, certain commercial paper, and the State Treasurer's Investment Pool.

The City primarily invests its excess cash balances in the Wyoming State Investment Pool (WYO-STAR). The State Treasurer is the investment officer for the pool and is responsible for all funds in the pool. The WYO-STAR Account is permitted to purchase asset-backed securities, repurchase agreements, government Securities, including obligations of the U.S. Treasury and Obligations of U.S. Government Agencies or Instruments, bearing floating or fixed interest rates.

Concentration- the City limits the amount of any one investment to no more than 50% of the portfolio can be invested in one single security type or institution, with an exception for U.S treasury securities and local government investment pools.

Custodial- For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City requires that all deposits (time or regular) that exceed the FDIC threshold be collateralized at 110% of the fair market value of the deposit.

The City also requires that all securities are to be held in the name of the City and all securities that are held as collateral are held by an independent third party.

B. Capital Assets:

The following is a summary of the changes in capital assets for governmental activities for the fiscal year ended June 30, 2008:

	<u>Balance as of June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance as of June 30, 2007</u>
Non-Depreciated Assets				
Land and Land Improvements	\$ 7,697,285	\$ -	\$ 1,427,967	\$ 6,269,318
Total Non-Depreciated Assets	<u>7,697,285</u>	<u>-</u>	<u>1,427,967</u>	<u>6,269,318</u>
Depreciable Capital Assets				
Buildings	14,082,579	850,402	567,204	14,365,777
Construction in Progress	8,196,205	4,553,549	4,052,682	8,697,072
Equipment	1,807,347	358,151	143,012	2,022,486
Infrastructure	38,794,840	2,565,338	925,110	40,435,068
Vehicles	4,780,587	1,190,569	114,587	5,856,569
Total Depreciable Capital Assets	<u>67,661,558</u>	<u>9,518,009</u>	<u>5,802,595</u>	<u>71,376,972</u>
Less Accumulated Depreciation	<u>31,126,784</u>	<u>2,362,959</u>	<u>968,871</u>	<u>32,520,872</u>
Net Depreciable Assets	<u>36,534,774</u>	<u>7,155,050</u>	<u>4,833,724</u>	<u>38,856,100</u>
Total Capital Assets	<u>\$ 44,232,059</u>	<u>\$ 7,155,050</u>	<u>\$ 6,261,691</u>	<u>\$ 45,125,418</u>

During the fiscal year 2008 the City of Green River made a change to in accounting principal by changing its capitalization threshold. The gross cost and accumulated depreciation balances at June 30, 2007 were restated to reflect a change in accounting principal. The Governmental Fund asset and equity balances for June 30, 2008 have been restated to reflect the changes as follows:

	Balance as of June 30, 2007	Restatement	Restated Balance as of June 30, 2007
Land and Land Improvements	\$ 7,780,229	\$ (82,944)	\$ 7,697,285
Buildings	14,136,119	(53,540)	14,082,579
Construction in Progress	8,196,205	-	8,196,205
Equipment	2,285,325	(477,978)	1,807,347
Infrastructure	38,794,840	-	38,794,840
Vehicles	4,875,910	(95,323)	4,780,587
Total Property and Equipment	<u>76,068,628</u>	<u>(709,785)</u>	<u>75,358,843</u>
Less Accumulated Depreciation	<u>31,414,791</u>	<u>(288,007)</u>	<u>31,126,784</u>
Total Net property and Equipment	<u>\$ 44,653,837</u>	<u>\$ (421,778)</u>	<u>\$ 44,232,059</u>

Depreciation was charged to governmental activities as follows:

General government	\$ 83,971
Public safety	234,010
Streets maintenance	1,366,247
Parks and recreation	542,073
Capital outlay	136,594
Total	<u>\$ 2,362,895</u>

City of Green River**Notes to the Financial Statements****June 30, 2008**

The following is a summary of changes in capital assets for business-type activities for the fiscal year ended June 30, 2008:

	<u>Balance as of June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance as of June 30, 2008</u>
Non-Depreciated Assets				
Land and Land Improvements	\$ 296,507	\$ -	\$ -	\$ 296,507
Total Non-Depreciated Assets	<u>296,507</u>	<u>-</u>	<u>-</u>	<u>296,507</u>
Depreciable Capital Assets				
Buildings	5,074,896	-	-	5,074,896
Construction in Progress	14,850	-	14,850	-
Equipment	758,951	49,110	262,614	545,447
Infrastructure	16,938,596	859,899	-	17,798,495
Vehicles	2,354,782	454,763	129,930	2,679,615
Total Depreciable Capital Assets	<u>25,142,075</u>	<u>1,363,772</u>	<u>407,394</u>	<u>26,098,453</u>
Less Accumulated Depreciation	<u>17,073,369</u>	<u>774,982</u>	<u>392,544</u>	<u>17,455,807</u>
Net Depreciable Assets	<u>8,068,706</u>	<u>588,790</u>	<u>14,850</u>	<u>8,642,646</u>
Total Capital Assets	<u>\$ 8,365,213</u>	<u>\$ 588,790</u>	<u>\$ 14,850</u>	<u>\$ 8,939,153</u>

During the fiscal year 2008 the City of Green River made a change to in accounting principal by changing its capitalization threshold. The gross cost and accumulated depreciation balances at June 30, 2007 were restated to reflect a change in accounting principal. The Proprietary Funds asset and equity balances for June 30, 2008 have been restated to reflect the changes as follows:

	Balance as of June 30, 2007	Change in Accounting Estimate	Restated Balance as of June 30, 2007
Land and Land Improvements	\$ 304,951	\$ (8,444)	\$ 296,507
Buildings	5,083,358	(8,462)	5,074,896
Construction in Progress	14,850	-	14,850
Equipment	843,836	(84,885)	758,951
Infrastructure	16,962,464	(23,868)	16,938,596
Vehicles	2,367,775	(12,993)	2,354,782
Total Property and Equipment	<u>25,577,234</u>	<u>(138,652)</u>	<u>25,438,582</u>
Less Accumulated Depreciation	<u>17,183,987</u>	<u>(110,618)</u>	<u>17,073,369</u>
Total Net property and Equipment	<u>\$ 8,393,247</u>	<u>\$ (28,034)</u>	<u>\$ 8,365,213</u>

C. Retirement Commitments

The City participates in the State of Wyoming Retirement System (System), a statewide cost-sharing multiple-employer public employee retirement system.

Substantially all City full-time or regular part-time employees are eligible to participate in the System. Employees qualify for a retirement allowance if they are sixty years old and have at least four years of service, or they may retire at age fifty and have at least four years of service but be subject to a reduction in benefits of five percent for each year below age sixty, or they may retire at any age if they have twenty-five years of service or when a combination of age and years of service equal eighty-five.

Generally, for individuals with creditable service prior to July 1, 1981, the individuals receive benefits based on the larger of a money purchase benefit structure or a formula basis. The formula consists of multiplying the number of years of service by 2.125% for the member's first 15 years of service and 2.25% for all years after 15 by the final average salary. The final average salary consists of the three highest continuous years of service.

Benefits for individuals hired after July 1, 1981, are calculated only by the formula method.

The System also provides disability retirement to any employee who becomes permanently incapacitated, mentally or physically, and who cannot continue in the performance of his duties. Benefits are established by State statute.

Covered Payroll

The payroll for employees covered by the System for the year ended June 30, 2008, was \$6,891,766 ; the City's total payroll was \$8,871,416.

Contributions

Contributions to the System consist of an amount equal to 11.25% of the employee's salary. The City is required by State statute to contribute 5.68% of the amount and, as permitted by statute, the City also contributes the employee's 5.57% share. Law enforcement employees are allowed by Wyoming Statute to contribute an extra 2.92% of their annual wages in to the Wyoming Retirement System, of which the City also funds the extra contribution amount.

The City's contribution to the Wyoming Retirement System for the years ended June 30, 2008, 2007, and 2006 were \$907,827, \$798,670 and \$760,891 respectively, equal to the required contributions for each year.

The Wyoming Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. This information is available from the Wyoming Retirement System; copies can be obtained at First Floor East – Herschler Building, Cheyenne, Wyoming 82002.

D. Health Insurance

In 2005 The City created a partially self-funded insurance fund for the purpose of paying for administrative and claims expenses associated with providing medial insurance to its full-time employees. At the end of fiscal year 2007 the City decided to switch back to a fully funded insurance plan. The health insurance fund will be dissolved into the general fund during fiscal year 2009.

At June 30, 2008 health insurance claims had been incurred but not yet paid or reported to the health insurance fund (IBNR). As of June 30, 2008 the City estimated those claims to be approximately \$1,861.

	Year Ending	
	<u>6/30/2008</u>	<u>6/30/2007</u>
Unpaid Claims, Beginning of Year	\$ 178,816	\$ 103,352
Incurred Claims (Including IBNR)	1,767,678	1,549,421
Claim Payments	<u>1,944,633</u>	<u>1,473,957</u>
Unpaid Claims, End of Year	<u>\$ 1,861</u>	<u>\$ 178,816</u>

E. Commitments and Contingencies

Conduit Debt

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

As of June 30, 2008, there were four series of such bonds outstanding. The aggregate principal amount payable could not be determined; however, their original issue amounts totaled \$77,591,000.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected may constitute a liability in the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although management expects such amounts, if any, to be immaterial.

Contract Commitments

At June 30, 2008, the City had signed commitments for construction projects, equipment and service contracts for approximately \$8.5 million.

Capital Leases

The City entered in to a capital lease agreement with California First National Bank to purchase new fire truck. The City is required make a \$295,278 lease payment for the next two subsequent years. The total principal and interest paid on the on the lease is \$847,175 and \$38,660, respectively.

F. Long-term Liabilities

The following is a summary of the changes in long-term liabilities for the year ended June 30, 2008.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities					
Compensated Absences	\$ 1,137,370	\$ 900,000	\$ 411,255	\$ 1,626,115	\$ 13,057
Capital Lease Obligations	295,278	-	295,278	-	295,278
Governmental Activity Long-term Liabilities	<u>\$ 1,432,648</u>	<u>\$ 900,000</u>	<u>\$ 706,533</u>	<u>\$ 1,626,115</u>	<u>\$ 308,335</u>
Business-type Activities					
Post Closure	\$ 562,468	\$ 55,233	\$ -	\$ 617,701	\$ -
Business-type Activities Long-term Liabilities	<u>\$ 562,468</u>	<u>\$ 55,233</u>	<u>\$ -</u>	<u>\$ 617,701</u>	<u>\$ -</u>

G. Closure and Post Closure Care Costs for the Solid Waste

State and Federal laws and regulations require the City to place a cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$617,000 reported as closure and post-closure care liability at June 30, 2008, represents the cumulative amount reported to date based on the use of 75% of the estimated capacity of the landfill. At the current rate, it is estimated that the landfill will be at capacity in approximately 6 years. The City will recognize the remaining estimated cost of closure and post-closure care of \$231,721 as the remaining estimated capacity is filled. These amounts are based on estimated costs to perform all closure and post-closure costs in 2008. Actual costs may be higher or lower due to inflation, changes in technology, or changes in regulations.

H. Fund Balance Restrictions

As of June 30, 2008 the City had the following amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose:

<u>Restricted Use</u>	<u>Amount</u>
Donations	6,150
DARE	17,427
Drug Seizure	39,811
Total Restrictions	<u>\$63,388</u>

As of June 30, 2008 the Green Fund, had \$4,243 of restricted funds. These funds are restricted to help low income individuals pay their City utility bills.

As of June 30, 2008 Green River Futures, a component unit of the City, had \$52,917 of permanently restricted funds. These restricted funds are to be loaned to small businesses to create jobs in rural areas. Interest and principal from the repayment of these loans are to be used for the same activities in perpetuity.

I. Interfund Transfers

During the year the following transfers were made between funds:

<u>Fund Transferring Out</u>	<u>Fund Receiving Transfer</u>	<u>Amount</u>
General Fund	Capital Projects	\$ 6,224,331
	Fiduciary (Health Insurance)	269,000
Solid Waste	Capital Projects	46,487
	Internal Service	3,915
	Fiduciary (Health Insurance)	17,000
Wastewater Fund	Capital Projects	134,856
	Internal Service	10,357
	Fiduciary (Health Insurance)	28,000
Water Fund	Capital Projects	20,890
	Internal Service	4,845
	Fiduciary (Health Insurance)	17,000
Total Interfund Transfers		<u>\$ 6,754,836</u>

J. Risk Management

The City is subject to risk of loss from various events, including torts, theft, damage to assets, business interruption, errors and omissions, and job-related injuries to employees, as well as acts of God.

The City has purchased insurance and workers compensation coverage to minimize their risks of loss. There has been no significant reduction in coverage against these losses from year to year.

K. Component Units

Green River Future, Inc. (Futures) is a legally separate, tax-exempt component unit of the City. During the year ended June 30, 2008, Futures expended \$145,726 in promoting economic growth within the City and received \$217,951 in grants, donations and miscellaneous revenue, of which the City contributed \$180,000.

Without the support of the City of Green River, Wyoming it would be difficult for Futures to continue as a going concern. Its activities would be limited to administering the small business loans, but the expected earnings would not be sufficient alone to cover the administrative costs.

L. Potential Component Units

Green River Fire Department Equipment Fund Foundation

The Green River Fire Department Equipment Fund is a legally separate, tax-exempt potential component unit of the City of Green River. The Foundation acts primarily as a fund raising organization to supplement the resources of the City of Green River Fire Department in its fire protection services. The three-member board is self-perpetuating and consists of members of the Foundation. Foundation members must all be active firefighters in the City of Green River Fire Department, thus must also be City employees. Although the City of Green River does not control the timing or amount of receipts from the Foundation, the majority of the resources that the Foundation holds and invests are restricted to the activities of the City of Green River Fire Department by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, City of Green River Fire Department, the Foundation is considered a potential component unit of City of Green River. At this time management has not been able to review all of the appropriate records to completely evaluate whether or not the Green River Fire Department Equipment Funds Foundation is considered a component unit of the City. During the year ended June 30, 2008, the City paid \$36,048 to reimburse the foundation for fire department expenditures.

M. Joint Powers Boards

Joint Powers Water Board

Under certain provisions of Wyoming State statutes, the City has entered into an agreement with the City of Rock Springs and Sweetwater County to form a Joint Powers Board for the purchase, financing, rehabilitation, and operation of a water supply and distribution system for domestic and other uses serving Green River, Wyoming, Rock Springs, Wyoming, and other areas in Sweetwater County, Wyoming.

The Board consists of five members: two members from Green River, two members from Rock Springs, and one member from Sweetwater County.

The participating cities are responsible for the maintenance, operation, staffing, rate setting, and billing for each distribution system as well as construction of storage facilities. The cities lease these facilities from the Board on a year-to-year basis subject to annual appropriations by the cities. During the year ending June 30, 2008, the City paid \$1,211,000 to purchase water from the Board.

The financial transactions of the Board are not included in these financial statements. Additional financial information maybe obtained by sending a request to JPWB at 2 Telephone Canyon Rd, Green River, WY 82935.

Joint Powers Telecom Board

Under certain provisions of Wyoming State statutes, the City has entered into an agreement with the City of Rock Springs to form a Joint Powers Board to fund, build, operate and maintain a system of interconnected fiber-optic networks to be deployed within the two communities.

The Board consists of six members: three members from Green River and three members from Rock Springs.

The Joint Powers Telecom Board provides an interconnected fiber-optic network for City of Green River, City of Rock Springs and the Sweetwater County offices.

The financial transactions of the Board are not included in these financial statements. Additional financial information maybe obtained by sending a request to their treasurer, Matt McBurnett at the City of Rock Springs, 212 D St., Rock Springs, WY 82901.

Joint Powers Capital Construction Board

Under certain provisions of Wyoming State statutes, the City has entered into an agreement with Sweetwater County, the City of Rock Springs, the City of Bairoil, the City of Granger, the City of Superior and the City of Superior to form a Joint Powers Board to provide an efficient, orderly and economical method of planning, financing and constructing infrastructure projects related to the one percent capital facilities tax.

The Board consists of seven members: One from each of the governing bodies

For the period ending June 30, 2008 the board has at this point just been created and started to receive the tax payments from the State on behalf of the members.

During the period ending June 30, 2008 the joint powers board reimbursed the City for approximately \$3,823,000 in related projects.

The financial transactions of the Board are not included in these financial statements. Additional financial information maybe obtained by sending a request to their treasurer, Carl Demshar, at the City of Rock Springs, 212 D St., Rock Springs, WY 82901.

N. Related Party Transactions

The City contributes funds to several boards and commissions in which the City either appoints the board members or City employees are elected members of the board members of the organization. During the year ending June 30, 2008 the City made payments the amount of \$1,572,000 or had invested \$7,793,000 in these various boards.

The City maintains a volunteer fire department in which members are considered employees of the City as they are compensated on a per call basis. Many of these volunteers have additional employment outside the City in which several are owners of business' that provide goods and services to various departments of the City. During the year ended June 30, 2008 the City made payments to these businesses in the amount of \$47,000.

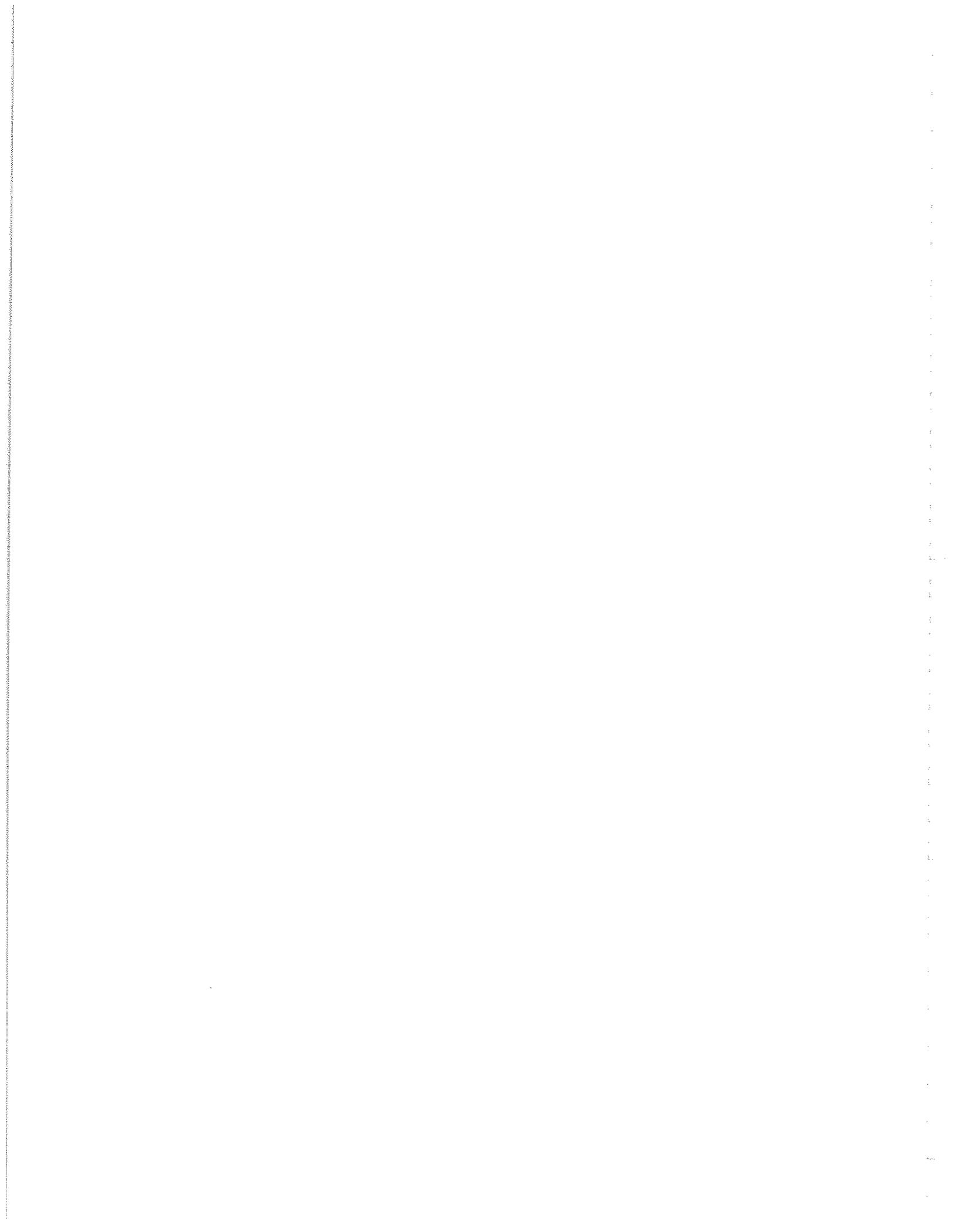
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Supplementary Information



Enterprise Funds



**City of Green River
Combining Statement of Net Assets
Enterprise Funds
6/30/2008 and 2007**

	Solid Waste			Water			Wastewater			Totals	
	June 30, 2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	Current Year
Assets											
Current Assets											
Cash and Cash Equivalents	\$ 3,583	\$ 42,004	\$ 478,296	\$ 6,774	168,376	\$ 2,065					\$ 650,255
Cash Held in Joint Custody	-	-	132,174	126,484	-	-	-	-	-	-	132,174
Investments	2,066,229	2,194,711	2,495,242	2,379,032	2,944,381	3,210,406	7,505,852				7,505,852
Accounts Receivable	149,542	142,167	243,337	296,379	77,972	62,229	470,851				470,851
Unbilled Receivable	23,854	23,854	114,912	94,462	-	-	138,766				138,766
Inventories	5,325	8,320	299,030	302,028	32,028	37,809	336,383				336,383
Total Current Assets	2,248,533	2,411,056	3,762,991	3,205,159	3,222,757	3,312,509	9,234,281				9,234,281
Non-current Assets											
Capital Assets											
Land	220,637	220,637	75,870	75,870	4,714,834	4,714,834	296,507				296,507
Buildings	162,162	162,162	197,900	197,900	188,554	252,299	5,074,896				5,074,896
Equipment	73,586	279,442	219,562	188,554	176,262	843,036	545,447				545,447
Vehicles	1,660,317	1,335,484	3,973,775	3,973,775	13,824,720	12,964,821	2,679,615				2,679,615
Infrastructure	-	-	-	14,850	-	-	17,798,495				17,798,495
Construction-in-Progress	-	-	-	(2,335,486)	(13,541,577)	(13,059,436)	-				-
Less Accumulated Depreciation	(1,437,368)	(1,678,447)	(2,476,862)	(2,335,486)	6,093,312	5,754,209	(17,455,807)				(17,455,807)
Total Non-current Assets	679,334	319,278	2,166,507	2,291,725	6,093,312	5,754,209	8,939,153				8,939,153
Total Assets	2,927,867	2,730,334	5,929,498	5,496,884	9,316,069	9,066,718	18,173,434				18,173,434
Liabilities											
Current Liabilities											
Accounts Payable	42,940	48,490	202,409	216,819	17,351	18,326	262,700				262,700
Customer Deposits	-	-	64,356	78,160	-	-	64,356				64,356
Compensated Absences	93,362	66,824	24,569	22,703	121,698	122,653	239,629				239,629
Deficiency in Pooled Cash	-	-	-	-	-	-	-				-
Wages Payable	23,669	18,193	10,214	6,244	20,295	17,344	54,178				54,178
Total Current Liabilities	159,971	133,507	301,548	323,926	159,344	158,323	620,863				620,863
Non-current Liabilities											
Post Closure Liability	617,701	562,468	-	-	-	-	617,701				617,701
Total Non-current Liabilities	617,701	562,468	-	-	-	-	617,701				617,701
Total Liabilities	777,672	695,975	301,548	323,926	159,344	158,323	1,238,564				1,238,564
Net Assets											
Invested in Capital Assets	679,334	319,278	2,166,507	2,291,725	6,093,312	5,754,209	8,939,153				8,939,153
Unrestricted	1,470,861	1,715,081	3,461,443	2,881,233	3,063,413	3,154,186	7,995,717				7,995,717
Total Net Assets	\$ 2,150,195	\$ 2,034,359	\$ 5,627,950	\$ 5,172,958	\$ 9,156,725	\$ 8,908,395	\$ 16,934,870				\$ 16,934,870

**City of Green River
Combining Statement of Revenues, Expenses, and Changes in Net Assets
Enterprise Funds
For the Years Ended June 30, 2008 and 2007**

	Solid Waste		Water		Wastewater		Totals Current Year
	2008	2007	2008	2007	2008	2007	
Operating Revenues:							
Charges for Services:							
Refuse Fees	1,501,022	1,443,946	-	-	-	-	1,501,022.00
Sewer Fees	-	-	-	-	826,540	641,811	826,540.00
Water Fees	-	-	2,503,122	2,389,227	-	-	2,503,122.00
Other	1,693	4,179	992	1,619	55,139	70,427	57,824.00
Total Operating Revenues	1,502,715	1,448,125	2,504,114	2,390,846	881,679	712,238	4,888,508
Operating Expenses:							
Costs of Sales and Services	1,303,402	1,146,513	1,988,166	1,967,026	76,069	841,889	3,367,637.00
Depreciation	112,810	97,799	141,376	133,426	520,796	461,447	774,982.00
Total Operating Expenses	1,416,212	1,244,312	2,129,542	2,100,452	596,865	1,303,336	4,142,619
Operating Income (Loss)	86,503	203,813	374,572	290,394	284,814	(591,098)	745,889
Non-Operating Revenues (Expenses):							
Investment Earnings	96,735	77,233	123,155	93,575	136,729	132,461	356,619.00
Total Non-operating Revenue	96,735	77,233	123,155	93,575	136,729	132,461	356,619
Transfers In	-	-	-	-	-	-	-
Transfers Out	(67,402)	(3,915)	(42,735)	(4,845)	(173,213)	(10,357)	(283,350.00)
Change in net Assets	115,836	277,131	454,992	379,124	248,330	(468,994)	819,158
Total Net Assets-- Beginning	2,034,359	1,757,228	5,172,958	4,793,834	8,908,395	9,377,389	16,115,712
Total Net Assets--Ending	\$ 2,150,195	\$ 2,034,359	\$ 5,627,950	\$ 5,172,958	\$ 9,156,725	\$ 8,908,395	\$ 16,934,870

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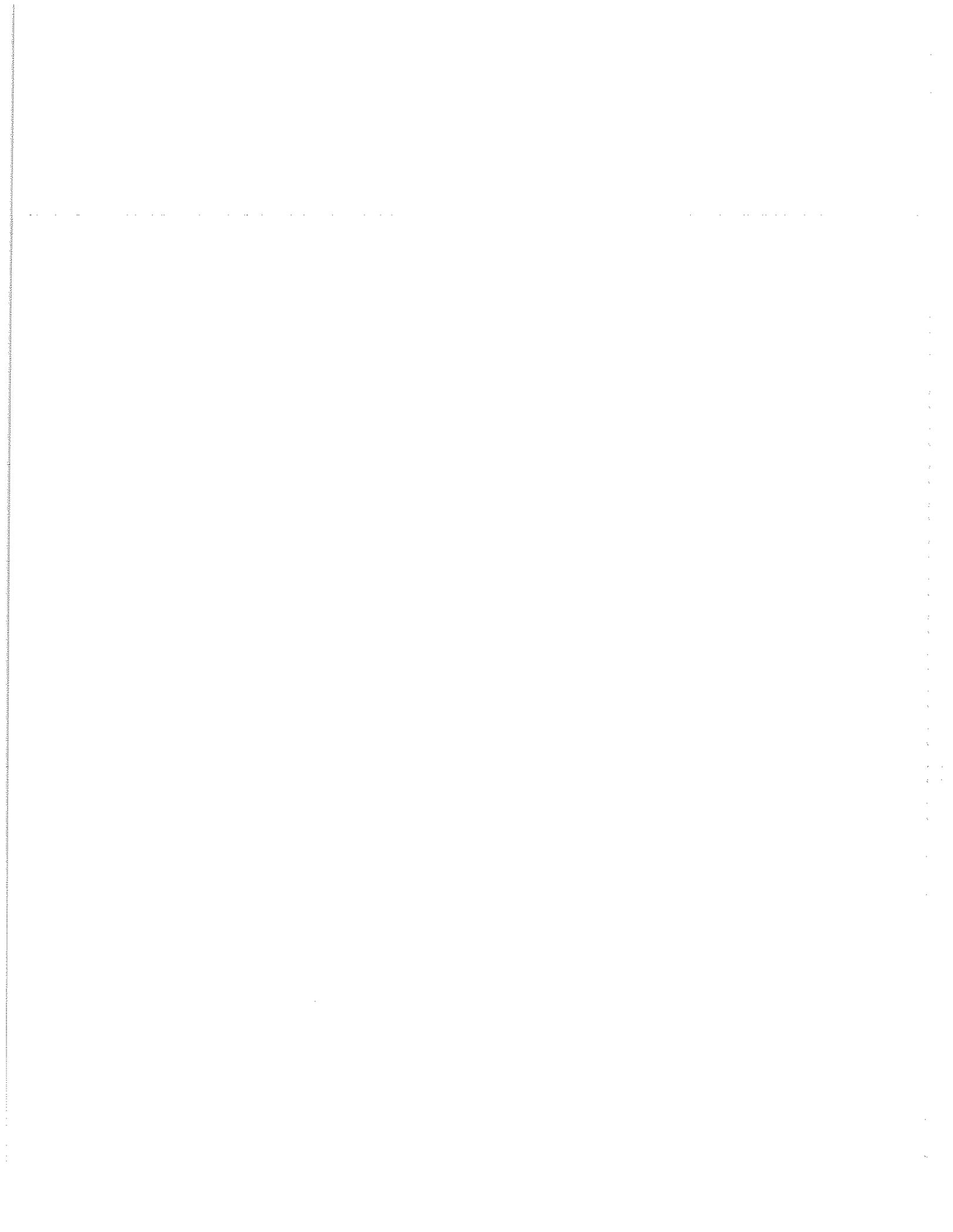
City of Green River
Combining Statement of Cash Flows
Enterprise Funds
For the Years Ended June 30, 2008 and 2007

	Solid Waste		Water		Wastewater		Totals Current Year
	June 30, 2008	2007	2008	2007	2008	2007	
Cash flows from Operating Activities							
Receipts from Customers and Users	\$ 1,502,715	\$ 1,432,112	\$ 2,504,114	\$ 2,419,014	\$ 881,679	\$ 656,594	\$ 4,888,508
Payments to Employees	(672,470)	(621,763)	(242,175)	(383,396)	(605,615)	(443,415)	(1,520,260)
Payments to Suppliers	(553,616)	(512,782)	(1,732,779)	(1,965,350)	520,605	(362,190)	(1,765,790)
Net Cash Provided by Operating Activities	276,629	297,567	529,160	70,268	796,669	(149,011)	1,602,458
Cash Flows from Non-capital Financing Activities							
Operating Transfers In (Out)	(67,402)	(38,552)	(42,735)	(388,414)	(173,213)	(10,598)	(283,350)
Net Cash Provided by Non-capital Financing Activities	(67,402)	(38,552)	(42,735)	(388,414)	(173,213)	(10,598)	(283,350)
Cash Flows from Capital and Related Financing Activities							
Purchase of Capital Assets	(472,865)	(52,306)	(31,007)	(39,149)	(859,899)	(85,033)	(1,363,771)
Construction of Capital Assets	-	-	14,849	(156,497)	-	(1,682,723)	14,849
Proceeds from Capital Asset Sales	-	-	-	283,445	-	-	-
Net Cash Provided by Capital and Related Financing Activities	(472,865)	(52,306)	(16,158)	87,799	(859,899)	(1,767,756)	(1,348,922)
Cash Flows from Investing Activities							
Interest Income	96,735	34,524	123,155	41,085	136,729	185,413	356,619
Purchase of Investments	128,482	(152,832)	(116,210)	73,720	266,025	1,741,952	278,297
Net Cash Provided by Investing Activities	225,217	(118,308)	6,945	114,805	402,754	1,927,365	634,916
Net Change in Cash	(38,421)	88,401	477,212	(115,542)	166,311	-	605,102
Cash at Beginning of Year	42,004	6,048	133,258	117,491	2,065	-	177,327
Cash at End of Year	\$ 3,583	\$ 94,449	\$ 610,470	\$ 1,949	\$ 168,376	\$ -	\$ 782,429

	Solid Waste			Water			Wastewater			Totals	
	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	Current Year
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities											
Operating Income (Loss)	\$ 86,503	\$ 133,816	\$ 374,572	\$ 291,948	\$ 284,814	\$ (531,482)	\$ 745,889				
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities											
Depreciation Expense	112,810	101,139	141,376	62,920	520,796	297,650	774,982				
(Increase) Decrease in Accounts Receivable	(7,376)	(11,793)	32,592	(135,567)	(15,743)	2,397	9,473				
Decrease (Increase) in Liabilities	81,697	76,405	(22,378)	50,163	1,021	88,930	60,340				
(Increase) Decrease in Inventories	2,995	(2,000)	2,998	(199,196)	5,781	(6,506)	11,774				
Total Adjustments	190,126	163,751	154,588	(221,680)	511,855	382,471	856,569				
Net Cash Provided by/(Used In) Operating Activities	\$ 276,629	\$ 297,567	\$ 529,160	\$ 70,268	\$ 796,669	\$ (149,011)	\$ 1,602,458				

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Internal Service Fund



City of Green River
Internal Service Fund
Statement of Net Assets
June 30, 2008 and 2007

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Assets		
Cash and Cash Equivalents	\$ 192,015	\$ 13,208
Investments	1,594,763	1,900,397
Total Assets	<u>1,786,778</u>	<u>1,913,605</u>
Liabilities		
Accounts Payable	-	32
Total Liabilities	<u>-</u>	<u>32</u>
Net Assets		
Restricted	-	
Unrestricted	1,786,778	1,913,573
Total Net Assets	<u>\$ 1,786,778</u>	<u>\$ 1,913,573</u>

The Notes to the Financial Statements are an Integral Part of this Statement

City of Green River
Internal Service Fund
Statement of Revenues, Expenses, and Changes in Net Assets
For the Years Ended June 30, 2008 and 2007

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Operating Revenues:		
Charges for Services:		
Insurance Fees	\$ -	\$ 194,449
Total Operating Revenues	-	194,449
Operating Expenses		
Insurance	221,262	211,410
Total Operating Expenses	221,262	211,410
Operating Loss	(221,262)	(16,961)
Non-Operating Revenues		
Investment Earnings	75,350	86,374
Total Non-operating Revenue	75,350	86,374
Transfers In	19,117	1,019,117
Transfers Out	-	-
Change in Net Assets	(126,795)	1,088,530
Total Net Assets-Beginning	1,913,573	825,043
Total Net Assets-Ending	<u>\$ 1,786,778</u>	<u>\$ 1,913,573</u>

The Notes to the Financial Statements are an Integral Part of this Statement

City of Green River
Statement of Cash Flows
Internal Service Fund
For the Years Ended June 30, 2008 and 2007

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
Cash flows from Operating Activities		
Receipts from Insurance Proceeds	-	194,449
Payments to Suppliers	\$ (221,294)	\$ (211,828)
Net Cash Used In Operating Activities	<u>(221,294)</u>	<u>(17,379)</u>
Cash Flows from Non-capital Financing Activities		
Operating Transfers In (Out)	<u>19,117</u>	<u>1,019,117</u>
Net Cash Provided by (Used In) Non-capital Financing Activities	19,117	1,019,117
Cash Flows from Investing Activities		
Interest Income	75,350	86,374
Purchase of Investments	<u>305,634</u>	<u>(1,083,555)</u>
Net Cash Provided by Investing Activities	380,984	(997,181)
Net Change in Cash	178,807	4,557
Cash at Beginning of Year	13,208	8,650
Cash at End of Year	<u>\$ 192,015</u>	<u>\$ 13,207</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities		
Operating Loss	<u>(221,262)</u>	<u>(16,961)</u>
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities		
(Decrease) Increase in Liabilities	<u>(32)</u>	<u>(418)</u>
Total Adjustments	<u>(32)</u>	<u>(418)</u>
Net Cash Used In Operating Activities	<u>\$ (221,294)</u>	<u>\$ (17,379)</u>

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COMPANY

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Duane C. Karren, Ret.

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

To the Honorable Mayor and City Council Members
City of Green River, Wyoming

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Green River, Wyoming, as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements and have issued our report thereon dated November 21, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered City of Green River, Wyoming's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Green River, Wyoming's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Green River, Wyoming's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Green River, Wyoming's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Green River, Wyoming's financial statements that is more than inconsequential will not be prevented or detected by the City of Green River, Wyoming's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Green River, Wyoming's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, City Council, others within the entity, the Wyoming Department of Audit, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Karren, Hendrix, Stagg, Allen & Company

Karren, Hendrix, Stagg, Allen & Company
November 21, 2008

