



Town of Jackson, Wyoming
Comprehensive Annual Financial Report
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Comprehensive Annual Financial Report

Table of Contents

June 30, 2013

	Page
INTRODUCTORY SECTION	
Letter of Transmittal	1
GFOA Certificate of Achievement for Excellence in Financial Reporting	4
Organization of Services Chart	5
Elected Officials and Administrative Personnel	6
FINANCIAL SECTION	
Independent Auditor's Report	7
Management's Discussion and Analysis	11
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	20
Statement of Activities	21
Fund Financial Statements	
Balance Sheet - Governmental Funds	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	23
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	26
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - START Bus System Fund	28
Statement of Net Position - Proprietary Funds	29
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	31
Statement of Cash Flows - Proprietary Funds	32
Statement of Fiduciary Fund Assets and Liabilities	34
Statement of Changes in Fiduciary Fund Assets and Liabilities	35
Notes to the Financial Statements	36
Combining Individual Fund Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet - Nonmajor Governmental Funds by Fund Type	52
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Fund Type	53
Combining Balance Sheet - Nonmajor Special Revenue Funds	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	55
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Nonmajor Special Revenue Funds	56
Combining Balance Sheet - Nonmajor Capital Project Funds	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Project Funds	62
Internal Service Funds	
Combining Statement of Net Position - Internal Service Funds	63
Combining Statement of Revenues, Expenses and Changes Fund Net Position - Internal Service Funds	64
Combining Statement of Cash Flows - Internal Service Funds	65

(continued)

Comprehensive Annual Financial Report

Table of Contents

June 30, 2013 (continued)

Other Supplementary Schedules	
Schedule of Revenues (Sources) and Expenditures (Uses) - General Fund	66
STATISTICAL SECTION (unaudited)	
Financial trends	
Net Position by Component - Last Ten Fiscal Years	71
Changes in Net Position - Last Ten Fiscal years	72
Fund Balances of Governmental Funds - Last Ten Fiscal Years	74
Changes in Fund Balances of Governmental Fund - Last Ten Fiscal Years	75
Revenue capacity	
Tax Revenues by Source - Last Ten Fiscal years	76
Unrestricted State Intergovernmental Revenues by Program - Last Ten Fiscal Years	77
Debt capacity	
Direct and Overlapping Governmental Debt	78
Schedule of Revenue Bond Coverage	79
Ratios of Outstanding Debt by Type	80
Legal Debt Margin Information	81
Economic and demographic information	
Construction and Bank Deposits - Last Ten Years	82
Tax Capacity and Estimated Market Value of all Taxable Property - Last Ten Fiscal Years	83
Property Tax Rates - All Direct and Overlapping Governments - Last Ten Fiscal Years	84
Taxable Sales - Last Ten Years	85
Principal Employers - Current Year and Seven Years Ago	86
Demographic & Economic Statistics	87
Demographic Statistics - US Census Data	88
Operating information	
Full-time Equivalent Town Employees by Function/Program - Last Ten Fiscal Years	89
Operating Indicators by Function - Last Ten Fiscal Years	90
Capital Asset Statistics by Function - Last Seven Fiscal Years	91
GOVERNMENT AUDIT REPORTS	
Independent Auditor's Reporting Requirements and Other Communications Required Under the Single Audit Act as Amended in 1996	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in in Accordance with Government Auditing Standards	93
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133	95
Schedule of Findings and Questioned Costs	98
Schedule of Expenditures of Federal Awards	99

TOWN OF JACKSON WYOMING



INTRODUCTORY SECTION

Robert W. McLauren
Town Manager

Roxanne DeVries Robinson
Assistant Town Manager



Kent Meredith, CPA
Finance Director

Melanie Adams
Finance Manager



Administration and Finance

December 16, 2013

To the Honorable Mayor, Members of the Town Council, and the Citizens of the Town of Jackson:

Wyoming statutes require all cities, towns, and counties to issue an annual report on its financial position and activity prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants or the Office of State Audit. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the Town of Jackson for the fiscal year ended June 30, 2013.

The CAFR is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes the table of contents, this transmittal letter, certificate of achievement, the City's organization chart, and a list of administrative personnel. The Financial Section includes the report of the independent auditors, Management's Discussion and Analysis (MD&A), the basic financial statements including the government-wide financial statements comprised of the Statement of Net Position and the Statement of Activities, and the accompanying notes to the financial statements. The Financial Section also includes the fund financial statements for both governmental funds and proprietary funds. This section also includes the combining individual funds financial statements for the nonmajor governmental funds and the internal service funds. The Statistical Section includes selected pertinent financial and demographic information, on a multi-year basis. This transmittal letter is designed to complement and should be read in conjunction with the MD&A.

The Town of Jackson' financial statements have been audited by Thompson, Palmer and Associates, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Jackson for the fiscal year ended June 30, 2013, are free of misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Jackson's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with GAAP.

PROFILE OF THE GOVERNMENT

The Town of Jackson, incorporated in 1914, is located in Teton County near the Wyoming and Idaho border south of the Grand Teton and Yellowstone National Parks. The town currently has a land area of nearly ten square miles and a population of 9,838. The Town of Jackson is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the town council.

The Town of Jackson is governed by city code under Wyoming Statutes with a council-mayor form of government. Policy-making and legislative authority are vested in a town council consisting of the mayor and four council members. The town council is responsible, among other things, for passing ordinances, adopting the budget, appointing commissions, authorities, and committees, and hiring the town manager, town attorney and municipal judge. The town manager is responsible for carrying out the policies and ordinances of the town council, for overseeing the day-to-day operations of the town government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. All four council members and the mayor are elected at large. Council members serve staggered four year terms, with elections occurring every even year. The mayor serves a two year term, with elections occurring every even year.

The Town of Jackson provides a full range of services, including police and fire protection; construction and maintenance of streets and infrastructure; recreational facilities and pathways, water, sewage, and transit services. Additionally, the town owns rental properties for employees.



FACTOR AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Town of Jackson operates.

Local economy. The Town of Jackson is located at the southern entrance to Grand Teton and Yellowstone National Parks in the northwest corner of Wyoming. Dramatic mountain peaks, including the Tetons, the Gros Ventres, and Snow King form a breathtaking backdrop to our valley (called Jackson Hole). The Town of Jackson is home to approximately 10,000 people and another 10,000 live in the unincorporated county (Teton).

Jackson's economy is centered on tourism and lifestyle. Approximately 3 million guests visit each year and more than 502,000 skier days are tallied at the Jackson Hole Mountain Resort. The abundance of outdoor recreation opportunities, the unsurpassed scenic beauty, the prevalence of many species of wildlife, the lack of individual state income tax, and the high quality of life give Jackson unsurpassed appeal as a place to live, visit and recreate.

At fiscal year-end, the Town of Jackson's employment picture, at a 3.9% unemployment rate (Teton County), is healthier than the 7.5% national average. The state of Wyoming has an unemployment rate of 4.4%.

FINANCIAL INFORMATION

Management of the town is responsible for establishing and maintaining internal control designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

This report consists of management's representations concerning the finance of the town. As a result, management assumes full responsibility for the completeness and reliability of all the information and content presented in this Comprehensive Annual Financial Report (CAFR). Additionally, management asserts that, to the best of their knowledge and belief, this financial report is complete and reliable in all material respects.

Budgetary Controls. The annual budget serves as the foundation for the Town of Jackson's financial planning and control. All departments, authorities, and commissions of the town submit requests for appropriation to the town manager in March of each year. The town manager uses these requests as the starting point for developing a proposed budget. The town manager then presents this proposed budget to the council for review prior to May 15. The council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30, the close of the town's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), department (e.g., police), and division (e.g., patrol). Department heads may make transfers of appropriation within a departmental division. Transfers of appropriations between funds and departments, however, require the special approval of the town council. Budget-to-actual comparisons are provided in this report for each individual governmental fund which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented starting on page 26 of the basic financial statements. For non-major special revenue funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 56.

Long-term Financial Planning. As a resort community, the town continues to work at achieving goals while balancing the concerns of various stakeholders. The town's strategic vision is generally known as the "Town of Jackson Statements of Strategic Intent." They define the town's strategic intent and identify areas for additional emphasis. The town's near-term and long-term fiscal planning are focused on accomplishing strategic intent objectives. A five year financial model has been developed to assess attainability and sustainability of these objectives.

The strategic intent includes five general areas. While the details of these strategies are detailed in other documents, these five strategies include:

Maintain the Unique Character of Jackson Hole: Vision - Preserve the spectacular scenic beauty, bountiful environmental resources, abundant recreational opportunities, western ambiance and personal values of individualism, fairness and hospitality

Efficient and Effective Service Delivery: Vision – The Town will work with the County to provide the most efficient and effective service delivery to the community within available resources

Environmental Stewardship: Vision – Responsibly manage environmental resources for the benefit of present and future generations

Economic Stability: Vision – Support an environment in which business are successful and the economy generates sufficient revenues for the Town of Jackson to maintain services and programs that support its mission

Town is Heart: Vision – The Town of Jackson will continue to be the primary location of jobs, housing, shopping, educational and cultural activities.

Single Audit. As a recipient of federal awards, the town is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and the internal audit staff of the town.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Jackson, Wyoming for its comprehensive financial report for the fiscal year

ending June 30, 2012. This is the 28th year the town has received this prestigious award. In order to be awarded the Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the professional, efficient services of the staff in the Administration and Finance Departments. We would like to express our appreciation to all members of both offices, with special recognition for the assistance contributed by Finance Manager Melanie Adams. Additionally, the professional guidance provided by Rick Palmer of Thompson, Palmer & Associates, PC, was instrumental in this report's preparation. Due credit also should be given to the mayor and the council for their support in planning and conducting the operations of the town in a responsible and progressive manner.



Robert W. McLaurin
Town Manager



Kent Meredith, CPA
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Jackson
Wyoming**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

A handwritten signature in black ink, appearing to read 'Jeffrey R. Egan'.

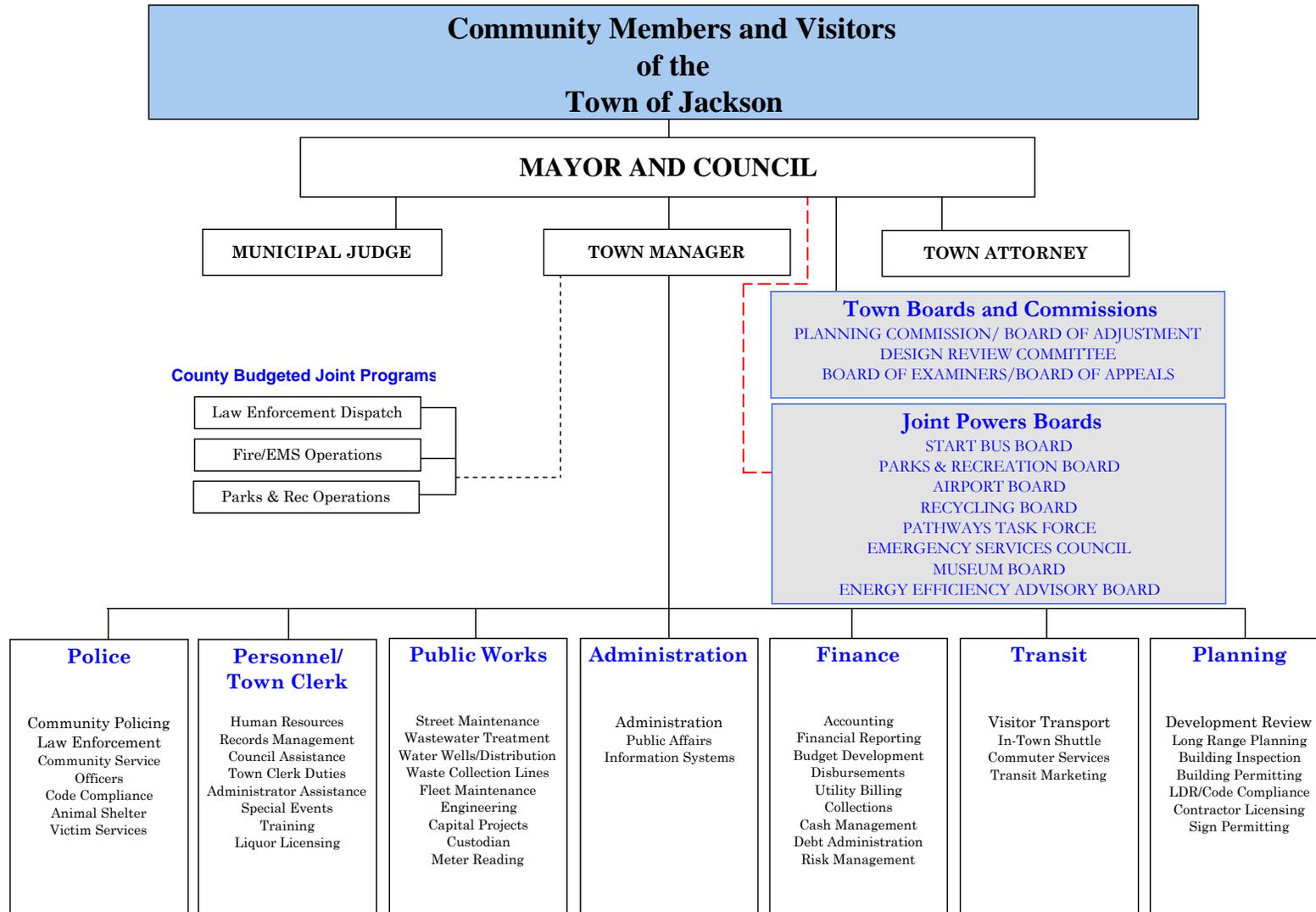
Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate for Excellence in Financial Reporting to the Town of Jackson, Wyoming for its comprehensive annual financial report for the fiscal year ended June 30, 2012.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

TOWN OF JACKSON ORGANIZATION OF SERVICES CHART



MAYOR & TOWN COUNCIL

<u>Position</u>	<u>Name</u>	<u>Term Expires</u>
Mayor	Mark Barron	12/31/2014
Council	Robert Lenz	12/31/2014
Council	Don Frank	12/31/2014
Council	Jim Stanford	12/31/2016
Council	Hailey Morton	12/31/2016

TOWN STAFF

Town Manager	Robert W. McLaurin
Town Attorney	Audrey Cohen-Davis
Municipal Judge	Tom Jordan
Assistant Town Manager	Roxanne DeVries Robinson
Finance Director	Kent Meredith
IT Director	Michael Palazzolo
Police Chief	Todd Smith
Planning Director	Tyler Sinclair
Public Works Director	Larry Pardee
Transit Director	Michael Wackerly

JOINT TOWN/COUNTY STAFF

Fire Chief	William "Willy" Watsabaugh
Parks & Recreation Director	Steve Ashworth



FINANCIAL SECTION



Thompson, Palmer & Associates, PC
CERTIFIED PUBLIC ACCOUNTANTS
PO BOX 4158
JACKSON, WY 83001

275 E BROADWAY
Tel: (307) 733-5160
FAX (307) 739-1415

Independent Auditor's Report

December 16, 2013

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming, as of and for the years ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10-18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Auditing Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Jackson, Wyoming's basic financial statements. The introductory section, combining and individual nonmajor fund, and internal service fund financial statements, fiduciary fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund and internal service fund financial statements, fiduciary fund financial statements, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, internal service funds, fiduciary fund, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2013, on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Thompson Palmer & Associates, PC".

Thompson Palmer & Associates, PC
Certified Public Accountants

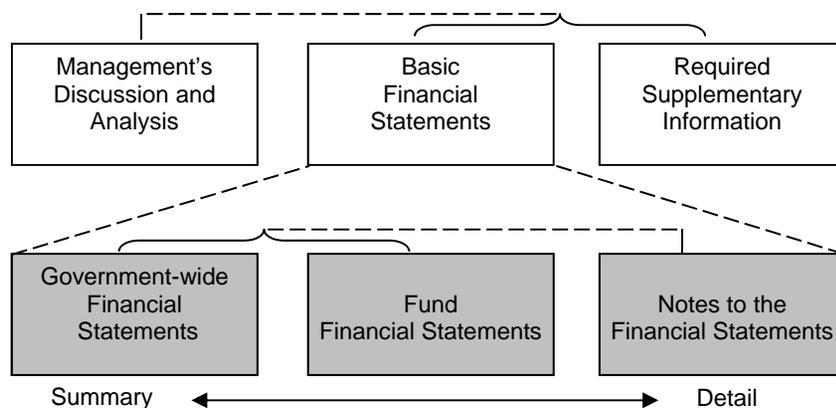
Management's Discussion and Analysis

As management of the Town of Jackson (town), we offer readers of the town's basic financial statements this narrative overview and analysis of the financial activities of the town for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-3 of this report.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

COMPONENTS OF THE ANNUAL FINANCIAL REPORT



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

The statement of net position presents information on all of the town's assets and liabilities, with the difference between the two reported as net position. Over

time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the town is improving or deteriorating.

The statement of activities presents information showing how the town's net position changed during the most recent fiscal year. All changes in net positions are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the Town of Jackson that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the town include general government, public safety, public works, health and welfare, community development, transit, and recreation and culture. The business-type activities of the town include water and sewage utilities.

The government-wide financial statements can be found on pages 20-21 of this report.

Fund financial statements. The fund financial statements focus on current available resources and are organized and operated on the basis of funds, each of which is defined as fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific or attaining certain objectives in accordance with special regulations, restriction or limitations. The town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the town can be divided into two categories: governmental funds, and proprietary funds. The town does not maintain any fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the town's near term

financial decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The town maintains four major governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, one special revenue fund, and two capital projects fund, all of which are considered major funds. Data from eight other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The town adopts an annual appropriated budget for its general and special revenue funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 22-28 of this report.

Proprietary funds. The Town of Jackson maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the governmental-wide financial statements. The town uses enterprise funds to account for its water and sewage operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the town's various functions. The town uses internal service funds to account for its fleet management, employee insurance (self insurance), information technology (IT), and central equipment operations. Because all of these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewage utilities. Both are considered major funds of the town. Conversely, all internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 30-35 of this report.

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

The Town of Jackson maintains only one type of fiduciary fund: Agency. The agency fund reports resources held by the Town of Jackson in a custodial capacity for the Jackson Hole Energy Sustainability Project.

The fiduciary fund financial statements can be found on page 34-35.

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

The notes to the financial statements can be found on pages 36-51 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and fiduciary funds can be found immediately following the footnotes.

Combining and individual fund statements can be found on pages 52-65.

FINANCIAL HIGHLIGHTS

- The town's net position (assets minus liabilities) grew by 2% as a result of this year's operations. The net position of the town's governmental activities increased \$3,368,208 (3%) and net position of the town's business-type activities decreased \$409,490 (1%).
- Capital assets increased \$8,474,024 (8%). Capital assets of governmental activities increased \$8,246,623 (11%) and capital assets of business-type activities increased \$227,401 (1%). Governmental capital assets acquisitions included: \$5.9M Pathways Infrastructure, \$1.2M START facility design, \$.9M West Broadway reconstruction and \$.2M for energy efficiency upgrades in various Town buildings.
- The town's long-term liabilities are relatively unchanged compared to June 30, 2012 with a slight decrease of \$4,469 (less than .3%).
- At the close of the current fiscal year, the town's governmental funds reported total ending fund balances of \$14,492,348, a decrease of

\$4,994,902 (26%). A key factor is the increase in Capital Projects and 2008 SPET expenditures.

- Through conservative budgeting practices, the General Fund's total fund balance increased \$690,763 (16%) to \$4,986,485. The ending fund balance is 45% of expenditures and other uses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

NET POSITION

	Governmental Activities		Business-type Activities		Total Government	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 22,945,401	\$ 23,646,349	\$ 6,838,275	\$ 7,901,558	\$ 29,783,677	\$ 31,547,907
Capital assets	83,901,853	75,655,230	35,323,628	35,096,227	119,225,481	110,751,457
Total assets	106,847,254	99,301,579	42,161,903	42,997,785	149,009,158	142,299,364
Other liabilities	5,102,993	925,525	154,356	576,279	5,257,349	1,501,804
Long-term liabilities	500,000	500,000	1,506,127	1,510,596	2,006,127	2,010,596
Total Liabilities	5,602,993	1,425,525	1,660,484	2,086,875	7,263,476	3,512,400
Net position:						
Invested in capital assets, net of related debt	83,401,853	75,155,230	33,851,698	33,619,804	117,253,551	108,775,034
Restricted	8,238,644	10,904,378			8,238,644	10,904,378
Unrestricted	9,603,764	11,816,446	6,649,722	7,291,106	16,253,486	19,107,552
Total net position	\$101,244,262	\$ 97,876,054	\$ 40,501,420	\$ 40,910,910	\$141,745,681	\$138,786,964

By the far the largest portion of the town's net position (83%) reflects investments in capital assets (e.g. land, buildings, structures, systems, machinery, equipment, infrastructure, and intangible assets), net of any related debt used to acquire those assets that is still outstanding. The town uses assets to provide services to citizens; consequently, these assets are not available for future spending. Although the town's investment in capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

A small portion of the town's net position (less than 6%) represents resources that are subject to external restrictions on how they can be used. The remaining unrestricted net position of \$16,253,486 may be used to meet the ongoing obligations to citizens and creditors. Of the unrestricted net positions, \$6,649,722 (41%) is attributable to business-type activities.

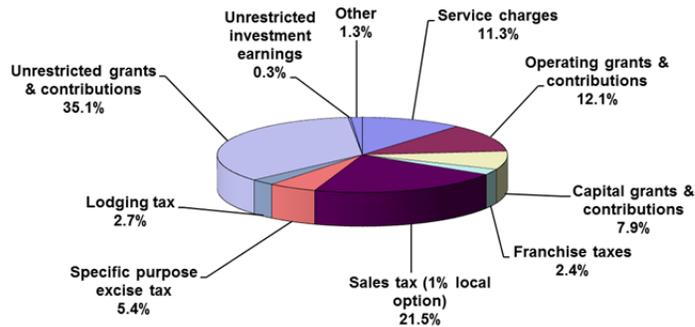
The unrestricted governmental activities net position decreased \$2,212,682 (19%), while business-type activities unrestricted net position decreased \$641,384 (9%). The government-wide total unrestricted net position decreased \$2,854,066 (15%), reflecting an increase in capital asset acquisitions. The decrease in governmental activities restricted net position is primarily from special purpose excise tax (SPET) expenditures.

The \$8,246,623 (11%) increase in governmental activities capital assets is reflective of the investments in the START facility - \$1.2M, Pathways Infrastructure - \$5.9M, West Broadway reconstruction - \$.9M and energy efficiency upgrades to various Town buildings - \$.2M. Business-type capital assets increased \$227,401 (.7%).

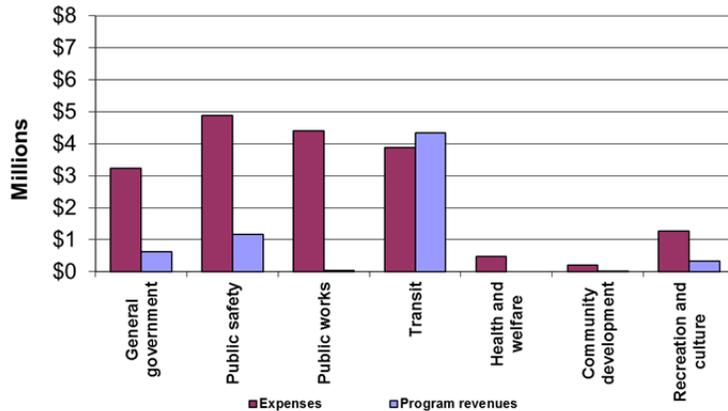
CHANGE IN NET POSITION

	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2013	2012	2013	2012	2013	2012
REVENUES						
Program revenues:						
Charges for services	\$ 2,343,176	\$ 2,354,481	\$ 3,520,533	\$ 2,976,920	\$ 5,863,708	\$ 5,331,401
Operating grants and contributions	2,518,672	2,276,769			2,518,672	2,276,769
Capital grants and contributions	1,635,739	2,376,944	397,981	2,360,946	2,033,721	4,737,890
General revenues:						
Sales tax (1% local option)	4,465,983	4,217,347			4,465,983	4,217,347
Specific purpose excise taxes	1,114,473	828,968			1,114,473	828,968
Lodging tax	551,335	503,878			551,335	503,878
Franchise taxes	506,122	504,856			506,122	504,856
Unrestricted grants and contributions	7,277,889	7,071,170			7,277,889	7,071,170
Unrestricted investment earnings	58,502	175,402	16,978	53,910	75,480	229,312
Other	265,463	102,932	45,000		310,463	102,932
Total revenues	20,737,355	20,412,747	3,980,493	5,391,776	24,717,847	25,804,523
EXPENSES						
Program activities:						
Governmental activities:						
General government	3,237,088	3,342,700			3,237,088	3,342,700
Public safety	4,890,809	5,222,958			4,890,809	5,222,958
Public works	4,394,828	4,966,166			4,394,828	4,966,166
Transit	3,877,107	3,618,916			3,877,107	3,618,916
Health and welfare	475,407	504,468			475,407	504,468
Community development	205,764	226,279			205,764	226,279
Recreation and culture	1,267,408	1,388,666			1,267,408	1,388,666
Business-type activities						
Water			1,378,788	1,279,050	1,378,788	1,279,050
Sewage			2,031,930	1,764,479	2,031,930	1,764,479
Total expenses	18,348,410	19,270,153	3,410,718	3,043,529	21,759,128	22,313,682
Excess (deficiency) before transfers	2,388,945	1,142,594	569,775	2,348,247	2,958,720	3,490,841
Transfers in (out)	979,264	693,546	(979,264)	(693,546)	-	-
Increase (decrease in net position)	3,368,209	1,836,140	(409,489)	1,654,701	2,958,720	3,490,841
Net position at the beginning of the year	97,876,054	96,039,914	40,910,910	39,256,209	138,786,964	135,296,123
Net position at the end of the year	\$101,244,263	\$ 97,876,054	\$ 40,501,421	\$ 40,910,910	\$141,745,684	\$138,786,964

Revenues by Source - Governmental Activities



EXPENSES AND PROGRAM REVENUES - GOVERNMENTAL ACTIVITIES



Governmental Activities. The most significant revenues of the governmental activities are unrestrictive grants and state revenue sharing. Unrestrictive grants and revenue sharing are 35% of total revenues, with most of this amount attributed to the shared state revenues, including the 4% state sales tax. The 1% local option sales tax is the second largest revenue source at 22%. Capital grants and contributions, 8% of revenues, include grants for transit and public works projects. The specific purpose excise tax, 5% of revenues, is restricted to voter approved capital projects.

Public safety (police, fire/EMS, building inspector, victim services, animal shelter, and communications) expenses are the most significant (27%), followed by public works (24%), general government (18%), transit (21%), recreation and culture (7%), health and welfare (2%), and community development (1%). Included in these amounts is depreciation expense, which is 19% of the total expenses for governmental activities.

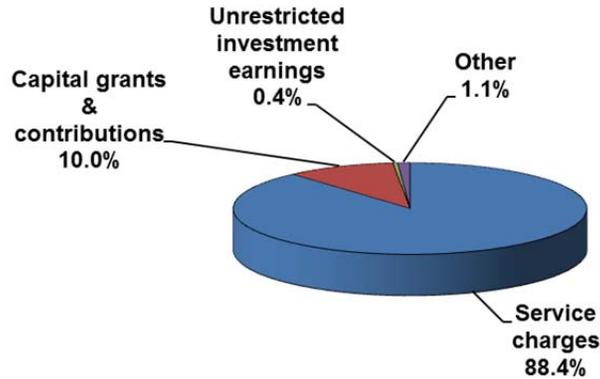
Governmental revenues increased slightly, \$324,603 (2%), in the current year, with the most significant portion of the increase attributable to increased sales tax and state shared revenues.

Governmental activities expenses decreased \$921,742 (5%) in the current year. The most significant changes in program expenses were as follows:

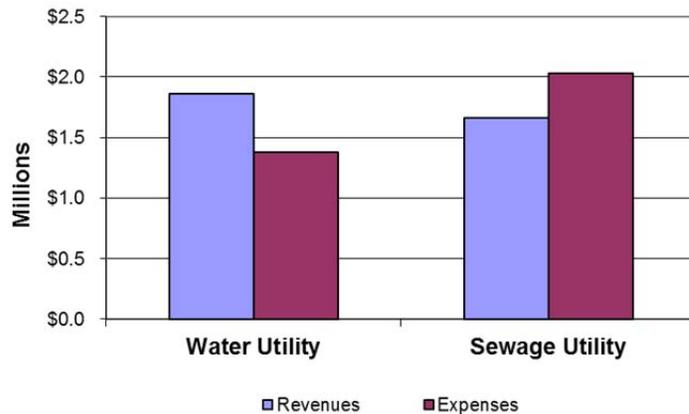
- Public works expenses decreased \$571,338 (12%) primarily due to proceeds on the sale of assets. General government expenses decreased \$105,612 (3%).
- Community development expenses declined \$20,515 (9%) and Health & Welfare expenses decreased \$29,061 (6%). The decrease in community development is attributable to reduction in support for the Visitor Center, which received funding from the lodging tax in 2013.
- Transit expenses increased \$258,191 (7%) along with expansion of services.
- Recreation and culture expenses decreased \$121,258 (9%), primarily due to the decrease in costs of contracted services provided by the county.

There were not any other programs with significant or unusual changes.

REVENUES BY SOURCE - BUSINESS-TYPE ACTIVITIES



REVENUES AND EXPENSES - BUSINESS-TYPE ACTIVITIES



Business-type activities. Business-type activities decreased the town's net position by \$409,489 (1%). In the prior year, the business-type activities increased the town's net position by \$1,654,701 (4%).

Key elements of the change are as follows:

Water and Sewage Fund operating revenues increased \$268,293 (17%) and \$275,320 (20%), respectively. Both increases are reflective of higher usage rates for water and sewage services that were implemented in April. Investment earnings declined \$36,931 because of lower yields.

Capital grants and contributions totaled \$397,981, significantly lower than the prior year total of \$2,360,946. Capital grants and contributions include capacity and tap fees charged to new customers and intergovernmental grants for capital improvements that are now complete. Capacity and tap fees are increasing after sharp declines resulting from slower development in prior years. Sewage plant energy upgrades and two new water tanks both received funding from large grants in 2012. Depreciation expenses in the water and sewage utilities for fiscal year 2013 were \$512,501 and \$700,035, respectively.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

At June 30, 2013, the town's governmental funds reported total ending fund balances of \$14,492,348, a decrease of \$4,994,902 (26%) when compared with the prior year. Nearly 36% or \$5,197,200 of the total ending fund balances constituted restricted fund balances, which are considered unavailable for appropriation for general operations. The prior year restricted fund balances totaled \$10,904,378. The difference is mostly attributable to lower fund balances in the special purpose excise tax capital project funds. Nonspendable fund balance constitutes \$116,039 in prepaid items. The \$325,000 committed fund balance represent obligations made to recruit key employees.

At the end of the fiscal year, the General Fund reported a fund balance of \$4,986,485 increasing \$690,762 (16%) from the prior year. General fund revenues were \$568,735 (4%) more than the prior fiscal year and expenditures increased by \$126,072 (1%). Transfers out increased by \$271,559 (11%) as

support for General Fund 5th Cent capital projects and START Fund expenditures grew.

General government expenditures increased \$142,686 (6%) with more spending on personnel and employee recruitment. Recreation and culture expenditures increased \$74,544 (8%), reflecting increases in salaries, parks maintenance and expanded programs. Public works costs increased \$114,013 (7%) with salaries, central equipment rental charges, ice and flood control expenditures as contributing factors. Community development expenditures decreased \$9,858 (5%), with funding for visitor services coming directly from the lodging tax. Health & Welfare expenditures decreased \$27,500 (6%). Public safety expenditures decreased \$138,352 (3%) in fiscal year 2013.

The START Bus System Fund net change in fund balance was positive by \$565,717. Operating and capital expenditures were \$3,030,263 and \$1,718,818, respectively. With more money from capital grants (START facility construction), Intergovernmental revenues increased to \$3,480,910 from the prior year total of \$2,479,692. Transit fares increased from \$678,783 to \$720,100. The town contributed \$357,000 (45%) and the county contributed \$436,000 (55%) for a total of \$793,000 to the fund in fiscal year 2013, which was up \$61,000 from the prior year.

The 5th Cent Capital Project Fund saw its fund balance decrease \$358,600 (17%) to \$1,763,546. Increased budgeted expenditures on capital projects contributed to the decrease. The General Fund transferred \$2,292,019 in 5th Cent sales tax to the fund in FY2013.

The 2008 SPET Fund earned \$13,463 on investments and expended \$4,946,880 on various pathways projects. The 2008 SPET Fund ending fund balance is \$351,533.

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

The water utility's net position increased \$132,835 (1%) from the prior fiscal year. In 2013, operating revenues rose \$268,292 (17%). Capital contributions decreased to \$187,383 from \$1,555,545 in the previous year (88% decrease). Operating expenses increased \$84,515 (7%) to \$1,340,137. The 2013 operating income of \$518,316 included \$512,501 in depreciation.

The sewage utility's net position decreased \$560,293 in the fiscal year ending June 30, 2013. Sewage utility operating revenues increased \$275,320 (20%) to

\$1,662,079 and the utility expenses increased \$287,349 to \$2,042,503. Capital contributions decreased \$594,803 (74%) from \$805,401 to \$210,598. The \$380,424 operating loss included \$700,035 in depreciation.

Other factors of the changes in income from operations have previously been discussed in the government-wide financial analysis of business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The differences between the 2013 original budget and the final amended budget are adopted by council resolution throughout the year.

Total General Fund revenues totaled \$13,952,665 and exceeded budget by \$312,854 (2%). General taxes and licenses and permits revenues were \$185,763 (3%) and \$109,401 (18%) higher than budget, respectively. Both were impacted by the increase in local economic activity. With projected economic growth, sales tax related revenues were budgeted to increase by 4%. However, this major revenue source increased an additional 3% or \$294,000 over estimates.

General Fund expenditures totaled \$11,198,242 and were \$631,033 (5%) less than the amended budget and \$156,444 (1%) less than the adopted budget. Including transfers out, supplemental appropriations from budget amending council actions increased the original budget by \$483,557. In fiscal year 2013, no function, department or division exceeded budget.

The General Fund year end fund balances since 2004 are as follows:

Year	Amount	Year	Amount
2004	\$3,251,473	2009	\$3,205,914
2005	3,323,223	2010	3,300,208
2006	3,680,611	2011	3,791,412
2007	4,725,264	2012	4,295,723
2008	2,977,983	2013	4,986,484

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

(net of accumulated depreciation)

	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2013	2012	2013	2012	2013	2012
Land	\$ 25,583,708	\$ 24,085,653	\$ 1,090,000	\$ 1,090,000	\$ 26,673,708	\$ 25,175,653
Construction in progress	9,005,472	1,844,587	876,721	3,644,558	9,882,193	5,489,145
Building, structures, & improvements	22,878,805	21,909,017	32,671,010	29,565,836	55,549,815	51,474,853
Machinery and equipment	6,011,791	6,413,498	685,897	795,833	6,697,688	7,209,331
Intangible assets	1,702,914	1,721,095			1,702,914	1,721,095
Infrastructure	18,719,163	19,681,380			18,719,163	19,681,380
Total	\$ 83,901,853	\$ 75,655,230	\$ 35,323,628	\$ 35,096,227	\$119,225,481	\$110,751,457

Capital assets. The town's investment in capital assets for its governmental and business-type activities at June 30, 2013 totaled \$119,225,481 (net of accumulated depreciation). This investment in capital assets included land, construction in progress, structures, systems, machinery and equipment, intangible assets, and infrastructure.

reconstruction - \$.9M and energy efficiency projects in various town buildings. The total increase over the prior fiscal year is approximately 8%; governmental activities increased 11% and business-type activities increased 1%.

Additional information on the town's capital assets can be found in the notes to the financial statements on pages 46-47.

Major governmental activities capital assets acquisitions include: various pathways projects - \$5.9M, START facility design - \$1.2M, West Broadway

LONG-TERM LIABILITIES

	Governmental		Business-type		Total	
	Activities		Activities		Government	
	2013	2012	2013	2012	2013	2012
Accrued interest payable	-	-	\$ 34,197	\$ 34,173	\$ 34,197	\$ 34,173
Notes payable - TC Housing Authority	\$ 500,000	\$ 500,000			500,000	500,000
Notes payable - State of Wyoming			1,471,931	1,476,423	1,471,931	1,476,423
Total	\$ 500,000	\$ 500,000	\$ 1,506,128	\$ 1,510,596	\$ 2,006,128	\$ 2,010,596

Long-term liabilities. The town's outstanding long-term liabilities--including revenue bonds, notes payable, and accrued interest payable--totaled \$2,006,127 at June 30, 2013. Business-type long-term liabilities decreased slightly due to principal payments on the debt. Governmental long-term

liabilities remain at \$500,000 compared to last fiscal year. The \$500,000 no interest debt was incurred in 2012 as part of a land swap with the Teton County Housing Authority. The debt will be fully paid in FY 2015. The acquired land will be used for a new transit facility.

Additional information on the town's long-term liabilities can be found in the notes to the financial statements on pages 48-49 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Teton County, Wyoming area for June 30, 2013 was 3.9%, which is below the state average (4.4%) and below the national average (7.5%).
- The state and local economy is recovering and sales tax collections are up, which translates into more state revenue sharing. The demand for coal, gas, and oil, lessens the impact of fluctuations in sales tax collections on state funding levels for local governments.
- The occupancy rate of the town's central business district has remained constant over the last three years, and new commercial construction has increased.
- Inflationary trends in the region compare favorably to national indices and housing prices are increasing.
- The town expects residential and commercial growth to eventually return to pre-recession levels, accompanied by the increase in affordable housing.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the town's finances for all those interested in governmental finance. Questions concerning any information in the report or requests for additional information should be addressed to Town of Jackson, Finance Department, P.O. Box 1687, Jackson, WY 83001.



Statement of Net Position

June 30, 2013

	Primary Government		Total
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 20,611,584	\$ 5,986,114	\$ 26,597,698
Investments	966,707	277,022	1,243,729
Accrued interest receivable	3,457		3,457
Accounts receivable, net	2,629	481,668	484,298
Due from other governmental units	695,197		695,197
Prepaid items	149,222	26,022	175,244
Inventories	250,105	67,450	317,555
Notes receivable - housing	266,500		266,500
Capital assets:			
Nondepreciable	34,589,180	1,966,721	36,555,901
Depreciable, net	49,312,673	33,356,907	82,669,580
TOTAL ASSETS	<u>106,847,254</u>	<u>42,161,903</u>	<u>149,009,158</u>
LIABILITIES			
Accounts payable	854,865	133,967	988,832
Accrued wages payable	185,367	20,390	205,756
Due to other governmental units	4,022,836		4,022,836
Unearned revenue	39,925		39,925
Long-term liabilities:			
Portion due or payable within one year:			
Bonds and notes payable	200,000	49,338	249,338
Accrued interest payable		34,197	34,197
Portion due or payable after one year:			
Bonds and notes payable	300,000	1,422,593	1,722,593
TOTAL LIABILITIES	<u>5,602,993</u>	<u>1,660,484</u>	<u>7,263,476</u>
NET POSITION			
Invested in capital assets, net of related debt	83,401,853	33,851,698	117,253,551
Restricted for:			
Community development	788,993		788,993
Capital projects	7,430,606		7,430,606
Public safety programs	19,044		19,044
Unrestricted	9,603,764	6,649,722	16,253,486
TOTAL NET POSITION	<u>\$ 101,244,262</u>	<u>\$ 40,501,420</u>	<u>\$ 141,745,681</u>

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

Statement of Activities

Year Ended June 30, 2013

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 3,237,088	\$ 619,999			\$ (2,617,089)		\$ (2,617,089)
Public safety	4,890,809	895,469	\$ 266,229		(3,729,111)		(3,729,111)
Public works	4,394,828	20,000		\$ 17,643	(4,357,185)		(4,357,185)
Transit	3,877,107	722,277	2,252,442	1,355,864	453,476		453,476
Health and welfare	475,407				(475,407)		(475,407)
Community development	205,764	11,861			(193,902)		(193,902)
Recreation and culture	1,267,408	73,568		262,232	(931,607)		(931,607)
Total governmental activities	<u>18,348,410</u>	<u>2,343,176</u>	<u>2,518,672</u>	<u>1,635,739</u>	<u>(11,850,825)</u>	<u>-</u>	<u>(11,850,825)</u>
Business-type activities							
Water Utility	1,378,788	1,858,454		187,383		667,049	667,049
Sewage Utility	2,031,930	1,662,079		210,598		(159,253)	(159,253)
Total business-type activities	<u>3,410,718</u>	<u>3,520,533</u>	<u>-</u>	<u>397,981</u>		<u>507,797</u>	<u>507,797</u>
Total primary government	<u>\$ 21,759,128</u>	<u>\$ 5,863,708</u>	<u>\$ 2,518,672</u>	<u>\$ 2,033,721</u>	<u>(11,850,825)</u>	<u>507,797</u>	<u>(11,343,028)</u>
General Revenues:							
Sales tax (1% local option)					4,465,983		4,465,983
Specific purpose excise tax					1,114,473		1,114,473
Lodging tax					551,335		551,335
Franchise taxes					506,122		506,122
Unrestricted grants and contributions (revenue sharing)					7,277,889		7,277,889
Unrestricted investment earnings					58,502	16,978	75,480
Other					265,463	45,000	310,463
Transfers					979,264	(979,264)	
Total general revenues					<u>15,219,032</u>	<u>(917,286)</u>	<u>14,301,747</u>
Change in Net Position					3,368,208	(409,489)	2,958,719
Net Position - July 1					97,876,054	40,910,910	138,786,964
Net Position - June 30					<u>\$ 101,244,262</u>	<u>\$ 40,501,421</u>	<u>\$ 141,745,683</u>

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

Balance Sheet

Governmental Funds

June 30, 2013

	General	START Bus System	5th Cent Capital Projects	2008 SPET	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 4,935,605	\$ 1,256,950	\$ 1,828,729	\$ 4,020,365	\$ 5,569,579	\$ 17,611,228
Investments	233,035	59,535	86,617	190,423	248,478	818,088
Interest receivable	3,457					3,457
Accounts receivable	1,115					1,115
Due from other governmental units	73,000	579,024	9,361			661,385
Prepaid Items	116,039	16,826			6,393	139,258
Notes receivable - housing					266,500	266,500
TOTAL ASSETS	<u>\$ 5,362,250</u>	<u>\$ 1,912,334</u>	<u>\$ 1,924,708</u>	<u>\$ 4,210,788</u>	<u>\$ 6,090,950</u>	<u>\$ 19,501,030</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 129,024	\$ 464,460	\$ 161,162	\$ 12,832	\$ 5,905	\$ 773,383
Accrued wages payable	140,740	31,799				172,538
Due to other governmental units	71,076		-	3,846,422	105,338	4,022,836
Unearned revenue	34,925				5,000	39,925
Total liabilities	<u>375,765</u>	<u>496,258</u>	<u>161,162</u>	<u>3,859,254</u>	<u>116,243</u>	<u>5,008,682</u>
Fund balance:						
Nonspendable	116,039					116,039
Restricted	19,044			351,533	4,826,622	5,197,200
Committed					325,000	325,000
Assigned		1,416,076	1,763,546		823,085	4,002,707
Unassigned	4,851,401					4,851,401
Total fund balance	<u>4,986,485</u>	<u>1,416,076</u>	<u>1,763,546</u>	<u>351,533</u>	<u>5,974,708</u>	<u>14,492,348</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 5,362,250</u>	<u>\$ 1,912,334</u>	<u>\$ 1,924,708</u>	<u>\$ 4,210,788</u>	<u>\$ 6,090,950</u>	<u>\$ 19,501,030</u>

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

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2013

Total fund balances - governmental funds \$ 14,492,348

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$ 25,583,708	
Construction in progress	9,005,472	
Buildings, structures and improvements	34,653,072	
Machinery and equipment	14,625,926	
Intangible	1,800,000	
Infrastructure	38,525,935	
Accumulated depreciation	<u>(41,095,989)</u>	83,098,124

Long-term liabilities, including bonds payable, are not due and payable in the in the current period and therefore are not reported in the funds. (500,000)

Internal service funds are used by management to charge the costs of employee insurance, fleet management, IT services, and central equipment to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets:

Cash and cash equivalents	\$ 3,000,356	
Investments	148,619	
Accounts receivable	1,514	
Due from other governmental units	33,813	
Inventories	250,105	
Prepaid items	9,964	
Machinery and equipment, net	803,729	
Accounts payable	(81,482)	
Accrued wages payable	<u>(12,828)</u>	<u>4,153,790</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 101,244,262

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

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Funds

Year Ended June 30, 2013

	General	START Bus System	5th Cent Capital Projects	2008 SPET	Other Governmental Funds	Total Governmental Funds
Revenues:						
General taxes	\$ 5,523,439				\$ 1,114,472	\$ 6,637,911
Licenses and permits	724,419				21,986	746,405
Intergovernmental	6,932,127	\$ 3,480,910	\$ 451,915		543,424	11,408,375
Charges for services	521,239	722,277				1,243,516
Fines and forfeitures	203,007					203,007
Investment earnings	13,191	992	5,586	\$ 13,463	17,691	50,923
Contributions and Donations		1,907				1,907
Other revenues	35,243	125,489			194,629	355,361
Total revenues	<u>13,952,665</u>	<u>4,331,576</u>	<u>457,501</u>	<u>13,463</u>	<u>1,892,202</u>	<u>20,647,406</u>
Expenditures:						
Current:						
General government	2,715,808				111,041	2,826,849
Public safety	4,843,305				22,973	4,866,278
Public works	1,830,098					1,830,098
Transit		3,030,263				3,030,263
Health and welfare	472,422					472,422
Community development	204,472					204,472
Recreation and culture	1,061,836					1,061,836
Other expenditures	70,301					70,301
Capital outlay		1,718,818	2,924,593	4,946,880	2,574,628	12,164,918
Total expenditures	<u>11,198,242</u>	<u>4,749,081</u>	<u>2,924,593</u>	<u>4,946,880</u>	<u>2,708,642</u>	<u>26,527,438</u>
Excess (deficiency) of revenues over expenditures	<u>2,754,423</u>	<u>(417,505)</u>	<u>(2,467,092)</u>	<u>(4,933,417)</u>	<u>(816,440)</u>	<u>(5,880,032)</u>
Other financing sources (uses):						
Proceeds from sale of assets			55,865			55,865
Transfers in	753,326	1,009,000	2,415,627		828,000	5,005,952
Transfers out	(2,816,987)	(25,777)	(363,000)		(970,924)	(4,176,688)
Total other financing sources (uses)	<u>(2,063,661)</u>	<u>983,223</u>	<u>2,108,492</u>		<u>(142,924)</u>	<u>885,129</u>
Net change in fund balances	690,762	565,718	(358,600)	(4,933,417)	(959,365)	(4,994,903)
Fund balance at beginning of year	4,295,722	850,359	2,122,146	5,284,951	6,934,072	19,487,250
Fund balance at end of year	<u>\$ 4,986,484</u>	<u>\$ 1,416,076</u>	<u>\$ 1,763,546</u>	<u>\$ 351,533</u>	<u>\$ 5,974,708</u>	<u>\$ 14,492,347</u>

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

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2013

Net change in fund balances--total governmental funds \$ (4,994,903)

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

Governmental funds reported 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 exceeded depreciation in the current period.

Capital outlays	\$ 11,484,712	
Depreciation	<u>(3,417,029)</u>	8,067,683

The net effect of other miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals, donations) increasing or (decreasing) net assets. (102,737)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds is reported with governmental activities. 398,165

Change in net position of governmental activities \$ 3,368,208

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

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
General taxes	\$ 5,300,450	\$ 5,337,676	\$ 5,523,439	\$ 185,763
Licenses and permits	604,000	615,018	724,419	109,401
Intergovernmental	6,777,976	6,864,417	6,932,127	67,710
Charges for services	519,500	523,500	521,239	(2,261)
Fines and forfeitures	185,000	185,000	203,007	18,007
Investment earnings	50,000	50,000	13,191	(36,809)
Other revenues	56,200	64,200	35,243	(28,957)
Total revenues	<u>13,493,126</u>	<u>13,639,811</u>	<u>13,952,665</u>	<u>312,854</u>
Expenditures:				
Current:				
General government				
Mayor & town council	281,298	288,798	283,414	(5,384)
Town attorney	290,541	396,059	385,831	(10,228)
Municipal judge	117,628	119,326	112,103	(7,223)
Administration	264,967	256,201	254,554	(1,647)
Personnel & town clerk	310,456	345,014	344,922	(92)
Finance	432,468	448,602	434,127	(14,475)
Information technology	281,306	288,506	262,401	(26,105)
Planning	463,523	511,881	484,287	(27,594)
Town hall building	174,415	174,415	154,169	(20,246)
Public safety				
Police - administration	369,637	374,888	361,182	(13,706)
Police - investigation	474,997	389,980	370,203	(19,777)
Police - patrol	1,965,664	2,180,050	2,106,928	(73,122)
Police - community service	305,989	314,456	305,927	(8,529)
Police - special operations	16,705	16,705	12,432	(4,273)
Fire/EMS (county service)	714,850	714,850	711,962	(2,888)
Dispatch (county service)	370,670	370,670	251,152	(119,518)
Victim services	221,112	223,285	208,014	(15,271)
Animal shelter/control	202,419	210,925	199,465	(11,460)
Building inspections	321,994	326,893	316,039	(10,854)

(continued)

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended June 30, 2013 (continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Public works				
Administration	113,543	114,359	111,654	(2,705)
Streets	1,161,911	1,167,296	1,080,768	(86,528)
Town engineer	375,325	378,870	344,439	(34,431)
Public works yard operations	152,501	169,601	148,581	(21,020)
Parking garage operations	57,210	61,520	58,242	(3,278)
Public restrooms	53,204	98,204	86,414	(11,790)
Health and welfare				
Social services	472,422	472,422	472,422	-
Community development				
Community promotion	185,800	213,368	204,472	(8,896)
Recreation and culture				
Parks and recreation (county service)	991,703	991,703	991,703	-
Sports and Events Center	33,503	33,503	10,879	(22,624)
Pathways operations	63,266	63,266	47,533	(15,733)
Memorial park (cemetery)	13,819	13,819	11,721	(2,098)
Other expenditures				
Town-wide and insurances	99,840	99,840	70,301	(29,539)
Total expenditures	<u>11,354,686</u>	<u>11,829,275</u>	<u>11,198,242</u>	<u>(631,033)</u>
Excess (deficiency) of revenues over expenditures	<u>2,138,440</u>	<u>1,810,536</u>	<u>2,754,423</u>	<u>943,887</u>
Other financing sources (uses)				
Transfers in	762,334	762,334	753,326	(9,008)
Transfers out	<u>(2,808,019)</u>	<u>(2,816,987)</u>	<u>(2,816,987)</u>	<u>0</u>
Total other financing sources (uses)	<u>(2,045,685)</u>	<u>(2,054,653)</u>	<u>(2,063,661)</u>	<u>(9,008)</u>
Net change in fund balance	92,755	(244,117)	690,762	934,879
Fund balance at beginning of year	<u>4,295,722</u>	<u>4,295,722</u>	<u>4,295,722</u>	
Fund balance at end of year	<u>\$ 4,388,477</u>	<u>\$ 4,051,605</u>	<u>\$ 4,986,484</u>	<u>\$ 934,879</u>

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

**Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - START Bus System Fund
Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,582,400	\$ 5,582,400	\$ 3,480,910	\$ (2,101,490)
Charges for services	678,000	678,000	722,277	44,277
Investment earnings	1,000	1,000	992	(8)
Contributions and Donations	2,000	2,000	1,907	
Other revenues	50,000	50,000	125,489	75,489
Total revenues	<u>6,313,400</u>	<u>6,313,400</u>	<u>4,331,576</u>	<u>(1,981,731)</u>
Expenditures:				
Current:				
Transit	2,877,481	3,174,896	3,030,263	(144,633)
Capital outlay	4,470,000	4,470,000	1,718,818	(2,751,182)
Total expenditures	<u>7,347,481</u>	<u>7,644,896</u>	<u>4,749,081</u>	<u>(2,895,815)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,034,081)</u>	<u>(1,331,496)</u>	<u>(417,505)</u>	<u>914,084</u>
Other financing sources (uses)				
Transfers in	1,018,000	1,009,000	1,009,000	0
Transfers out	<u>(25,894)</u>	<u>(25,894)</u>	<u>(25,777)</u>	<u>117</u>
Total other financing sources (uses)	<u>992,106</u>	<u>983,106</u>	<u>983,223</u>	<u>117</u>
Net change in fund balance	(41,975)	(348,390)	565,718	914,201
Fund balance at beginning of year	850,359	850,359	850,359	
Fund balance at end of year	<u>\$ 808,384</u>	<u>\$ 501,969</u>	<u>\$ 1,416,076</u>	<u>\$ 914,201</u>

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

Statement of Net Position

Proprietary Funds

June 30, 2013

	Business-Type Activities – Enterprise Funds			Governmental
	Water	Sewage	Totals	Activities - Internal Service Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 2,855,673	\$ 2,993,035	\$ 5,848,708	\$ 3,137,762
Investments	135,258	141,764	277,022	148,619
Account receivable (net)	266,949	214,719	481,668	1,514
Due from other governmental units				33,813
Inventories	33,725	33,725	67,450	250,105
Prepaid items	5,807	20,215	26,022	9,964
Total current assets	<u>3,297,412</u>	<u>3,403,458</u>	<u>6,700,870</u>	<u>3,581,777</u>
Noncurrent assets:				
Capital assets:				
Land	118,000	972,000	1,090,000	
Buildings and systems	18,713,295	31,242,274	49,955,569	
Machinery and equipment	1,166,735	1,112,983	2,279,718	1,021,078
Construction in progress	671,775	204,946	876,721	
Total capital assets	<u>20,669,805</u>	<u>33,532,203</u>	<u>54,202,008</u>	<u>1,021,078</u>
Less accumulated depreciation	<u>(6,916,762)</u>	<u>(11,961,618)</u>	<u>(18,878,380)</u>	<u>(217,349)</u>
Total capital assets (net)	<u>13,753,044</u>	<u>21,570,585</u>	<u>35,323,628</u>	<u>803,729</u>
Total noncurrent assets	<u>13,753,044</u>	<u>21,570,585</u>	<u>35,323,628</u>	<u>803,729</u>
TOTAL ASSETS	<u>17,050,456</u>	<u>24,974,042</u>	<u>42,024,498</u>	<u>4,385,506</u>

Statement of Net Position
Proprietary Funds
June 30, 2013 (continued)

	Business-Type Activities – Enterprise Funds			Governmental Activities - Internal Service Funds
	Water	Sewage	Totals	
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 105,253	\$ 28,713	\$ 133,967	\$ 81,482
Accrued wages payable	8,484	11,905	20,390	12,828
Accrued note interest payable	34,197		34,197	
Notes payable - current	49,338		49,338	
Total current liabilities	<u>197,272</u>	<u>40,618</u>	<u>237,891</u>	<u>94,311</u>
Noncurrent liabilities:				
Notes payable - net current portion	1,422,593		1,422,593	
Total noncurrent liabilities	<u>1,422,593</u>	<u>-</u>	<u>1,422,593</u>	<u>-</u>
TOTAL LIABILITIES	<u>1,619,865</u>	<u>40,618</u>	<u>1,660,484</u>	<u>94,311</u>
NET POSITION				
Invested in capital assets, net of related debt	12,281,113	21,570,585	33,851,698	803,729
Unrestricted	3,149,477	3,362,839	6,512,316	3,487,467
TOTAL NET POSITION	<u>\$ 15,430,591</u>	<u>\$ 24,933,424</u>	<u>\$ 40,364,014</u>	<u>\$ 4,291,196</u>
			137,406	
Adjustment to reflect the consolidation of internal service fund related to enterprise funds				
Change in net assets of business-type activities			<u>\$ 40,501,420</u>	

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

Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds Year Ended June 30, 2013

	<u>Business-Type Activities – Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Sewage</u>	<u>Totals</u>	
Operating revenues:				
Water charges	\$ 1,854,826		\$ 1,854,826	
Sewer charges		\$ 1,649,217	1,649,217	
Other	3,628	12,862	16,490	\$ 4,188,221
Total operating revenues	<u>1,858,454</u>	<u>1,662,079</u>	<u>3,520,533</u>	<u>4,188,221</u>
Operating expenses:				
Operations and maintenance	663,072	1,177,905	1,840,976	3,850,641
Administration	164,564	164,564	329,128	
Depreciation	512,501	700,035	1,212,536	105,526
Total operating expenses	<u>1,340,137</u>	<u>2,042,503</u>	<u>3,382,640</u>	<u>3,956,167</u>
Operating income (loss)	<u>518,317</u>	<u>(380,424)</u>	<u>137,893</u>	<u>232,054</u>
Nonoperating revenues (expenses)				
Investment earnings	8,221	8,758	16,978	7,579
Proceeds from the disposition of capital assets		45,000	45,000	26,500
Interest expense	(46,046)		(46,046)	
Total Nonoperating revenues (expenses)	<u>(37,825)</u>	<u>53,758</u>	<u>15,932</u>	<u>34,079</u>
Income (loss) before transfers and contributions	480,491	(326,667)	153,825	266,133
Capital contributions	187,383	210,598	397,981	
Transfers in	8,576	9,392	17,968	150,000
Transfers out	<u>(543,616)</u>	<u>(453,616)</u>	<u>(997,232)</u>	
Change in net position	132,835	(560,293)	(427,458)	416,133
Net position at beginning of year	15,297,755	25,493,716		3,875,062
Net position assets at end of year	<u>\$ 15,430,590</u>	<u>\$ 24,933,423</u>		<u>\$ 4,291,195</u>
			17,969	
Adjustment to reflect the consolidation of internal service fund related to enterprise funds			<u>\$ (409,489)</u>	
Change in net assets of business-type activities				

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

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2013

	Business-Type Activities – Enterprise Funds			Governmental
	Water	Sewage	Totals	Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 1,811,251	\$ 1,591,898	\$ 3,403,150	\$ 4,197,838
Other receipts	3,628	12,862	16,490	(3,659,431)
Payments to suppliers and service providers	(468,679)	(678,541)	(1,147,220)	(382,322)
Payments to employees for salaries and benefits	(381,825)	(687,418)	(1,069,243)	
Net cash provided (used) by operating activities	<u>964,374</u>	<u>238,802</u>	<u>1,203,176</u>	<u>156,085</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	8,576	9,392	17,968	150,000
Transfers to other funds	(543,616)	(453,616)	(997,232)	
Net cash (used for) noncapital financing activities	<u>(535,040)</u>	<u>(444,224)</u>	<u>(979,264)</u>	<u>150,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	187,383	210,598	397,981	
Proceeds from capital debt	42,946		42,946	
Acquisition of capital assets	(1,208,210)	(631,913)	(1,840,123)	(382,124)
Principal payments on capital debt	(47,440)		(47,440)	
Interest paid on capital debt	(59,422)		(59,422)	
Proceeds from the sale of assets		45,000	45,000	26,500
Net cash provided by (used for) capital and related financing activities	<u>(1,084,743)</u>	<u>(376,315)</u>	<u>(1,461,058)</u>	<u>(355,624)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(300,734)	(315,200)	(615,934)	(330,441)
Interest received on investments	10,515	11,162	21,676	9,832
Proceeds from sales and maturities of investments	730,168	748,874	1,479,042	667,821
Net cash provided by investing activities	<u>439,949</u>	<u>444,836</u>	<u>884,784</u>	<u>347,212</u>
Net increase (decrease) in cash and cash equivalents	(215,460)	(136,901)	(352,361)	297,673
Cash and cash equivalents - July 1	<u>3,071,133</u>	<u>3,129,936</u>	<u>6,201,069</u>	<u>2,840,088</u>
Cash and cash equivalents - June 30	<u>\$ 2,855,673</u>	<u>\$ 2,993,035</u>	<u>\$ 5,848,708</u>	<u>\$ 3,137,761</u>

(continued)

Statement of Cash Flows

Proprietary Funds

Year Ended June 30, 2013 (continued)

	<u>Water</u>	<u>Sewage</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ 518,317	\$ (380,424)	\$ 137,893	\$ 232,054
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:				
Depreciation expense	512,501	700,035	1,212,536	105,526
(Increase) decrease in accounts receivable	(43,575)	(57,319)	(100,894)	27,346
(Increase) in due from other government units	-	-	-	(33,813)
(Increase) in inventory	(6,000)	(6,000)	(12,000)	(9,213)
(Increase) in prepaid items	(5,807)	(20,215)	(26,022)	(9,964)
(Decrease) accounts payable	(138,760)	(286,183)	(424,943)	(157,405)
(Increase) in accounts payable related to equipment purchases	126,918	286,668	413,586	-
(Decrease) in accrued wages payable	780	2,240	3,020	1,555
Total Adjustments	<u>446,058</u>	<u>619,226</u>	<u>1,065,284</u>	<u>(75,968)</u>
Net Cash Provided (Used for) Operating Activities	<u>964,375</u>	<u>238,802</u>	<u>1,203,177</u>	<u>156,085</u>
Schedule of noncash investing, capital and financing activities:				
Increase (Decrease) in fair value of investments	\$ (2,294)	\$ (2,404)	\$ (4,698)	\$ (2,253)

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

Statement of Fiduciary Fund Assets and Liabilities
Agency Fund - Jackson Hole Energy Sustainability Project
June 30, 2013

ASSETS:

Cash and cash equivalents
TOTAL ASSETS

\$ -
-

LIABILITIES:

Accounts payable
Due to other entities
TOTAL LIABILITIES

-
-
\$ -

Statement of Changes in Fiduciary Fund Assets and Liabilities
Agency Fund - Jackson Hole Energy Sustainability Project
Year Ended June 30, 2013

	Beginning Balance	Additions	Deductions	Ending Balance
ASSETS:				
Cash and cash equivalents	\$ 18,380	\$ 20,764	\$ (39,144)	\$ -
TOTAL ASSETS	<u>18,380</u>	<u>20,764</u>	<u>(39,144)</u>	<u>-</u>
LIABILITIES:				
Accounts payable	15,833	-	(15,833)	-
Due to other entities	2,547	-	(2,547)	-
TOTAL LIABILITIES	<u>\$ 18,380</u>	<u>\$ -</u>	<u>\$ (18,380)</u>	<u>\$ -</u>

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Jackson, Wyoming (the town) have been prepared in conformity with accounting principles (GAAP) generally accepted in the United States of America as applied to governmental units, as applied by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Reporting entity

The Town of Jackson was incorporated 1914 and is under Wyoming Statutes with a mayor-council form of government. The five-member mayor-council is elected on staggered, even-numbered years. Councilors are elected at-large to four-year terms while the mayor is elected to a two-year term. The governing body appoints a manager to implement policies and oversee daily operations.

In accordance with GASB Statement No. 14, *The Reporting Entity*, the financial statements present the town and its component units. The town includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from it. Component units are legally separate organizations for which the elected officials of the town are financially accountable and are included within the basic statements because of the significance of their operational or financial relationships to the town.

The town is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and the town is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the town.

The mayor and council are responsible for appointing some members of other organizations. However, the town's accountability for these organizations does not extend beyond making appointments. The boards of the Jackson Hole Airport and the Volunteer Fire Department are appointed jointly by the town and other entities. The town provides minimal financial support to each of these organizations and is not liable for claims on either.

As a result of applying the component unit definition criteria above, no organization has been defined in accordance with GASB Statement No. 14 to require discrete presentation in this financial report.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from legally separate component units for which the primary government is financially accountable, if such units exist.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Fiduciary funds--the town has only one--are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, 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 related cash flows. Property taxes, if levied, are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable

and available. Revenues are considered available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the town considers revenue to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded when payment is due.

Agency funds statements use neither the economic resources nor the current financial resources measurement focuses.

Sales taxes, property taxes (currently not levied), franchise taxes, licenses, and investment interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the town.

Since governmental fund statements are presented using a measurement focus and basis of accounting different from that used in the government-wide statements' governmental column, a reconciliation is presented that briefly explains the adjustments necessary to reconcile ending net position and the change in net position.

In the fund financial statements, financial transactions and accounts of the town are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

Major Governmental Funds – The major governmental funds reported by the town are as follows:

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

START Bus System Fund. This special revenue fund accounts for current and capital transit system expenditures primarily financed by state and federal transit grants.

5th Cent Capital Projects Fund. This capital projects fund is used to account for procurement of capital equipment and capital improvements not accounted for in other capital projects funds or utility funds. A portion of the 5th cent sales taxes and intergovernmental grants typically provide most of this fund's revenues.

2008 SPET. This capital projects fund accounts for expenditures related to the revenue generated by the 2008 specific purpose excise tax.

Major Proprietary Funds – The town reports the following major proprietary funds:

Water Fund. This enterprise fund accounts for the operations of the town-owned water treatment and distribution system.

Sewage Fund. This enterprise fund accounts for the operations of the town-owned sewage collection and treatment system.

Additionally, the town reports the following fund type:

Internal Service Funds. The operating activities for Employee Insurance, Fleet Management, Central Equipment, and Information Technology (IT) Services are reported in internal service funds because they provide services to other town departments on a cost reimbursement basis.

Agency Fund. The agency fund reports resources held by the Town of Jackson in a custodial capacity for the Jackson Hole Energy Sustainability Project.

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

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the town's enterprise funds and various other functions of

the town. Elimination of these charges would distort the direct costs and program revenues of the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the town's enterprise funds are charges to customers for sales and services. Operating expenses include cost of sales and services, administrative expenses, depreciation, and taxes and tax equivalents. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses. Transfers to the General Fund reflect cost recovery of indirect services provided by general government and public works functions.

D. Assets, liabilities, and net position or equity

1. Cash (including cash equivalents) and investments

Cash and investment balances from all funds are combined and invested to the extent authorized by state statutes and town investment policy. Earnings from such investments are allocated to respective funds on the basis of applicable cash balance participation by each fund. The interest receivable balance is reported as one amount in the General Fund while all other funds receive interest revenue distributions in cash.

Investments for the town are reported at fair value.

The town's cash and cash equivalents are considered to be cash on hand, demand deposits, and investments with original maturities of three months or less.

2. Receivables

Account (trade) receivables are carried at original billing amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a regular basis. Management determines the allowance for

doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. With council approval, trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

A receivable is considered past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is charged on receivables that are outstanding for more than 30 days. Accrual of interest is not suspended until a receivable is determined to be uncollectible. Provisions for bad debts would be insignificant and immaterial and none has been made for 2013.

Interest receivable is recorded as revenue in the year the interest is earned and is available to pay liabilities of the current period. The interest receivable balance is reported as one amount in the General Fund while all other funds receive interest revenue distributions in cash.

3. Short-term interfund receivables/payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term inter-fund loans are classified as "interfund receivables/payables". Due to and due from other funds are closed to cash and cash equivalents at year end.

4. Materials & supplies inventories

Materials and supplies are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The consumption method is used to account for inventories. Inventory costs are recorded as expenditures when individual inventory items are consumed. In governmental funds, reported inventories are equally offset by nonspendable fund balance amounts, indicating that they do not constitute "available spendable resources" even though they are a component of net current assets. The net change in nonspendable fund balances is not presented because the combined statements of revenues, expenditures, and changes in fund balances reflects the changes in total fund balances rather than just the spendable and nonspendable fund balances.

5. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as

expenditures/expenses when consumed rather than when purchased. In governmental funds, reported prepaid items are equally offset by nonspendable fund balance amounts, which indicate that they do not constitute "available spendable resources" even though they are a component of net current assets. The net change in nonspendable fund balances is not presented because the combined statements of revenues, expenditures, and changes in fund balances reflects the changes in total fund balances rather than just the spendable and nonspendable fund balances.

6. Capital assets (property, plant and equipment)

Capital assets, including property, plant, and equipment, and infrastructure assets (e.g., roads, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 (\$20,000 for buildings and improvements and \$50,000 for infrastructure) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value on date of donation.

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

Major outlays for capital assets and improvements are as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed, net of interest earned on the invested debt proceeds over the same period.

Property, plant, equipment, and intangible assets with exhaustible useful lives are capitalized when acquired, and depreciation is provided using the straight-line method applied over the following estimated useful lives of the assets:

Buildings	10-50
Distribution systems	20-50
Infrastructure	20-50
Machinery and equipment	5-15
Other improvements	5-99
Intangible assets	5-99

Intangible assets lack physical substance, are nonfinancial in nature, and have an estimated useful life extending beyond a single reporting period. The term

depreciation, as used in this footnote, includes amortization of intangible assets.

Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation), as of the date of the transfer.

7. Compensated absences

Employees can sell-back up to 40 hours of accumulated paid time off (PTO) before the end of each fiscal year provided they meet certain requirements. All other accumulated PTO is forfeited. There are no accumulated balances for PTO. Compensatory time, if any, is accrued as wages payable at year end.

8. Long-term obligations

In the government-wide financial statements and in the proprietary fund types of the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. If any, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures. The town's current debt obligations were issued without discounts or premiums and issuance costs were insignificant and immaterial.

9. Fund equity

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes determined by a formal action of the Town Council, the government's highest level of decision-making authority. The Town Council commits fund balance with the formal passage of ordinances or resolutions. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken (the adoption of another ordinance or resolution) to remove or revise the limitation.

Assigned fund balance. This classification reflects the amounts constrained by the town's "intent" to be used for specific purposes, but are neither restricted nor committed. The town council and town manager have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the town's policy to use externally restricted resources first, then unrestricted resources--committed, assigned, and unassigned--in order as needed.

The town manager has set a General Fund minimum fund balance target at 20% of expenditures and recurring transfers. No other fund balance policies exist.

10. Comparative data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the government's financial position and operations. However,

comparative data have not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

11. Sales taxes

The town imposes a 1% local options sales and use tax (5th cent). The 5th cent sales tax is collected by the state and remitted monthly to the town. Sales tax revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Additionally, the town imposes a specific purpose excise tax (SPET) for various voter-approved projects.

12. Lodging tax

The lodging tax is a 2% tax that is added to a visitor's stay in any Teton County hotel, motel or rental property. It was approved by voters in November, 2010. The tax will reappear on the ballot in November, 2014. The Jackson Hole Travel and Tourism Joint Powers board is responsible for allocating 60% of the collected funds. Teton County and the Town of Jackson governments are responsible for the remaining 40% of the funds collected.

13. Entitlements, share revenues and grants (Intergovernmental revenues)

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized in the fund financial statements as revenue when the qualifying expenditures have been incurred, all eligibility requirements have been met, and reimbursement is received within availability period. Included below are the ongoing shared revenues and grants received by the town.

Sales tax. The state levies a 4% general sales and use tax, with 31% of it returned to Wyoming towns and counties based on populations and location of sales.

Gasoline, cigarette, and severance taxes. These three taxes are all imposed by the state and returned to cities, towns and counties by various percentages determined by the Wyoming legislature.

Mineral Royalties. These are federal royalties paid to the state and passed down to cities, towns, and counties by percentages determined by the Wyoming legislature.

Federal Transit Administration (FTA). The FTA provides 80% of the funding for qualifying bus system expenditures, including current and capital expenditures.

14. Revenue recognition for Water and Sewage Funds

Revenue is recorded in the period in which services are provided. Residential and commercial customers are billed monthly.

15. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

16. Reclassifications

Where presented, certain 2012 financial statement amounts may have been reclassified to conform to the 2013 presentation.

E. Federal Audit Requirements

The U.S. Office of Management and Budget (OMB) issued Circular A-133, which establishes uniform audit requirements for non-Federal entities that administer Federal awards and implements the Single Audit Act Amendments of 1996, which were signed into law July 5, 1996 (Public Law 104-156)

The purposes of the Single Audit Act Amendments of 1996 are as follows:

1. promote sound financial management, including effective internal controls, with respect to Federal awards;
2. promote the efficient and effective use of audit resources;
3. reduce burdens on state and local governments, Indian tribes and nonprofit organizations;
4. ensure that Federal departments and agencies, to the maximum extent practicable, rely upon and use audit work done pursuant to Chapter 75 of Title 30, United States Code (the "Single Audit Act").

For 2013, the Town of Jackson' audit was performed in accordance with Circular A-133. The auditor's report on consideration of the town's internal control over financial reporting and tests of other matters are issued with this report.

F. Implementation of new accounting principles

For the year ending June 30, 2013 the town reviewed the applicability of the following new pronouncements of the Governmental Accounting Standards Board (GASB):

GASB Statement No. 60 "Accounting and Financial Reporting for Service Concession Arrangements" – the statement has no reporting implications to the Town of Jackson

GASB Statement No. 61 "The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34" - the statement has no reporting implications to the Town of Jackson

GASB Statement No. 62 "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" - the Town of Jackson acknowledges the codification and incorporation of the applicable guidance from the post November 30, 1989 FASB and AICPA pronouncements into the state and local government accounting and financial reporting standards. The Town's financial reports conform to the financial reporting requirements of this statement.

GASB Statement No. 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" The Town implemented statement No. 63 effective with this year's financial statements.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted by council resolution for the General and Special Revenue Funds.

Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Formal budgetary integration is not employed for the Debt Service Fund because effective budgetary control is alternately achieved through debt indenture provisions. The Town does not currently maintain a Debt Service Fund. Budgetary control for Capital Project Funds is based on a project completion

time cycle rather than on an annual basis, therefore, budgetary comparisons on an annual basis would not present meaningful information.

The town follows these legal compliance procedures in establishing the budgetary data reflected in the financial statements:

1. The town administrator submits a proposed operating budget, including proposed expenditures and means of financing them, to the town council prior to the beginning of the fiscal year commencing July 1.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through the passage of a budget resolution.
4. Management may not legally exceed budgeted expenditures at the division level. Monitoring of budgets is maintained at the division level (i.e., police administration, police investigations, police patrols, etc.) and the category level (i.e., personal services; supplies; other services and charges; capital outlay) within each division. Management can alter the budget at the category level within their division but cannot exceed the total budgeted expenditures for the division that was approved by the town council. During the year, three formal supplementary appropriations were made. However, the town council approves all payments of vouchers and payroll at its regular meetings held twice a month.
5. All budgeted appropriations lapse at the end of the fiscal year. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is at the department level.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2013, expenditures and other uses exceeded appropriations in no funds. Through three formal supplementary appropriations, the General Fund original budget increased by slightly more than 3%. Actual expenditures and other uses are 4% under the final amended budget.

C. Deficit Fund Equity

At June 30, 2013, there are no governmental funds with a deficit fund balance.

NOTE 3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash, cash equivalents, and investments at June 30, 2013 are classified in the accompanying financial statements as follows:

Statement of net position:		
Cash and cash equivalents		\$ 26,597,698
Investments		1,243,729
Statement of fiduciary assets and liabilities:		
Cash and cash equivalents		-
Total cash and investments		<u>\$ 27,841,427</u>

Cash and investments at June 30, 2013 consist of the following:

Cash:		
Cash on hand		\$ 300
Deposit with financial institutions		844,352
Cash equivalents:		
Short-term certificate of deposit		19,713,664
Money market funds		6,039,381
Investments:		
Various		1,243,730
Total cash, cash equivalents, and investments		<u>\$ 27,841,427</u>

Investments Authorized by Wyoming Statutes and Town Investment Policy

The following table identifies the investment types that are authorized for the town by Wyoming state statute. The town's investment policy does not restrict investment types beyond the limits set forth by state statute. The table also identifies any provisions in town policy and state statutes that address interest rate risk, credit risk, and concentration risk. This table also applies to investments of debt proceeds held by bond trustee that are governed by provisions of debt agreements and similarly restricted by state statute.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. treasury obligations	None	None	None
U.S. agency securities	None	None	None

Banker's acceptances	None	25%	None
Commercial paper	270 days	25%	None
Negotiable certificates of deposit	None	None	\$250,000
Non-negotiable certificates of deposit	None	None	None
Repurchase agreements	None	25%	None

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Town policies restrict investments to the safest security types and require portfolio diversification so that potential losses on individual securities will be minimized. As of June 30, 2013, the town's investments in U.S. Agencies are rated AAA by Standard & Poor's and Aaa by Moody's Investors Service. The town's investments in negotiable certificates of deposit are below the F.D.I.C. \$250,000 insurance limit per institution. Non-negotiable certificates of deposits exceeding \$250,000 per institution must be collateralized by the limits defined in the custodial credit risk section of this footnote. The town's investment in the brokerage money market mutual fund is unrated. Town investment policy limits investments to the safest types of securities, pre-qualifies financial institutions, brokers/dealers, intermediaries, and advisors, and requires investment portfolio diversification.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to cover the value of its investment or collateral securities that are in possession of another party. Wyoming statutes do not contain legal requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: Wyoming statutes require that all town deposits be protected by insurance, surety bond, or collateral. Authorized collateral includes the legal investment described earlier, as well as certain first mortgage notes, and certain other state or local obligations. Wyoming statutes require that securities pledged as collateral be held in safekeeping by the public funds depositor or by any bank, other than the depository bank, chartered by the state of Wyoming, any national bank, other than the

depository bank, authorized to do business in the state, any federal reserve bank or branch thereof, or any federal reserve system member bank. According to town policies, the market value of the collateral must be a minimum of 105% of deposits not covered by insurance or bonds.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. According to its investment policy, the town manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments. The town also manages this risk by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide cash flow and liquidity for operations. Further, the town purchases some securities that have interest rates that step-up over time. The town monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. The town has no specific limitations with respect to this metric.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (in years)</u>
Federal Agencies:		
Federal National Mortgage Assn.	1,243,730	5.57
Short-term certificates of deposits	19,713,663	0.12
Money Market Funds	6,039,381	0.12
	<u>\$ 26,996,775</u>	
Portfolio weighted average maturity		0.37

Concentration of Credit Risk

State statutes contain no limitations on the amount that can be invested in any one issuer. Investments in any one issuer representing approximately 5% or more of the town's total investments are as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent of Investment Portfolio</u>
Federal Agencies:		
Federal National Mortgage Assn.	1,243,730	4.6%

Cash, cash equivalents, and investments are presented in the government-wide financial statements as follows:

	Cash and Cash Equivalents	Investments	Total
Governmental activities:			
General Fund	\$ 4,935,605	\$ 233,035	\$ 5,168,640
START Bus System	1,256,950	59,535	1,316,485
5th Cent Capital Projects	1,828,729	86,617	1,915,346
2008 SPET	4,020,365	190,423	4,210,788
Nonmajor governmental	5,569,579	248,478	5,818,057
Internal service funds	3,119,793	148,619	3,268,412
Total	20,731,021	966,707	21,697,728
Business-type activities:			
Water	2,855,673	135,258	2,990,931
Sewage	2,993,035	141,764	3,134,799
Internal service funds	17,969		17,969
Total	5,866,677	277,022	6,143,699
Government-wide total	26,597,698	1,243,729	27,841,427
Fiduciary fund	-		0
Total cash and investments	\$26,597,698	\$ 1,243,729	\$27,841,427

NOTE 4. CONCENTRATION OF SALES AND REVENUES

Snow King Resort (and affiliates) is the largest customer of the Water and Sewage. The company's water purchases account for \$67,799, or 4%, of the Water Fund's operating revenue; the company's sewage charges account for \$26,646, or 2%, of the Sewage Fund's operating revenue.

NOTE 5. LEASE COMMITMENTS

The town leases its winter sports facility (ice arena) to a commercial entity. The month-to-month, operating lease is cancelable by either party. The lease requires the tenant to maintain the facility's interior and exterior and to pay all utilities. The winter sports facility monthly lease payment is \$100 per month. Additionally, the town leases land to the county's fairground operations on an annual basis--the fiscal year 2013 lease payment is \$61,018.

Details for property under lease agreement are as follows:

	Historical Carrying Cost	Accumulated Depreciation	Annual Depreciation
Winter Sports Facility	\$ 4,745,672	\$ 2,848,270	\$ 158,189

NOTE 6. POST EMPLOYEE BENEFITS OTHER THAN PENSIONS

The town administers a single-employer defined benefit postemployment health care plan for three eligible participants. The plan offers medical coverage, which is self-insured and administered by CNIC Health Solutions. The plan is not open to new participants. The unfunded actuarial accrued liability is immaterial and not reported in the financial statements.

NOTE 7. CAPITAL ASSETS

Capital asset activities for the year end June 30, 2013 are as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Internal Service Fund Assets	Governmental Funds Total	Internal Service Fund Additions	Governmental Fund Additions
Governmental activities:								
Nondepreciable capital assets:								
Land	\$24,085,653	\$ 1,498,055	\$ -	\$25,583,708		\$ 25,583,708		\$ 1,498,055
Construction in progress	1,844,587	7,160,885		9,005,472	-	9,005,472	0	7,160,885
Total	25,930,240	8,658,940	-	34,589,180	-	34,589,180	-	8,658,940
Depreciable capital assets:								
Buildings and improvements	32,701,110	1,951,962		34,653,072		34,653,072		1,951,962
Machinery and equipment	15,167,906	834,799	(355,701)	15,647,004	\$ 1,021,078	14,625,926	\$ 387,203	447,596
Intangible assets	1,800,000			1,800,000		1,800,000		-
Infrastructure	38,099,721	426,214	0	38,525,935		38,525,935		426,214
Total	87,768,737	3,212,975	(355,701)	90,626,011	1,021,078	89,604,933	387,203	2,825,772
Total capital assets	113,698,977	11,871,915	(355,701)	125,215,191	1,021,078	124,194,113	387,203	11,484,712
Less accumulated depreciation for:								
Buildings and improvements	(10,792,093)	(982,174)		(11,774,267)		(11,774,267)		(982,174)
Machinery and equipment	(8,754,407)	(1,133,769)	252,963	(9,635,213)	(217,349)	(9,417,864)	(105,526)	(1,028,243)
Intangible assets	(78,904)	(18,182)		(97,086)		(97,086)		(18,182)
Infrastructure	(18,418,342)	(1,388,430)	0	(19,806,772)		(19,806,772)		(1,388,430)
Total accumulated depreciation	(38,043,746)	(3,522,555)	252,963	(41,313,338)	(217,349)	(41,095,989)	(105,526)	(3,417,029)
Total governmental activities capital assets, net	\$75,655,231	\$ 8,349,360	\$ (102,738)	\$83,901,853	\$ 803,729	\$ 83,098,124	\$ 281,677	\$ 8,067,683
Business-type activities:								
Nondepreciable capital assets								
Land	\$ 1,090,000			\$ 1,090,000				
Construction in progress	3,644,558	\$ 645,362	\$ (3,413,199)	876,721				
Total	4,734,558	645,362	(3,413,199)	1,966,721				
Depreciable capital assets:								
Buildings and improvements	45,747,793	4,207,776	0	49,955,569				
Machinery and equipment	2,279,718	0	0	2,279,718				
Total	48,027,511	4,207,776	0	52,235,287				
Total capital assets	52,762,069	4,853,138	(3,413,199)	54,202,008				
Less accumulated depreciation for:								
Buildings and improvements	(16,181,958)	(1,102,601)	0	(17,284,559)				
Machinery and equipment	(1,483,886)	(109,935)	0	(1,593,821)				
Total accumulated depreciation	(17,665,844)	(1,212,536)	0	(18,878,380)				
Total business-type activities capital assets, net	\$35,096,225	\$ 3,640,602	\$ (3,413,199)	\$35,323,628				

Additions to construction in progress represent new construction in progress minus projects transferred to infrastructure or buildings for completed projects.

Depreciation was charged to function/programs as follows:

Governmental activities:			
General government			\$ 346,879
Public safety			154,806
Public works			1,966,204
Recreation and culture			198,863
Transit			855,803
Total depreciation expenses - governmental activities			3,522,555
Internal service fund depreciation on capital assets charged to the various functions based on usage.			(105,526)
Depreciation expense excluding internal service fund.			<u>\$ 3,417,029</u>
Business-type activities:			
Water Fund			\$ 512,501
Sewer Fund			700,035
Total depreciation expenses - business-type activities			<u>\$ 1,212,536</u>

NOTE 8. CLAIMS AND JUDGEMENTS

The town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the town may be required to reimburse the grantor government.

As of June 30, 2013, significant amounts of grant expenditures have not been audited by the granting agency, but the town believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the town. Additionally, deferred revenues are recognized in those funds that have received grant monies in advance of future, reimbursable expenditures.

NOTE 9. RECEIVABLES AND DEFERRED REVENUES

Interfund Receivables, Payables, and Transfers. At June 30, 2013, there are interfund balances that are generally short-term loans used to cover temporary cash deficits in various funds. The interfund transfers generally are made for the purposes of distributing revenue from the general fund to other funds for capital projects and operations. There were no significant transfers during the fiscal

year that were either non-routine in nature or inconsistent with the activities of the fund making the transfer.

Deferred Revenues. Government funds often report deferred revenue in connection with receivables of revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. This deferred revenue type is specifically referred to as unearned revenue. At the end of the current fiscal year, the various components of deferred revenue reported in governmental funds were as follows:

	Alarm Bonds	Court Bonds	Exaction Bonds	Total
Governmental Fund Activities:				
Unearned revenue				
General Fund	\$ 22,425	\$ 500	\$ 12,000	\$ 34,925
Total	<u>\$ 22,425</u>	<u>\$ 500</u>	<u>\$ 12,000</u>	<u>\$ 34,925</u>

Accounts Receivables and Due from Other Governmental Units. The following are the accounts receivables and due from other governmental units at June 30, 2013. Due from other governmental units represent earned grant reimbursements or repayments owed for providing non-utility related services.

	Accounts Receivable	Due from other Governments
Governmental activities:		
General Fund	\$ 1,115	\$ 73,000
START Bus System		579,024
5th Cent Capital Projects		9,361
Internal service funds	1,514	33,813
Total governmental activities	<u>2,629</u>	<u>695,197</u>
Business-type activities		
Water Fund	266,949	
Sewage Fund	214,719	
Total business-type activities	<u>481,668</u>	<u>-</u>
Total	<u>\$ 484,298</u>	<u>\$ 695,197</u>

Transfers. The following interfund transfers are reflected in the fund financial statements at June 30, 2013:

	Transfers In	Transfers Out
Governmental funds:		
General Fund	\$ 753,326	\$2,816,987
START	1,009,000	25,777
5th Cent Capital Projects	2,415,627	363,000
Nonmajor governmental	828,000	970,924
Total governmental funds	<u>5,005,952</u>	<u>4,176,688</u>
Enterprise funds:		
Water	8,576	543,616
Sewage	9,392	453,616
Total enterprise funds	<u>17,968</u>	<u>997,232</u>
Internal service funds	<u>150,000</u>	<u>-</u>
Total	<u>\$5,173,920</u>	<u>\$5,173,920</u>

The following schedule reflects each fund transfer:

In Fund	Out Fund	Amount	
General Fund	Water	353,616	(1)
	Sewage	353,616	(1)
	START Bus	25,777	(1)
	Animal Care	20,317	(2)
START	General Fund	357,000	(2)
	SPET 2010	652,000	(3)
Capital Projects	General Fund	2,292,019	(4)
	SPET 2006	123,608	(5)
2001 SPET	Capital Projects	363,000	(6)
	SPET 2006	175,000	(6)
	Water	190,000	(6)
	Sewer	100,000	(6)
Water	General Fund	8,576	(1)
Sewer	General Fund	9,392	(1)
Fleet	General Fund	150,000	(2)
		<u>\$ 5,173,920</u>	

- (1) Annual reimbursement for shared expenditures.
- (2) Annual transfer to subsidize fund operations.
- (3) Transfer of SPET for Start facility design.
- (4) Annual appropriation for capital projects.
- (5) Transfer to Capital Projects for Home Ranch Visitor Center.
- (6) Transfer to SPET 2001 for 5-way construction project.

NOTE 10. LONG-TERM LIABILITIES

NOTES PAYABLE. The town has issued two notes payable: \$644,330 Wyoming Water Development Commission (WWDC), \$1,158,046 Wyoming Water Development Commission. The \$644,330 WWDC note is secured by the revenues of the Water Fund and a mortgage on the assets of the water supply system. This 25 year note is payable in equal annual installments.

The \$1,158,046 WWDC note is secured by the revenues of the Water Fund and a mortgage on the assets of the water supply system. This 30 year note is payable in equal installments of \$66,970.

The three-year, zero percent \$500,000 Housing Authority note facilitated a land swap of the town-owned Grove property for the Housing Authority's Karns Meadows property. The note has payments due in August 2013 and August 2014 of \$200,000 and \$300,000 respectively.

Revenue bonds and notes payable outstanding are as follows:

Governmental activities

	Final	Interest	Issue	Outstanding
Notes Payable	Maturity	Rates	Amount	6/30/2013
Land acquisition				
Housing Authority	08/01/14	n/a	\$ 500,000	\$ 500,000

Business-type activities

Notes Payable	Final Maturity	Interest Rates	Issue Amount	Outstanding 6/30/2013
Water supply and storage projects -				
1997 WWDC note	05/01/22	4.00%	\$ 644,330	\$ 334,532
2010 WWDC note	11/11/41	4.00%	1,158,046	1,137,398
Total				\$ 1,471,930

Annual debt service requirements to maturity for the notes payable are as follows:

Year ending June 30	Governmental activities		Business-type activities	
	Principal	Interest	Principal	Interest
2014	\$ 200,000	-	\$ 49,338	\$ 58,877
2015	300,000		51,311	56,904
2016			53,363	54,851
2017			55,498	52,717
2018			57,718	50,497
2019-23			325,124	215,024
2024-28			172,167	162,682
2029-33			209,468	125,382
2034-38			254,850	80,000
2039-42			243,094	24,643
Total	\$ 500,000	\$ -	\$1,471,930	\$ 881,576

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2013:

	Beginning Balance	Additions/Proceeds	Reductions/Payments	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable:					
Housing Authority	\$ 500,000	\$ -	\$ -	\$ 500,000	\$ 200,000
Governmental activities total	500,000	-	-	500,000	200,000
Business-type activities:					
Notes payable:					
Water - supply	361,324		(26,792)	334,532	27,864
Water - storage	1,115,099	42,947	(20,648)	1,137,398	21,474
Business-type activities total	1,476,423	42,947	(47,440)	1,471,930	49,338
Government-wide total	\$1,976,423	\$ 42,947	\$ (47,440)	\$1,971,930	\$ 249,338

REDEMPTIONS. None.

NOTE 11. RISK MANAGEMENT AND LITIGATION

The town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the past several years, the town obtained coverage from various sources and has effectively managed risk through a number of employee education and prevention programs.

All risk management activities are accounted for in the appropriate fund. Expenditures and claims are recognized when it is probable that a loss has occurred, the amount of the loss can be reasonably estimated, and the loss amount exceeds insurance coverage. In determining claims, events that might create claims, but for which none have been reported, are considered.

The town attorney estimates that the amount of actual or potential claims against the town as of June 30, 2013 will not materially affect the financial condition of the town.

Workers compensation coverage is provided through the state of Wyoming's Worker's Safety and Compensation Division. The town pays an annual premium, reflecting a base rate plus an experience premium, to the division. Currently, the town does receive a drug and alcohol discount but not a full safety program discount.

The town self-insures its health benefit coverage up to an annual \$50,000 per claimant, with one exception. Stop-loss coverage is purchased from private

insurers for amounts exceeding \$50,000. The town purchases stop-loss coverage at \$150,000 for the one laser exception. Health benefit self-insurance activities are accounted for in the Employee Insurance Fund, an internal service fund.

Liability insurance is provided through Local Government Liability Pool (LGLP), a pooled self-insurance program. LGLP was created by the legislature specifically for local governments in Wyoming. The coverage amounts are the limits set by the Governmental Claims Act (W.S. 1-39-118). Current statutory limits are \$250,000/\$500,000. Excess insurance coverage provides for out-of-state claims and Federal Civil Rights claims with the current limit of \$4 million with a \$1 million deductible, which LGLP covers.

Property and casualty insurances are provided by WARM through a pooled self-insurance program. The WARM policy has a \$5,000 deductible.

An analysis of claims activities for the last three fiscal periods ending on June 30 is presented below:

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Paid losses	\$ 9,471	\$ 20,074	\$ 3,398
Paid expenses	128,560	690	-
Reserves	108,826	-	-
Total incurred	<u>\$ 246,857</u>	<u>\$ 20,764</u>	<u>\$ 3,398</u>

The town's commercial insurance carrier has no set reserve losses or reserve expenses for claims filed after June 30, 2013, for incidents occurring prior to that date.

There were no significant reductions in insurance from the previous year and there were no settlements in excess of insurance coverage in each of the past three years.

NOTE 12. DEFINED BENEFIT PENSION PLANS - STATEWIDE

A. Plan Description

All full-time and certain part-time employees of the Town of Jackson are covered by defined benefit pension plans administered by the Wyoming Retirement System (WRS). The WRS administers nine different pension plans, which are cost-sharing multiple-employer retirement plans. Of the nine plans, the Public Employee Pension Plan (PEPP) and the Law Enforcement Pension Plan (LEPP)

are the two plans required for covered town employees. All nine plans are established and administered in accordance with Wyoming Retirement Act, including Wyoming Statutes 9-3-401 through 9-3-432.

Both PEPP and LEPP members belong to a coordinated plan, where all members are covered by Social Security.

WRS provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after a specified number of years.

The PEPP and LEPP retirement plans cover a substantial number of state and public school systems employees in Wyoming. The PEPP and LEPP also cover employees of those political subdivisions, which have elected to participate in the Plan.

The PEPP plan has two tiers. Tier 1 applies to employees who began contributions prior to September 1, 2012. Tier 1 allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50, but will result in a reduction of benefits based on the length of time remaining to normal retirement age. Tier 2 applies to employees who began contributions after September 1, 2012. The Tier 2 plan allows for normal retirement after five years of service and attainment of age 65. Early retirement is allowed provided the employee has completed five years of service and attained age 55 but will result in a reduction of benefits based on the length of time remaining to normal retirement age. Under either tier, if an employee completes 25 years of service, regardless of age, they can retire, perhaps with reduced benefits. Also under either tier, the "Rule of 85" applies, which is determined by age plus years of service to equal 85. Once reaching 85 points, the employee can retire with full benefits.

Pension benefits for members retiring early are reduced by 5% for each year below full retirement age. During retirement, benefits will only increase when cost-of-living adjustments are granted by the WRS Board.

Under the LEPP plan, employees are eligible for full retirement at age 60 and vested or any age with 20 or more years of service. Early retirement is allowed at age 50 and vested, with reduced benefits. Vested is 48 months of service. Pension benefits for members retiring early are reduced by 5% for each year below full retirement age. During retirement, benefits will only increase when cost-of-living adjustments are granted by the WRS Board.

Both Plans provide retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two optional forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. State statutes provide for future annual percentage increase in benefit amounts beginning July 1, after two full years of retirement by the lesser of 3% or the cost of living adjustment determined to be actuarially sound not to exceed 3% per year. The cost of living adjustment provided to retirees is determined by the Board. Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through date of termination or, if they are vested, they may elect to remain in the Plan and be eligible for retirement benefits at age 50.

The PEPP under Tier 1 retirement benefits accrue at 2.125% of the average salary for each of the first 15 years and 2.25% for the average salary for every year thereafter. The PEPP Tier 2 retirement benefits accrue at 2.0% of the average salary for each of every year of service.

The LEPP retirement benefits accrue at 2.5% for the highest average salary for each year of service and a cap on the benefit at 75% of the highest average salary.

Currently employed and vested members in WRS (except for members of the Volunteer Fire Pension Fund and Paid Fire Plan A) may make one-time, lump-sum purchases of up to five years of service in the system. Such purchases will count as service and could move employees closer to being eligible for full retirement benefits. These purchases can be made with transfers from other retirement savings vehicles, such as deferred compensation plans.

WRS issues a publicly available financial report that includes financial statements and required supplementary information for PEPP. That report may be obtained on the web at <http://retirement.state.wy.us>, by writing to Wyoming Retirement System, 6101 Yellowstone Road, Suite 500, WY 82002, or by calling (307) 777-7691.

B. Funding Policy

The PEPP statutorily requires 14.12% of the participant's salary to be contributed to the Plan. Contributions consist of 7.12% of the participant's salary as employer contributions and 7.00% as employee contributions.

For LEPP participants, statutes require a 17.20% contribution, 8.6% for both employee and employer. The amount of contributions designated as employee

contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment.

Employers can elect to cover all or a portion of the employee's contribution at their discretion. The town covers 11.25% of the required contribution (employer plus employee) for all employees and an additional 1.50% for PEPP employees. LEPP participants contribute the difference between the 11.25% town contribution and the 17.20% statutorily required contribution.

The town's required contributions to the PEPP and LEPP systems for the years ending June 30, 2013, 2012, and 2011, were \$410,300, \$411,640, and \$399,199, respectively.

The town's PEPP and LEPP contributions made on behalf of employees for the years ending June 30, 2013, 2012, and 2011 were \$274,390, \$266,559, and \$274,350, respectively. The town's contributions were equal to the contractually required employer contributions for each year as set by state statute.

NOTE 13. COMMITTED CONTRACTS

At June 30, 2013, the town had the following remaining commitments for uncompleted construction and equipment purchase contracts:

Fund/Project	
Sewage Fund	
Budge Drive Sewage Main	\$ 63,697
Water Fund	
Budge Drive Water Main	63,697
Capital Projects	
Snow King Arena	56,989
Home Ranch	26,380
Pathways	32,045
Energy Projects - Photovoltaic	35,474
West Broadway Reconstruction	1,000,276

In 2008, the town created a shared-appreciation mortgage program as a recruitment tool for key personnel. At June 30, 2013, the town's commitments totaled \$325,000.

In May 2011, the town entered into an agreement to purchase 23 acres of land for open space and natural area (Halpin property on Snow King). The purchase consists of five tracts, with the town purchasing three tracts by the end of fiscal year 2012 and one tract in each of the next two years: 2013 - \$273,125; 2014 - \$238,125. During Fiscal Year 2013, the Town was offered a significant discount to purchase the 2014 parcel one year earlier. The Town took advantage of the discount and purchased the 2014 parcel during FY 2013. The town anticipates selling conservation easements to the Jackson Hole Land Trust on each tract as the options are exercised.

NOTE 14. FUND CHANGES AND FUND BALANCES

Amounts for specific purposes by fund and fund balance classifications for the year ended June 30, 2013, are as follows:

<u>Classification/Fund</u>	<u>Purpose</u>	<u>Amount</u>
Nonspendable		
General Fund	Prepaid items	\$ 116,039
Restricted		
General Fund	DEA program	5,295
	DARE program	599
	Victim services	13,150
2010 SPET	Energy/START/Pathways	926,468
2008 SPET	Downtown projects	351,533
2006 SPET	Pathways/Sidewalks	2,072,225
2001 SPET	Broadway 5-way	1,038,936
Parking Exactions	Parking improvements	43,732
Park Exactions	Park improvements	17,994
Affordable Housing	Housing options	468,626
Animal Care	Animal shelter	258,642
Committed		
Employee Housing	Recruitments	325,000
Assigned		
5th Cent Capital Projects	Various improvements	1,763,546
Employee Housing	Employee housing	823,085
START Bus System	Transit	1,416,076
Unassigned		
General Fund		4,851,401
Total fund balances		\$14,492,348

For the year ended June 30, 2013, the town closed the following fund(s): None.

For the same period, the town opened the following fund(s): None.



Combining Balance Sheet Nonmajor Governmental Funds by Fund Type June 30, 2013

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,611,352	\$ 3,958,227	\$ 5,569,579
Investments	60,998	187,480	248,478
Notes receivable - housing	266,500		266,500
Prepaid expenses	6,393		6,393
Total assets	<u>\$ 1,945,243</u>	<u>\$ 4,145,707</u>	<u>\$ 6,090,950</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,165	\$ 2,740	\$ 5,905
Due to Other Govt Agencies		105,338	105,338
Unearned revenue	5,000		5,000
Total liabilities	<u>8,165</u>	<u>108,078</u>	<u>116,243</u>
Fund balances:			
Restricted	\$ 788,993	\$ 4,037,629	\$ 4,826,622
Committed	325,000		325,000
Assigned	823,085		823,085
Total fund balances	<u>1,937,078</u>	<u>4,037,629</u>	<u>5,974,708</u>
Total liabilities and fund balances	<u>\$ 1,945,243</u>	<u>\$ 4,145,707</u>	<u>\$ 6,090,950</u>

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds by Fund Type Year Ended June 30, 2013

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
General Taxes		\$ 1,114,472	\$ 1,114,472
Licenses and permits	\$ 21,986		21,986
Intergovernmental	543,424		543,424
Investment earnings	5,873	11,817	17,691
Other revenues	194,629		194,629
Total revenues	<u>765,912</u>	<u>1,126,290</u>	<u>1,892,202</u>
Expenditures:			
Current:			
General Government	111,041		111,041
Public safety	22,973		22,973
Community development	0		0
Capital outlay	799,452	1,775,176	2,574,628
Total expenditures	<u>933,466</u>	<u>1,775,176</u>	<u>2,708,642</u>
Excess (deficiency) of revenues over expenditures	<u>(167,554)</u>	<u>(648,886)</u>	<u>(816,440)</u>
Other financing sources (uses)			
Transfers in		828,000	828,000
Transfers out	(20,317)	(950,608)	(970,924)
Total other financing sources (uses)	<u>(20,317)</u>	<u>(122,608)</u>	<u>(142,924)</u>
Net change in fund balances	<u>(187,871)</u>	<u>(771,494)</u>	<u>(959,365)</u>
Fund balance at beginning of year	2,124,949	4,809,123	6,934,072
Fund balance at end of year	<u>\$ 1,937,078</u>	<u>\$ 4,037,629</u>	<u>\$ 5,974,708</u>

Combining Balance Sheet Nonmajor Special Revenue Funds June 30, 2013

	<u>Employee Housing</u>	<u>Affordable Housing</u>	<u>Parking Exactions</u>	<u>Parks Exactions</u>	<u>Animal Care</u>	<u>Total</u>
ASSETS						
Cash and cash equivalents	\$ 840,387	\$ 447,433	\$ 43,732	\$ 17,994	\$ 261,807	\$ 1,611,352
Investments	39,805	21,193		-		60,998
Notes receivable - housing	266,500					266,500
Prepaid Expenses	6,393					6,393
Total assets	<u>\$ 1,153,085</u>	<u>\$ 468,626</u>	<u>\$ 43,732</u>	<u>\$ 17,994</u>	<u>\$ 261,807</u>	<u>\$ 1,945,243</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable					\$ 3,165	\$ 3,165
Unearned revenue	\$ 5,000					5,000
Total liabilities	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,165</u>	<u>8,165</u>
Fund balances:						
Restricted		\$ 468,626	\$ 43,732	\$ 17,994	\$ 258,642	788,993
Committed	\$ 325,000					325,000
Assigned	823,085					823,085
Total fund balances	<u>1,148,085</u>	<u>468,626</u>	<u>43,732</u>	<u>17,994</u>	<u>258,642</u>	<u>1,937,078</u>
Total liabilities and fund balances	<u>\$ 1,153,085</u>	<u>\$ 468,626</u>	<u>\$ 43,732</u>	<u>\$ 17,994</u>	<u>\$ 261,807</u>	<u>\$ 1,945,243</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds Year Ended June 30, 2013

	Employee Housing	Affordable Housing	Parking Exactions	Park Exactions	Animal Care	Total
Revenues:						
Licenses and permits		\$ 11,361	\$ 500	\$ 10,125		\$ 21,986
Intergovernmental	\$ 543,424					543,424
Investment earnings	4,054	1,154	109	123	433	5,873
Other revenue:						
Other	120,645			5,416	68,568	194,629
Total revenues	<u>668,122</u>	<u>12,515</u>	<u>609</u>	<u>15,665</u>	<u>69,001</u>	<u>765,912</u>
Expenditures:						
Current:						
General government	111,041					111,041
Public safety					22,973	22,973
Community development		-				0
Capital outlay	744,283			55,169		799,452
Total expenditures	<u>855,324</u>	<u>-</u>	<u>-</u>	<u>55,169</u>	<u>22,973</u>	<u>933,466</u>
Excess (deficiency) of revenues over expenditures	<u>(187,203)</u>	<u>12,515</u>	<u>609</u>	<u>(39,504)</u>	<u>46,028</u>	<u>(167,554)</u>
Other financing sources (uses):						
Transfers out	-	-			(20,317)	(20,317)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(20,317)</u>	<u>(20,317)</u>
Net change in fund balance	(187,203)	12,515	609	(39,504)	25,711	(187,871)
Fund balance at beginning of year	1,335,288	456,110	43,123	57,498	232,931	2,124,949
Fund balance at end of year	<u>\$ 1,148,085</u>	<u>\$ 468,626</u>	<u>\$ 43,732</u>	<u>\$ 17,994</u>	<u>\$ 258,642</u>	<u>\$ 1,937,078</u>

Employee Housing Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 630,384	\$ 630,384	\$ 543,424	\$ (86,960)
Investment earnings	5,000	5,000	4,054	(946)
Other revenues:				
Rental charges	121,368	121,368	120,645	(723)
Total revenues	<u>756,752</u>	<u>756,752</u>	<u>668,122</u>	<u>(88,630)</u>
Expenditures:				
General government:				
Contractual services	69,009	123,929	111,041	(12,888)
Capital Outlay	-	744,283	744,283	
Total expenditures	<u>69,009</u>	<u>868,212</u>	<u>855,324</u>	<u>(12,888)</u>
Excess (deficiency) of revenues over expenditures	<u>687,743</u>	<u>(111,460)</u>	<u>(187,203)</u>	<u>(75,743)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	687,743	(111,460)	(187,203)	(75,743)
Fund balance at beginning of year	1,335,288	1,335,288	1,335,288	-
Fund balance at end of year	<u>\$ 2,023,031</u>	<u>\$ 1,223,828</u>	<u>\$ 1,148,085</u>	<u>\$ (75,743)</u>

**Affordable Housing
 Schedule of Revenues, Expenditures and Changes
 in Fund Balances - Budget and Actual
 Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and Permits:				
Employee housing exactions	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)
Affordable housing exactions	10,000	10,000	11,361	1,361
Investment earnings	10,000	10,000	1,154	(8,846)
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>12,515</u>	<u>(32,485)</u>
Expenditures:				
Community development:				
Contracted Services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>45,000</u>	<u>45,000</u>	<u>12,515</u>	<u>(32,485)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	45,000	45,000	12,515	(32,485)
Fund balance at beginning of year	<u>456,110</u>	<u>456,110</u>	<u>456,110</u>	<u>-</u>
Fund balance at end of year	<u>\$ 501,110</u>	<u>\$ 501,110</u>	<u>\$ 468,626</u>	<u>\$ (32,485)</u>

**Parking Exactions Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balances - Budget and Actual
 Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits:				
Parking exactions	\$ 10,000	\$ 10,000	\$ 500	\$ (9,500)
Other revenues:				
Investment earnings	700	700	109	(591)
Total revenues	<u>10,700</u>	<u>10,700</u>	<u>609</u>	<u>(10,091)</u>
Expenditures:				
Public works:				
Other	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	10,700	10,700	609	(10,091)
Fund balance at beginning of year	43,123	43,123	43,123	-
Fund balance at end of year	<u>\$ 53,823</u>	<u>\$ 53,823</u>	<u>\$ 43,732</u>	<u>\$ (10,091)</u>

**Park Exactions Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balances - Budget and Actual
 Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Licenses and permits:				
Subdivision exactions	\$ 25,000	\$ 25,000	\$ 10,125	\$ (14,875)
Intergovernmental	-	-	-	-
Investment earnings	2,000	2,000	123	(1,877)
Other revenues:				
Donations and Contributions	-	7,000	5,416	(1,584)
Total revenues	<u>27,000</u>	<u>34,000</u>	<u>15,665</u>	<u>(18,335)</u>
Expenditures:				
Capital outlay	<u>31,500</u>	<u>55,253</u>	<u>55,169</u>	<u>(84)</u>
Total expenditures	<u>31,500</u>	<u>55,253</u>	<u>55,169</u>	<u>(84)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,500)</u>	<u>(21,253)</u>	<u>(39,504)</u>	<u>(35,004)</u>
Other financing sources (uses):				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(4,500)	(21,253)	(39,504)	(35,004)
Fund balance at beginning of year	<u>57,498</u>	<u>57,498</u>	<u>57,498</u>	<u>-</u>
Fund balance at end of year	<u>\$ 52,998</u>	<u>\$ 36,245</u>	<u>\$ 17,994</u>	<u>\$ (35,004)</u>

**Animal Care Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balances - Budget and Actual
 Year Ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Investment earnings	\$ 2,500	\$ 2,500	\$ 433	\$ (2,067)
Other revenues:				
Donations and contributions	52,000	52,000	68,568	16,568
Total revenues	<u>54,500</u>	<u>54,500</u>	<u>69,001</u>	<u>14,501</u>
Expenditures:				
Public safety:				
Supplies	35,000	35,000	22,973	(12,027)
Total expenditures	<u>35,000</u>	<u>35,000</u>	<u>22,973</u>	<u>(12,027)</u>
Other financing sources (uses):				
Transfers out	(21,000)	(21,000)	(20,317)	683
Total other financing sources (uses)	<u>(21,000)</u>	<u>(21,000)</u>	<u>(20,317)</u>	<u>683</u>
Net change in fund balance	(1,500)	(1,500)	25,711	27,211
Fund balance at beginning of year	232,931	232,931	232,931	-
Fund balance at end of year	<u>\$ 231,431</u>	<u>\$ 231,431</u>	<u>\$ 258,642</u>	<u>\$ 27,211</u>

Combining Balance Sheet Nonmajor Capital Projects Funds June 30, 2013

	<u>2001 SPET</u>	<u>2006 SPET</u>	<u>2010 SPET</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 1,034,346	\$ 1,979,540	\$ 944,340	\$ 3,958,227
Investments	48,992	93,760	44,728	187,480
Total Assets	<u>1,083,338</u>	<u>2,073,300</u>	<u>989,068</u>	<u>4,145,707</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 1,664	\$ 1,076	\$ -	\$ 2,740
Due to Other Govt Agencies	42,738	-	62,600	105,338
Total liabilities	<u>44,402</u>	<u>1,076</u>	<u>62,600</u>	<u>108,078</u>
Fund balances:				
Restricted	1,038,936	2,072,225	926,468	4,037,629
Total fund balances	<u>1,038,936</u>	<u>2,072,225</u>	<u>926,468</u>	<u>4,037,629</u>
Total liabilities and fund balances	<u>\$ 1,083,338</u>	<u>\$ 2,073,300</u>	<u>\$ 989,068</u>	<u>\$ 4,145,707</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds Year Ended June 30, 2013

	2001 SPET	2006 SPET	2010 SPET	Total
Revenues:				
Specific purpose excise tax	\$ -	\$ -	\$ 1,114,472	\$ 1,114,472
Investment earnings	2,861	7,753	1,204	11,817
Total revenues	<u>2,861</u>	<u>7,753</u>	<u>1,115,676</u>	<u>1,126,290</u>
Expenditures:				
Capital outlay:				
Infrastructure	\$ 953,685	\$ 712,370	\$ 109,121	1,775,176
Total expenditures	<u>953,685</u>	<u>712,370</u>	<u>109,121</u>	<u>1,775,176</u>
Excess (deficiency) of revenues over expenditures	<u>(950,825)</u>	<u>(704,617)</u>	1,006,556	<u>(648,886)</u>
Other financing sources (uses):				
Transfers in	828,000			828,000
Transfers out		(298,608)	(652,000)	(950,608)
Total other financing sources (uses)	<u>828,000</u>	<u>(298,608)</u>	<u>(652,000)</u>	<u>(122,608)</u>
Net change in fund balances	(122,825)	(1,003,225)	354,556	(771,494)
Fund balance at beginning of year	1,161,761	3,075,449	571,913	4,809,123
Fund balance at end of year	<u>\$ 1,038,936</u>	<u>\$ 2,072,225</u>	<u>\$ 926,468</u>	<u>\$ 4,037,629</u>

Combining Statement of Net Position Internal Service Funds June 30, 2013

	Employee Insurance	Fleet Management	Central Equipment	IT Services	Total
ASSETS					
Current assets:					
Cash and Cash Equivalents	\$ 1,449,180	\$ 332,759	\$ 1,067,535	\$ 288,288	\$ 3,137,762
Investments	68,640	15,761	50,563	13,655	148,619
Accounts receivable (net)		1,514			1,514
Due from other governmental units		33,813			33,813
Materials and supplies		250,105			250,105
Prepaid Items	6,000	3,964			9,964
Total current assets	<u>1,523,820</u>	<u>637,916</u>	<u>1,118,098</u>	<u>301,943</u>	<u>3,581,777</u>
Noncurrent assets:					
Capital assets:					
Machinery & equipment			694,821	326,257	1,021,078
Total capital assets	-	-	694,821	326,257	1,021,078
Less accumulated depreciation			(111,752)	(105,597)	(217,349)
Total capital assets (net)	-	-	583,069	220,660	803,729
Total noncurrent assets	-	-	583,069	220,660	803,729
TOTAL ASSETS	<u>1,523,820</u>	<u>637,916</u>	<u>1,701,167</u>	<u>522,603</u>	<u>4,385,506</u>
LIABILITIES					
Current liabilities:					
Accounts payable	50	44,252	5,079	32,101	81,482
Accrued wages payable		12,828			12,828
Total current liabilities	<u>50</u>	<u>57,080</u>	<u>5,079</u>	<u>32,101</u>	<u>94,311</u>
TOTAL LIABILITIES	<u>50</u>	<u>57,080</u>	<u>5,079</u>	<u>32,101</u>	<u>94,311</u>
NET POSITION					
Invested in capital assets, net of related debt			583,069	220,660	803,729
Unrestricted	1,523,770	580,836	1,113,018	269,842	3,487,467
TOTAL NET POSITION	<u>\$ 1,523,770</u>	<u>\$ 580,836</u>	<u>\$ 1,696,087</u>	<u>\$ 490,502</u>	<u>\$ 4,291,195</u>

Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds Year Ended June 30, 2013

	Employee Insurance	Fleet Management	Central Equipment	IT Services	Total
Operating revenues:					
Internal customers	\$ 1,823,955	\$ 1,400,647	\$ 120,700	\$ 473,597	\$ 3,818,899
External customers		367,071		2,250	369,321
Total operating revenues	<u>1,823,955</u>	<u>1,767,719</u>	<u>120,700</u>	<u>475,847</u>	<u>4,188,221</u>
Operating expenses:					
Operations and maintenance	1,798,449	1,767,853	-	\$ 284,339	3,850,641
Depreciation			59,704	45,822	105,526
Total operating expenses	<u>1,798,449</u>	<u>1,767,853</u>	<u>59,704</u>	<u>330,161</u>	<u>3,956,167</u>
Operating income (loss)	<u>25,506</u>	<u>(134)</u>	<u>60,996</u>	<u>145,686</u>	<u>232,054</u>
Nonoperating revenues (expenses)					
Interest revenue	3,748	-	1,449	2,383	7,579
Proceeds from the disposition of capital assets			26,500		26,500
Total nonoperating revenues (expenses)	<u>3,748</u>	<u>-</u>	<u>27,949</u>	<u>2,383</u>	<u>34,079</u>
Income (loss) before transfers	29,253	(134)	88,945	148,069	266,133
Transfers in	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Change in net assets	29,253	149,866	88,945	148,069	416,133
Net position at beginning of year	1,494,517	430,971	1,607,143	342,432	3,875,062
Fund position at end of year	<u>\$ 1,523,770</u>	<u>\$ 580,836</u>	<u>\$ 1,696,087</u>	<u>\$ 490,501</u>	<u>\$ 4,291,195</u>

Combining Statement of Cash Flows Internal Service Funds Year Ended June 30, 2013

	<u>Employee Insurance</u>	<u>Fleet Management</u>	<u>Central Equipment</u>	<u>IT Services</u>	<u>Total</u>
Cash flow from operating activities:					
Cash received from internal customers	\$ 1,823,955	\$ 1,416,732	\$ 120,700	\$ 473,597	\$ 3,834,984
Cash received from external customers		360,604		2,250	362,854
Cash paid to suppliers for goods and services	(1,812,931)	(1,391,926)	0	(454,574)	(3,659,431)
Cash paid to employees		(382,322)			(382,322)
Net cash provided by operating activities	<u>11,024</u>	<u>3,088</u>	<u>120,700</u>	<u>21,273</u>	<u>156,085</u>
Cash flow from noncapital financing activities:					
Transfers from other funds		150,000			150,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>150,000</u>
Cash flows from capital and related financing activities:					
Acquisition of capital assets			(347,779)	(34,345)	(382,124)
Proceeds from the sale of capital assets			26,500		26,500
Net cash (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(321,279)</u>	<u>(34,345)</u>	<u>(355,624)</u>
Cash flows from investing activities					
Interest on investments	4,913		2,306	2,614	9,832
Sale of investments	317,055	19,282	266,288	65,196	667,821
Purchase of investments	(152,615)	(35,043)	(112,423)	(30,360)	(330,441)
Net cash provided (used) by investing activities	<u>169,353</u>	<u>(15,761)</u>	<u>156,171</u>	<u>37,450</u>	<u>347,212</u>
Increase (decrease) in cash and cash equivalents	180,377	137,327	(44,408)	24,378	297,673
Cash and cash equivalents - July 1	1,268,803	195,432	1,111,943	263,910	2,840,088
Cash and cash equivalents - June 30	<u>\$ 1,449,180</u>	<u>\$ 332,759</u>	<u>\$ 1,067,535</u>	<u>\$ 288,288</u>	<u>\$ 3,137,761</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	\$ 25,506	\$ (134)	\$ 60,996	\$ 145,686	\$ 232,054
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation			59,704	45,822	105,526
Changes in assets and liabilities:					
Account receivable		27,346			27,346
Due from other governmental units		(33,813)			(33,813)
Materials and supplies		(9,213)			(9,213)
Increase in prepaid items	(6,000)	(3,964)			(9,964)
Accounts payable	(8,482)	21,311	0	(170,235)	(157,405)
Accrued wages payable	0	1,555			1,555
Net cash provided by operating activities	<u>\$ 11,024</u>	<u>\$ 3,088</u>	<u>\$ 120,700</u>	<u>\$ 21,273</u>	<u>\$ 156,085</u>
Noncash investing, capital, and financing activities:					
Increase (decrease) in fair value of investments	\$ (1,164)		\$ (857)	\$ (232)	(2,253)

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2013

	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual	2013 Original Budget	2013 Amended Budget	FY2013 Actual	Variance with Final Budget
Revenue and other sources - summary:								
Taxes	\$ 3,108,438	\$ 4,588,672	\$ 4,670,538	\$ 5,226,081	\$ 5,300,450	\$ 5,337,676	\$ 5,523,439	\$ 185,763
Licenses & Permits	990,406	662,976	613,889	717,295	604,000	615,018	724,419	109,401
Intergovernmental Revenue	7,499,373	6,766,204	6,736,498	6,645,414	6,777,976	6,864,417	6,932,127	67,710
Charges for Services	22,405	332,325	320,342	523,665	519,500	523,500	521,239	(2,261)
Fines & Forfeitures	299,613	183,530	187,181	167,281	185,000	185,000	203,007	18,007
Miscellaneous Revenue	130,781	243,135	194,050	104,195	106,200	114,200	48,434	(65,766)
Other Financing Sources	-	-	37,940	-	-	-	-	-
Interfund Transfers	564,008	588,705	741,396	737,979	762,334	762,334	753,326	(9,008)
Total Revenues & Other Sources	12,615,024	13,365,546	13,501,834	14,121,910	14,255,460	14,402,145	14,705,990	303,845
Revenue and other sources - detail:								
Taxes								
Local option sales tax	2,620,688	4,112,968	4,201,202	4,217,346	4,335,650	4,372,876	4,465,982	93,106
Lodging tax	-	-	584	503,878	480,000	480,000	551,335	71,335
Franchise taxes								
Franchise tax - electric	106,886	113,427	113,732	117,584	120,000	120,000	113,371	(6,629)
Franchise tax - gas	114,776	97,127	93,977	107,355	100,000	100,000	95,433	(4,567)
Franchise tax - cable	127,895	124,200	121,464	128,188	125,000	125,000	135,210	10,210
Franchise tax - trash	107,164	114,775	106,877	126,819	108,000	108,000	139,208	31,208
Franchise tax - phone	29,383	24,381	30,749	23,043	30,000	30,000	21,408	(8,592)
Franchise tax - recycling	1,645	1,793	1,953	1,867	1,800	1,800	1,491	(309)
Licenses & Permits								
Business licenses	280,165	290,534	304,468	305,389	305,000	305,000	307,940	2,940
Transportation license	-	3,100	340	280	-	-	2,720	2,720
Vehicle license permit	-	2,287	1,620	1,560	-	-	1,560	1,560
Operator license permit	-	3,760	7,400	5,860	-	-	5,280	5,280
Liquor licenses	103,045	113,147	116,797	127,435	110,000	110,000	118,610	8,610
contractor licenses	10,930	6,325	11,885	8,400	5,000	5,000	7,320	2,320
COQ license renewal	7,700	7,851	5,804	6,600	4,000	4,000	5,625	1,625
Building permits	300,419	127,457	81,997	127,353	85,000	85,000	141,161	56,161
Sign permits	2,625	5,950	5,800	4,250	2,000	2,000	3,450	1,450
Mechanical permits	4,092	2,113	1,929	4,004	1,000	1,000	4,001	3,001
Plumbing permits	10,922	6,310	4,462	15,817	4,000	4,000	11,916	7,916
Excavation permits	-	200	-	100	-	-	-	-
Electrical permits	7,597	56	-	-	-	-	-	-
Development permits/fees	40,329	34,022	18,700	37,450	28,000	28,000	38,750	10,750
Variance permits	400	-	-	-	-	-	100	100
Final plat	-	2,500	-	-	-	-	3,700	3,700
Grading/erosion permits	19,300	2,400	700	700	1,000	1,000	100	(900)

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2013 (continued)

	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual	2013 Original Budget	2013 Amended Budget	FY2013 Actual	Variance with Final Budget
Demo permits	1,400	500	300	1,000	-	-	900	900
Animal licenses	807	664	637	510	3,000	3,000	469	(2,531)
Encroachment fees	160,675	6,800	1,050	9,950	6,000	6,000	9,800	3,800
Rodeo contract fees	40,000	47,000	50,000	60,638	50,000	61,018	61,018	0
Intergovernmental Revenue								
Bullet proof vest grant	-	-	3,375	-	-	-	2,550	2,550
Homeland Security 2011	-	-	-	-	-	-	23,064	23,064
Homeland Security Grant	-	-	-	19,528	-	25,031	-	(25,031)
Homeland Security 2010	-	-	-	4,674	-	11,168	16,432	5,264
State grant - tobacco compliance	11,965	16,076	17,741	21,152	11,000	11,000	7,825	(3,175)
State grant - alcohol compliance	6,832	7,308	4,375	5,865	-	4,180	5,950	1,770
State grants - police	2,171	20,767	22,950	16,575	3,825	4,700	18,541	13,841
Other state grants	-	-	-	-	44,492	44,492	-	(44,492)
COPS Hiring Grant	19,670	18,880	112,583	60,278	-	-	-	-
4% state sales tax	5,306,569	4,655,936	4,764,482	4,775,538	4,908,016	4,950,154	5,012,548	62,394
4% state use tax	478,802	335,791	325,126	325,209	353,971	357,020	402,583	45,563
Dept of Energy-Climate Solut	-	20,000	30,000	-	-	-	-	-
Dept of Justice-Grants	-	-	-	18,199	-	-	-	-
Dept of Justice-Police Grants	-	50,000	1	11,568	-	-	-	-
State Grant-Tobacco Compliance	-	1,615	5,815	3,060	30,200	30,200	2,550	(27,650)
Gasoline tax	262,801	235,729	274,589	266,715	255,000	255,000	288,633	33,633
cigarette tax	54,897	46,477	44,005	41,678	44,300	44,300	42,856	(1,444)
Severance tax	363,546	376,081	361,547	351,448	356,687	356,687	356,523	(164)
Federal mineral royalties	471,833	468,269	471,689	482,070	489,911	489,911	489,991	80
County reimbursement	199,317	190,721	164,964	116,129	145,538	145,538	141,331	(4,207)
County - split on joint departments	193,224	191,864	-	-	-	-	-	-
Victim witness grant	127,748	130,692	133,257	125,730	135,036	135,036	120,751	(14,285)
Charges for Services								
Special police services - airport	-	260,625	250,200	450,000	450,000	450,000	450,000	-
Special police services - SRO	-	45,000	45,000	45,000	45,000	45,000	45,000	-
Special police services - other	-	7,933	8,156	849	2,500	6,500	7,844	1,344
Alarm bond income	650	2,150	925	1,925	4,000	4,000	(100)	(4,100)
Public Safety Education	-	3,820	100	6,629	5,000	5,000	390	(4,610)
VIN inspections	5,283	4,708	4,880	4,378	4,500	4,500	4,305	(195)
Plan review fees	9,500	5,600	7,750	13,276	6,000	6,000	12,375	6,375
Cemetery fees	6,972	2,490	3,331	1,608	2,500	2,500	1,425	(1,075)
Fines & Forfeitures								
Enforcement fines & fees								
Parking tickets	171,254	80,993	104,701	85,668	100,000	100,000	102,029	2,029
Summons & complaints	107,103	74,013	61,149	65,436	65,000	65,000	85,290	20,290
Restitutions	810	3,866	20	(511)	-	-	(1,170)	(1,170)
Alarm Bond Forfeitures	850	-	825	-	-	-	1,525	1,525
Miscellaneous Revenue								
Investment earnings	93,940	94,804	65,902	30,359	50,000	50,000	13,191	(36,809)

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)
General Fund
Year Ended June 30, 2013 (continued)

	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual	2013 Original Budget	2013 Amended Budget	FY2013 Actual	Variance with Final Budget
Animal shelter equipment rentals	5,588	-	-	-	-	-	-	-
DUI Impact Panel	16,795	5,910	5,495	5,620	-	-	4,970	4,970
Parking garage rental	-	81,182	45,591	20,000	20,000	20,000	20,000	-
Miscellaneous Reimbursement	-	21,795	-	-	-	-	-	-
Traffic school reimbursement	-	2,974	1,540	-	-	-	-	-
Snow King Lease	-	-	36,000	36,700	1,200	1,200	1,000	(200)
Contributions & donations	1,600	1,863	-	-	5,000	5,000	-	(5,000)
CDBG Grant Money-Pass Through	-	-	5,625	-	-	-	-	-
Miscellaneous revenue	12,111	34,844	33,576	11,522	30,000	38,000	8,934	(29,066)
Cash over/(short)	747	(237)	322	(7)	-	-	339	339
Other Financing Sources								
Sale of fixed assets	-	-	37,940	-	-	-	-	-
Interfund Transfers								
Indirect cost allocations - utilities	539,042	520,364	634,930	697,240	715,440	715,440	707,232	(8,208)
Indirect cost allocations - Start bus	24,966	20,641	19,950	23,776	25,894	25,894	25,777	(117)
SRF - Animal Care	-	47,700	16,516	16,963	21,000	21,000	20,317	-
Employee Housing	-	-	70,000	-	-	-	-	-
Total revenues and other sources	<u>12,595,428</u>	<u>13,340,888</u>	<u>13,481,347</u>	<u>14,105,222</u>	<u>14,235,460</u>	<u>14,382,145</u>	<u>14,690,657</u>	<u>309,195</u>
Expenditures and other uses - summary:								
General government	2,684,171	2,617,875	2,388,456	2,573,113	2,616,602	2,828,802	2,715,808	(112,994)
Public safety	5,100,471	5,120,738	4,998,602	4,981,657	4,964,037	5,122,702	4,843,305	(279,397)
Public works	1,532,406	1,620,754	1,467,555	1,598,554	1,800,151	1,875,491	1,718,444	(157,047)
Health & welfare	587,161	530,687	486,339	499,922	472,422	472,422	472,422	-
Community development	354,438	305,844	274,625	213,270	185,800	213,368	204,472	(8,896)
Recreation and culture	1,388,096	1,261,018	1,137,989	987,292	1,068,788	1,068,788	1,050,957	(17,831)
General unallocated	155,274	95,539	82,601	99,772	99,840	99,840	70,301	(29,539)
Transfers out and other uses	585,075	1,612,716	2,069,042	2,545,428	2,808,019	2,816,987	2,816,987	(0)
Total expenditures and other uses	<u>12,387,093</u>	<u>13,165,170</u>	<u>12,905,209</u>	<u>13,499,008</u>	<u>14,015,659</u>	<u>14,498,400</u>	<u>13,892,696</u>	<u>(605,704)</u>
Expenditures and other uses - divisions:								
General government								
Mayor & town council	232,505	238,703	241,690	266,774	281,298	288,798	283,414	(5,384)
Town attorney	194,152	266,368	250,280	292,298	290,541	396,059	385,831	(10,228)
Municipal judge	102,772	107,909	102,920	104,675	117,628	119,326	112,103	(7,223)
Administration	206,162	239,086	216,614	239,284	264,967	256,201	254,554	(1,647)
Personnel & town clerk	380,302	347,635	361,700	382,418	310,456	345,014	344,922	(92)
Finance	472,436	450,370	410,210	431,884	432,468	448,602	434,127	(14,475)
Information technology	474,700	322,761	219,839	248,640	281,306	288,506	262,401	(26,105)
Planning	471,912	483,195	452,075	473,169	463,523	511,881	484,287	(27,594)

continued...

Schedule of Revenues (Sources) and Expenditures (Uses)

General Fund

Year Ended June 30, 2013 (continued)

	FY2009 Actual	FY2010 Actual	FY2011 Actual	FY2012 Actual	2013 Original Budget	2013 Amended Budget	FY2013 Actual	Variance with Final Budget
Planning commission/board of adjust	588	112	1,042	-	-	-	-	-
Energy coordinator (county service)	30,270	35,405	19,699	-	-	-	-	-
Town hall building	118,371	126,331	112,388	133,969	174,415	174,415	154,169	(20,246)
Public safety								
Police								
Police - administration	338,264	355,266	345,141	355,481	369,637	374,888	361,182	(13,706)
Police - investigation	505,428	433,843	355,375	405,168	474,997	389,980	370,203	(19,777)
Police - patrol	1,775,612	1,877,739	1,884,549	1,964,727	1,965,664	2,180,050	2,106,928	(73,122)
Police - community service	336,195	281,768	279,251	289,283	305,989	314,456	305,927	(8,529)
Police - special operations	25,592	10,695	9,587	37,273	16,705	16,705	12,432	(4,273)
Fire/EMS (county service)	990,527	985,572	1,150,506	941,236	714,850	714,850	711,962	(2,888)
Dispatch (county service)	428,656	460,579	291,984	287,584	370,670	370,670	251,152	(119,518)
Victim services	184,123	213,613	201,290	203,278	221,112	223,285	208,014	(15,271)
Animal shelter/control	208,763	194,038	174,900	183,215	202,419	210,925	199,465	(11,460)
Building inspections	307,311	307,626	306,018	314,412	321,994	326,893	316,039	(10,854)
Public works								
Administration	-	106,083	105,420	117,530	113,543	114,359	111,654	-
Streets	881,651	1,048,690	970,647	1,046,871	1,161,911	1,167,296	1,080,768	(86,528)
Town engineer	437,032	420,653	336,530	358,740	375,325	378,870	344,439	(34,431)
Public works yard operations	106,446	106,347	111,089	134,748	152,501	169,601	148,581	(21,020)
Parking garage operations	45,157	32,326	31,674	34,613	57,210	61,520	58,242	(3,278)
Public restrooms	17,120	12,738	17,614	23,582	53,204	98,204	86,414	(11,790)
Recycling center & HHWCF	45,000	-	-	-	-	-	-	-
Health and welfare								
Social services	587,161	530,687	486,339	499,922	472,422	472,422	472,422	-
Community development								
Community promotion	354,438	305,844	274,625	213,270	185,800	213,368	204,472	(8,896)
Recreation and culture								
Parks & recreation (county service)	1,206,594	1,076,994	958,793	925,913	991,703	991,703	991,703	-
Pathways operations	122,044	120,358	114,361	47,643	63,266	63,266	47,533	(15,733)
Memorial park (cemetery)	19,458	20,666	14,836	13,737	13,819	13,819	11,721	(2,098)
Rodeo/Fair Board	40,000	43,000	50,000	-	-	-	-	-
Sports and Events Center	-	-	-	1,060	33,503	33,503	10,879	(22,624)
General unallocated								
Town-wide services	85,109	72,631	59,519	69,267	99,840	99,840	70,301	(29,539)
Insurances	70,165	22,907	23,082	30,505	-	-	-	-
Transfers out and other uses								
Transfers out	585,075	1,612,716	2,069,042	2,545,428	2,808,019	2,816,987	2,816,987	(0)
Total expenditures & other uses	<u>\$ 12,387,093</u>	<u>\$ 13,271,253</u>	<u>\$ 13,010,629</u>	<u>\$ 13,617,599</u>	<u>\$ 14,162,705</u>	<u>\$ 14,646,262</u>	<u>\$ 14,015,229</u>	<u>\$ (628,329)</u>
Revenue over/(under) expenditures	<u>\$ 227,931</u>	<u>\$ 94,293</u>	<u>\$ 491,204</u>	<u>\$ 504,311</u>	<u>\$ 92,755</u>	<u>\$ (244,117)</u>	<u>\$ 690,762</u>	<u>934,879</u>



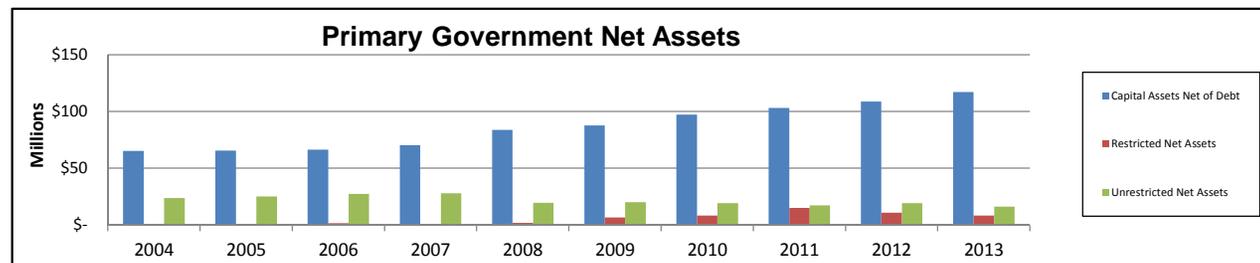
(This page left blank intentionally)



Net Position by Component Last Ten Fiscal Years

(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Invested in capital assets, net of related debt	\$ 38,273,356	\$ 38,801,623	\$ 39,850,369	\$ 43,876,416	\$ 56,621,493	\$ 59,591,928	\$ 68,564,888	\$ 71,416,975	\$ 75,155,230	\$ 83,401,853
Restricted	305,410	979,856	1,627,405	1,048,307	1,827,361	6,494,722	8,234,179	14,968,402	10,904,378	8,238,644
Unrestricted	13,913,942	14,660,262	15,685,472	16,032,378	8,701,716	10,096,293	10,360,174	9,654,537	11,816,446	9,603,764
Total governmental net position	\$ 52,492,708	\$ 54,441,741	\$ 57,163,246	\$ 60,957,101	\$ 67,150,570	\$ 76,182,943	\$ 87,159,241	\$ 96,039,914	\$ 97,876,054	\$ 101,244,262
Business-type activities										
Invested in capital assets, net of related debt	\$ 26,894,838	\$ 26,874,345	\$ 26,597,738	\$ 26,501,605	\$ 27,316,665	\$ 28,081,609	\$ 28,691,920	\$ 31,698,375	\$ 33,619,804	\$ 33,851,698
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	9,955,359	10,616,756	11,689,953	11,803,246	10,901,750	9,946,124	8,756,112	7,557,834	7,291,106	6,649,722
Total business-type net position	\$ 36,850,197	\$ 37,491,101	\$ 38,287,691	\$ 38,304,851	\$ 38,218,415	\$ 38,027,733	\$ 37,448,032	\$ 39,256,209	\$ 40,910,910	\$ 40,501,420
Primary government										
Invested in capital assets, net of related debt	\$ 65,168,194	\$ 65,675,968	\$ 66,448,107	\$ 70,378,021	\$ 83,938,158	\$ 87,673,537	\$ 97,256,808	\$ 103,115,350	\$ 108,775,034	\$ 117,253,551
Restricted	305,410	979,856	1,627,405	1,048,307	1,827,361	6,494,722	8,234,179	14,968,402	10,904,378	8,238,644
Unrestricted	23,869,301	25,277,018	27,375,425	27,835,624	19,603,466	20,042,417	19,116,286	17,212,371	19,107,552	16,253,486
Total primary government net position	\$ 89,342,905	\$ 91,932,842	\$ 95,450,937	\$ 99,261,952	\$ 105,368,985	\$ 114,210,676	\$ 124,607,273	\$ 135,296,123	\$ 138,786,964	\$ 141,745,681



Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	\$ 3,093,907	\$ 3,440,105	\$ 3,148,272	\$ 3,160,824	\$ 3,203,993	\$ 3,003,909	\$ 2,920,512	\$ 2,664,684	\$ 3,342,700	\$ 3,237,088
Public safety	3,574,060	3,830,914	4,345,111	5,556,415	5,510,599	5,268,728	5,174,757	5,123,051	5,222,958	4,890,810
Public works	3,416,536	3,204,796	3,218,403	3,167,186	4,399,793	4,142,743	3,996,195	4,377,783	4,966,166	4,394,828
Transit	1,615,091	1,753,644	2,123,532	2,618,091	3,102,306	3,167,104	3,142,687	3,100,877	3,618,916	3,877,107
Health and welfare	365,160	407,851	465,926	1,548,727	596,007	594,989	535,072	490,038	504,468	475,407
Community development	407,820	471,795	472,935	563,644	618,939	434,698	376,726	337,094	226,279	205,764
Recreation and culture	1,333,739	1,402,333	1,503,689	1,746,321	2,001,727	1,723,113	1,583,738	1,452,482	1,388,666	1,267,408
Interest on long-term debt	96,412	85,677	87,356	84,465	81,371	76,838	72,170	50,896	-	-
Total governmental activities expenses	13,902,725	14,597,115	15,365,224	18,445,673	19,514,735	18,412,122	17,801,857	17,596,905	19,270,153	18,348,411
Business-type activities										
Water utility	1,380,862	1,315,052	1,387,884	1,486,522	1,226,527	1,253,732	1,271,880	1,232,130	1,279,050	1,378,788
Sewer utility	1,781,203	1,726,630	1,798,989	1,920,157	1,667,979	1,654,881	1,661,537	1,752,203	1,764,479	2,031,930
Total business-type activities expenses	3,162,065	3,041,682	3,186,873	3,406,679	2,894,506	2,908,613	2,933,417	2,984,333	3,043,529	3,410,718
Total primary government expenses	\$ 17,064,790	\$ 17,638,797	\$ 18,552,097	\$ 21,852,352	\$ 22,409,241	\$ 21,320,735	\$ 20,735,274	\$ 20,581,238	\$ 22,313,682	\$ 21,759,129
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 689,014	\$ 631,718	\$ 629,232	\$ 694,202	\$ 644,564	\$ 572,075	\$ 556,197	\$ 599,146	\$ 619,015	\$ 619,999
Public safety	287,391	360,398	446,813	269,459	555,174	816,569	671,320	603,916	851,165	895,469
Public works	64,569	-	-	-	17,050	-	81,381	45,591	20,100	20,000
Transit	288,083	353,811	475,422	462,620	676,350	701,317	597,600	671,092	682,083	722,277
Community development	72,730	18,378	128,563	73,093	180,237	116,912	80,579	20,749	50,486	11,861
Recreation and culture	202,882	239,723	215,108	242,426	376,469	231,863	294,716	224,836	131,632	73,568
Operating grants and contributions	1,601,051	1,478,244	1,667,488	3,273,890	2,072,332	2,042,877	1,944,070	2,084,233	2,276,769	2,518,672
Capital grants and contributions	965,474	1,143,712	1,691,873	2,536,860	2,170,728	3,257,105	5,365,169	3,358,088	2,376,944	1,635,739
Total governmental activities program revenues	4,171,194	4,225,984	5,254,499	7,552,550	6,692,904	7,738,718	9,591,032	7,607,651	7,008,194	6,497,585
Business-type activities:										
Charges for services:										
Water utility	1,231,322	1,215,638	1,211,759	1,223,758	1,165,971	1,255,643	1,195,369	1,242,499	1,590,161	1,858,454
Sewage utility	1,727,576	1,190,094	1,076,951	1,125,438	1,139,658	1,199,646	1,102,032	1,128,407	1,386,759	1,662,079
Operating grants and contributions	-	-	-	-	-	-	29,700	-	-	-
Capital grants and contributions	71,552	1,026,999	1,071,392	510,578	516,335	520,387	313,874	2,914,818	2,360,946	397,981
Total business-type activities program revenues	3,030,450	3,432,731	3,360,102	2,859,774	2,821,964	2,975,676	2,640,975	5,285,724	5,337,866	3,918,514
Total primary government program revenues	\$ 7,201,644	\$ 7,658,715	\$ 8,614,601	\$ 10,412,324	\$ 9,514,868	\$ 10,714,394	\$ 12,232,007	\$ 12,893,375	\$ 12,346,060	\$ 10,416,100

(continued)

Changes in Net Position Last Ten Fiscal Years

(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Net (expense)/revenue										
Governmental activities	\$ (9,731,531)	\$(10,371,131)	\$(10,110,725)	\$(10,893,123)	\$(12,821,831)	\$(10,673,404)	\$ (8,210,825)	\$ (9,989,254)	\$(12,261,959)	\$(11,850,826)
Business-type activities	(131,615)	391,049	173,229	(546,905)	(72,542)	67,063	(292,442)	2,301,391	2,294,337	507,797
Total primary government net expense	<u>\$ (9,863,146)</u>	<u>\$(9,980,082)</u>	<u>\$(9,937,496)</u>	<u>\$(11,440,028)</u>	<u>\$(12,894,373)</u>	<u>\$(10,606,341)</u>	<u>\$ (8,503,267)</u>	<u>\$ (7,687,863)</u>	<u>\$(9,967,622)</u>	<u>\$(11,343,029)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Local option sales taxes	\$ 3,866,923	\$ 4,074,087	\$ 4,447,724	\$ 4,673,695	\$ 4,921,587	\$ 4,776,445	\$ 4,112,968	\$ 4,201,202	\$ 4,217,347	\$ 4,465,982
Specific purpose excise taxes	657,359	629,395	911,755	660,694	1,843,785	4,674,158	5,642,600	5,698,739	828,968	1,114,472
Lodging Tax								584	503,878	551,335
Franchise taxes	394,942	387,482	410,338	456,751	449,906	487,749	475,703	468,752	504,856	506,121
Unrestricted grants and contributions	5,314,514	6,625,049	6,788,694	7,788,470	9,372,899	8,735,877	7,829,117	7,042,430	7,071,170	7,277,888
Investment earnings	366,653	341,417	449,338	900,124	659,512	434,807	547,243	407,435	175,402	58,502
Other	182,068	259,863	97,823	137,308	135,648	60,431	67,455	391,295	102,932	265,463
Gain on sale of capital assets					1,090,309			29,819	-	
Transfers	72,102	2,869	(273,442)	69,936	541,655	536,310	512,037	629,671	693,546	979,264
Total governmental activities	<u>10,854,561</u>	<u>12,320,162</u>	<u>12,832,230</u>	<u>14,686,978</u>	<u>19,015,301</u>	<u>19,705,777</u>	<u>19,187,123</u>	<u>18,869,927</u>	<u>14,098,099</u>	<u>15,219,028</u>
Business-type activities										
Investment earnings	292,031	252,725	349,917	634,002	527,761	278,565	224,778	136,457	53,910	16,978
Proceeds from disp of capital assets										45,000
Extraordinary gain-debt extinguishme	638,487									
Transfers	(72,102)	(2,869)	273,442	(69,936)	(541,655)	(536,310)	(512,037)	(629,671)	(693,546)	(979,264)
Total business-type activities	<u>858,416</u>	<u>249,856</u>	<u>623,359</u>	<u>564,066</u>	<u>(13,894)</u>	<u>(257,745)</u>	<u>(287,259)</u>	<u>564,066</u>	<u>(493,214)</u>	<u>(917,286)</u>
Total primary government	<u>\$ 11,712,977</u>	<u>\$ 12,570,018</u>	<u>\$ 13,455,589</u>	<u>\$ 15,251,044</u>	<u>\$ 19,001,407</u>	<u>\$ 19,448,032</u>	<u>\$ 18,899,864</u>	<u>\$ 18,376,713</u>	<u>\$ 13,458,463</u>	<u>\$ 14,301,743</u>
Changes in Net Position										
Governmental activities	\$ 1,123,030	\$ 1,949,031	\$ 2,721,505	\$ 3,793,855	\$ 6,193,470	\$ 9,032,373	\$ 10,976,298	\$ 8,880,673	\$ 1,836,140	\$ 3,368,203
Business-type activities	726,801	640,905	796,588	17,161	(86,436)	(190,682)	(579,701)	1,808,177	1,654,701	(409,489)
Total primary government	<u>\$ 1,849,831</u>	<u>\$ 2,589,936</u>	<u>\$ 3,518,093</u>	<u>\$ 3,811,016</u>	<u>\$ 6,107,034</u>	<u>\$ 8,841,691</u>	<u>\$ 10,396,597</u>	<u>\$ 10,688,850</u>	<u>\$ 3,490,841</u>	<u>\$ 2,958,714</u>

Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Nonspendable	\$ -	\$ 61,962	\$ 65,437	\$ 78,709	\$ 7,691	\$ 86,154	\$ 75,093	\$ 73,293	\$ 69,328	\$ 116,039
Restricted	-	-	-	-	8,356	10,366	10,383	23,303	20,643	19,044
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	3,436,883	3,388,540	3,892,853	4,646,555	2,970,292	3,109,394	3,214,732	3,694,815	4,205,751	4,851,401
Total general fund	<u>\$ 3,436,883</u>	<u>\$ 3,450,502</u>	<u>\$ 3,958,290</u>	<u>\$ 4,725,264</u>	<u>\$ 2,986,339</u>	<u>\$ 3,205,914</u>	<u>\$ 3,300,208</u>	<u>\$ 3,791,411</u>	<u>\$ 4,295,722</u>	<u>\$ 4,986,485</u>
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	1,293,114	1,785,940	1,782,147	1,826,600	2,037,561	6,484,356	9,893,479	14,945,099	10,883,735	5,178,156
Committed	-	-	-	-	575,000	575,000	575,000	675,000	325,000	325,000
Assigned	8,425,797	9,425,292	11,593,399	10,548,992	3,881,887	2,908,612	1,984,491	1,790,680	3,982,793	4,002,707
Unassigned	-	-	-	-	(436,937)	-	(551,161)	(39,549)	-	-
Total all other governmental funds	<u>\$ 9,718,911</u>	<u>\$ 11,211,232</u>	<u>\$ 13,375,546</u>	<u>\$ 12,375,592</u>	<u>\$ 6,057,511</u>	<u>\$ 9,967,968</u>	<u>\$ 11,901,809</u>	<u>\$ 17,371,230</u>	<u>\$ 15,191,528</u>	<u>\$ 9,505,863</u>

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
General Taxes	\$ 4,919,225	\$ 5,090,964	\$ 5,769,817	\$ 5,791,140	\$ 7,215,278	\$ 9,938,352	\$ 10,231,271	\$ 10,369,277	\$ 6,055,049	\$ 6,637,911
Special Assessments										
Licenses and permits	769,785	804,070	943,777	760,883	1,315,047	1,135,525	835,156	650,406	800,467	746,405
Intergovernmental	8,106,313	8,664,130	9,811,232	11,687,943	13,182,488	13,316,969	12,671,205	12,236,185	11,638,830	11,408,375
Charges for services	568,325	528,242	652,343	702,135	701,142	723,722	929,925	991,434	1,205,748	1,243,516
Fines and forfeitures	229,735	141,240	137,745	200,012	208,049	299,613	183,530	187,181	167,281	203,007
Investment earnings	366,653	341,417	449,338	900,124	612,140	387,748	451,621	349,196	152,210	50,923
Contributions and donations										1,907
Other revenues	373,565	438,727	279,253	1,420,290	733,365	529,139	617,788	976,170	369,970	355,361
Total revenues	<u>15,333,601</u>	<u>16,008,790</u>	<u>18,043,505</u>	<u>21,462,527</u>	<u>23,967,509</u>	<u>26,331,068</u>	<u>25,920,496</u>	<u>25,759,849</u>	<u>20,389,555</u>	<u>20,647,406</u>
Expenditures										
General government	2,330,067	2,348,223	2,499,098	2,851,978	2,970,429	2,784,424	2,783,949	2,482,128	2,709,676	2,826,849
Public Safety	3,402,969	3,784,014	4,256,556	4,920,524	5,314,651	5,143,462	5,155,231	5,022,523	5,001,835	4,866,278
Public Works	1,503,685	1,474,155	1,334,889	1,472,076	1,592,788	1,532,404	1,726,836	1,572,974	1,716,085	1,830,098
Transit	1,431,060	1,513,704	1,841,298	2,247,790	2,662,753	2,638,341	2,425,175	2,374,293	2,692,903	3,030,263
Health and welfare	407,820	471,795	472,935	367,501	583,890	587,161	530,687	486,339	499,922	472,422
Community development	365,160	407,851	465,926	448,225	607,169	429,439	373,844	334,625	224,330	204,472
Culture and recreation	976,385	1,044,979	1,146,335	2,301,898	1,448,723	1,348,097	1,218,018	1,087,989	987,292	1,061,836
Other	364,056	359,814	357,883	353,817	256,097	155,274	95,539	82,601	99,772	70,301
Capital outlay	5,596,050	3,924,042	5,023,486	7,567,950	15,613,322	6,098,430	10,251,674	5,820,069	9,126,677	12,164,918
Debt service										
Principal	105,000	60,000	60,000	65,000	70,000	70,000	80,000	935,000	-	-
Interest	93,969	90,503	88,013	85,253	81,818	77,888	73,445	68,295	-	-
Other charges										
Total all other governmental funds	<u>16,576,221</u>	<u>15,479,080</u>	<u>17,546,419</u>	<u>22,682,012</u>	<u>31,201,640</u>	<u>20,864,920</u>	<u>24,714,398</u>	<u>20,266,836</u>	<u>23,058,492</u>	<u>26,527,438</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,242,620)</u>	<u>529,710</u>	<u>497,086</u>	<u>(1,219,485)</u>	<u>(7,234,131)</u>	<u>5,466,148</u>	<u>1,206,098</u>	<u>5,493,013</u>	<u>(2,668,937)</u>	<u>(5,880,032)</u>
Other financing sources (uses)										
Transfers in	3,671,176	3,853,468	5,650,062	9,842,982	6,715,599	3,871,745	7,176,421	3,906,470	5,321,124	5,005,952
Transfers out	(3,190,202)	(3,392,683)	(5,419,482)	(9,245,643)	(7,546,830)	(5,226,969)	(6,354,384)	(3,476,799)	(4,827,578)	(4,176,688)
Sale of capital assets	509,295	515,445	1,679,052	4,050	-	27,464	-	37,940	-	55,865
Total other financing sources (uses)	<u>990,269</u>	<u>976,230</u>	<u>1,909,632</u>	<u>601,389</u>	<u>(831,231)</u>	<u>(1,327,760)</u>	<u>822,037</u>	<u>467,611</u>	<u>493,546</u>	<u>885,129</u>
Net change in fund balances	<u>\$ (252,351)</u>	<u>\$ 1,505,940</u>	<u>\$ 2,406,718</u>	<u>\$ (618,096)</u>	<u>\$ (8,065,362)</u>	<u>\$ 4,138,388</u>	<u>\$ 2,028,135</u>	<u>\$ 5,960,624</u>	<u>\$ (2,175,391)</u>	<u>\$ (4,994,903)</u>
Debt service as % of noncapital expenditures	1.8%	1.3%	1.2%	1.0%	1.0%	1.0%	1.1%	6.9%	0.0%	0.0%

Tax Revenues by Source Last Ten Fiscal Years

(modified accrual basis of accounting)

Year	1% Local Sales and Use Tax (1)	Franchise Tax (2)	Specific Purpose Excise Tax (3)	Lodging Tax (4)	Property Tax (5)	Total	Unrealized Property Tax Revenue (6)
2004	\$ 3,866,923	\$ 394,492	\$ 657,358	\$ -	\$ -	\$ 4,918,773	\$ 1,251,822
2005	4,074,087	387,482	629,395	-	-	5,090,964	1,371,743
2006	4,447,724	410,338	911,755	-	-	5,769,817	1,527,322
2007	4,673,695	456,751	660,694	-	-	5,791,140	1,705,159
2008	4,921,587	449,906	1,843,785	-	-	7,215,278	2,228,102
2009	4,776,445	487,749	4,674,158	-	-	9,938,352	2,325,856
2010	4,112,968	475,703	5,642,600	-	-	10,231,271	2,004,180
2011	4,201,202	468,752	5,335,203	584	-	10,005,741	1,877,111
2012	4,217,347	504,856	828,968	503,878	-	10,005,741	1,690,931
2013	4,465,982	506,121	1,114,472	551,335	-	6,637,911	1,632,971
Change 2004-2013	15.5%	28.3%	69.5%	---	---	35.0%	30.4%

- Notes:
- (1) The local option sales and use tax is divided between the General and Capital Projects funds.
 - (2) Franchise fees are 5% of gross revenues for gas, electric, cable, telephone, and trash collection.
 - (3) Specific Purpose Excise Taxes are restricted to specific voter approved projects.
 - (4) The lodging tax consists of 10% general use revenue and 30% visitor impact revenue.
 - (5) The town does not levy property taxes.
 - (6) The property tax revenue that could be raised by levying 8 mills on the town's assessed valuation.

Source: Administration and Finance

Unrestricted State Intergovernmental Revenues Last Ten Fiscal Years

(modified accrual basis of accounting)

Year	4% Sales & Use Tax (1)	Gasoline Tax (2)	Cigarette Tax (3)	Severance Tax (4)	Mineral Royalties	Backfill, Over-the-cap etc.	Total
2004	\$ 4,521,981	\$ 283,056	\$ 51,230	\$ 376,982	\$ 451,692	\$ -	\$ 5,684,941
2005	4,620,406	260,803	58,702	386,294	473,076	-	5,799,281
2006	5,404,858	272,783	59,752	403,516	479,422	-	6,620,331
2007	5,667,962	236,364	59,788	413,112	479,818	1,183,979	8,041,023
2008	5,971,715	268,263	58,465	393,865	480,123	1,632,856	8,805,287
2009	5,785,371	262,801	54,897	363,545	471,832	1,397,433	8,335,879
2010	4,991,727	235,729	46,477	376,081	468,269	1,328,249	7,446,532
2011	5,089,608	274,589	44,005	361,547	471,689	636,028	6,877,466
2012	5,100,747	266,715	41,678	351,448	482,070	712,383	6,955,041
2013	5,415,131	288,633	42,856	356,523	489,991	543,424	7,136,557
Change 2004-2013	19.8%	2.0%	-16.3%	-5.4%	8.5%	---	25.5%

- Notes: (1) As of June 30, 2004, the 4% state sales and use tax is distributed 69% to the state and 31% to cities, towns and counties proportionately to population.
(2) The gasoline tax is distributed 57.5 to the state, 13.5% and 14% to counties, and 15% to cities and towns. City and town distributions are based 75% on proportionate sales in cities and towns and 25% on proportionate populations for the same.
(3) The cigarette tax is distributed 33 1/3% to incorporated cities, towns, and counties proportionately to sales derived in each. The remaining 66 2/3% is distributed 38 1/4% to the state's general fund and the remaining 61 3/4% is distributed in the preceding manner.
(4) The severance tax distribution to cities and towns is 9.25% of the total in the state severance tax distribution tax account (up to \$155,000,000) in proportion to population.

Source: Administration and Finance

Direct and Overlapping Governmental Activities Debt As of June 30, 2013

(Unaudited)

Teton County assessed valuation	1,102,294,171
Town of Jackson assessed valuation	204,121,341
Town of Jackson percent of total	18.5%

	Total Debt 6/30/2013 (1)	Percent Applicable	Town's Share of Debt 6/30/2013 (2)
<u>Direct and overlapping debt governmental activity debt</u>			
Teton County	\$ 5,622,228	18.5%	\$ 1,041,117
Town of Jackson	-	100.0%	-
St. John's Hospital	-	18.5%	-
Total direct and overlapping governmental activities debt	<u>\$ 5,622,228</u>		<u>\$ 1,041,117</u>

Ratio to assessed valuations

Direct debt	0.00%
Total direct and overlapping debt	0.51%

Notes: (1) Excludes enterprise revenue debt, specific purpose excise tax supported debt and capital lease obligations.

(2) Overlapping governments are those that coincide, at least in part, with geographic boundaries of the town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the town. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire burden borne by residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, therefore responsible for repaying the debt, of each overlapping government.

Source: Administration and Finance

Teton County

Teton County School District

St. John's Hospital

<https://sites.google.com/a/wyo.gov/wy-dor/dor-annual-reports>

Schedule of Revenue Bond Coverage

Water Fund

(Unaudited)

Water Fund

Year	Gross Revenues (1)	Operating Expenses(2)	Net Revenue Available for Debt Service	Debt Service Requirements(3)			Coverage
				Principal	Interest	Total	
2004	\$ 1,370,173	\$ 984,842	\$ 385,331	\$ 23,737	\$ 34,830	\$ 58,567	7
2005	1,331,884	921,562	410,322	24,848	33,719	58,567	7
2006	1,437,891	987,579	450,312	26,012	32,555	58,567	8
2007	1,508,357	1,367,030	141,327	27,236	31,331	58,567	2
2008	1,399,798	1,112,365	287,433	28,523	30,044	58,567	5
2009	1,384,494	1,134,890	249,604	22,902	18,343	41,245	6
2010	1,306,456	1,126,120	180,336	23,818	17,427	41,245	4
2011	1,316,855	1,101,379	215,476	24,771	16,474	41,245	5
2012	1,616,785	1,204,220	412,565	25,762	15,484	41,246	10
2013	1,866,674	1,371,251	495,423	47,440	59,422	106,862	5

Notes: (1) Total revenues including interest.

(2) Total operating expenses excluding depreciation.

(3) Excludes note payable for water storage facilities, which at fiscal year end had not been fully drawn against.

Source: Administration and Finance

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

(modified accrual basis of accounting)

Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
	General Obligation Bonds	Revenue Bonds	Notes Payable (1)	Sewage Notes	Water Notes	Capital Leases			
2004	\$ -	\$ 1,340,000	\$ -	\$ -	\$ 707,938	\$ -	\$ 2,047,938	0.12%	225
2005	-	1,280,000	-	-	683,091	-	1,963,091	0.10%	214
2006	-	1,220,000	-	-	657,079	-	1,877,079	0.10%	200
2007	-	1,155,000	-	-	629,843	-	1,784,843	0.08%	185
2008	-	1,085,000	-	-	458,576	-	1,543,576	0.06%	157
2009	-	1,015,000	-	-	435,674	-	1,450,674	0.05%	146
2010	-	935,000	-	-	411,856	-	1,346,856	0.05%	141
2011	-	-	-	-	419,974	-	419,974	0.02%	43
2012	-	500,000	-	-	1,476,423	-	1,976,423	0.09%	204
2013	-	500,000	-	-	1,471,930	-	1,971,930	n/a	200

Notes: (1) Wyoming Farm Loan Board Loan promissory note on the ice arena was refinanced with revenue bonds.
(2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

Source: Administration and Finance

Legal Debt Margin Information

Last Ten Fiscal Years

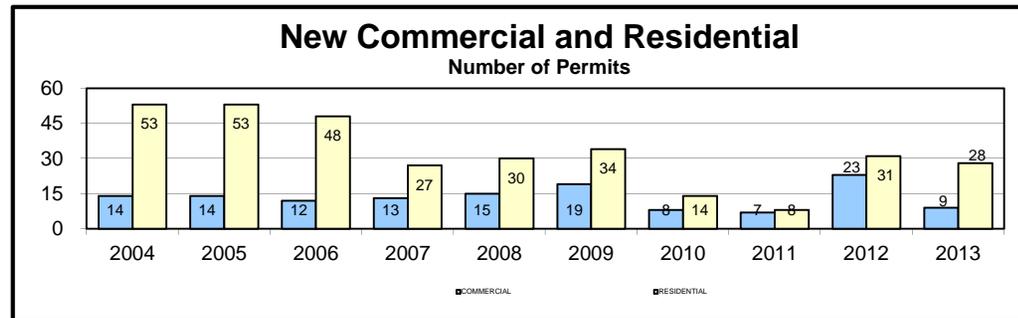
(Unaudited)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed market value	\$ 156,477,759	\$ 171,467,873	\$ 190,915,199	\$ 213,144,860	\$ 278,512,754	\$ 290,732,029	\$ 253,080,760	\$ 253,080,760	\$ 211,366,434	\$ 204,121,341
Total debt	\$ 2,047,938	\$ 1,963,091	\$ 1,877,079	\$ 1,784,843	\$ 1,543,576	\$ 1,450,674	\$ 1,346,856	\$ 1,346,856	\$ 1,476,423	\$ 1,471,931
Deductions:										
Debt -										
Notes payable - water fund	707,938	683,091	657,079	629,843	458,576	435,674	411,856	411,856	1,476,423	1,471,931
Revenue bonds	1,340,000	1,280,000	1,220,000	1,155,000	1,085,000	1,015,000	935,000	935,000		
Debt service funds:										
Cash, securities, and restricted cash						-	-	-	-	-
Less amount applicable to excluded bonds						-	-	-	-	-
Total net debt applicable to debt limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt limit is 4% of assessed value	\$ 6,259,110	\$ 6,858,715	\$ 7,636,608	\$ 8,525,794	\$ 11,140,510	\$ 11,629,281	\$ 10,123,230	\$ 10,123,230	\$ 8,454,657	\$ 8,164,854
Legal Debt Margin	\$ 6,259,110	\$ 6,858,715	\$ 7,636,608	\$ 8,525,794	\$ 11,140,510	\$ 11,629,281	\$ 10,123,230	\$ 10,123,230	\$ 8,454,657	\$ 8,164,854
Total net debt applicable to limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Construction and Bank Deposits Last Ten Years

(Unaudited)

Year	BUILDING PERMITS				Bank Deposits	
	New Commercial	New Residential	All Other	Total	Total	Percent of Change
2004	14	53	120	187	\$ 858,000,000	23.6%
2005	14	53	138	205	993,000,000	15.7%
2006	12	48	99	159	1,160,000,000	16.8%
2007	13	27	80	120	1,350,000,000	16.4%
2008	15	30	86	131	1,435,000,000	6.3%
2009	19	34	70	123	1,460,300,000	1.8%
2010	8	14	83	105	1,451,200,000	-0.6%
2011	7	8	80	95	1,395,508,000	-3.8%
2012	23	31	72	126	1,461,341,000	4.7%
2013	9	28	69	106	1,514,816,000	3.7%

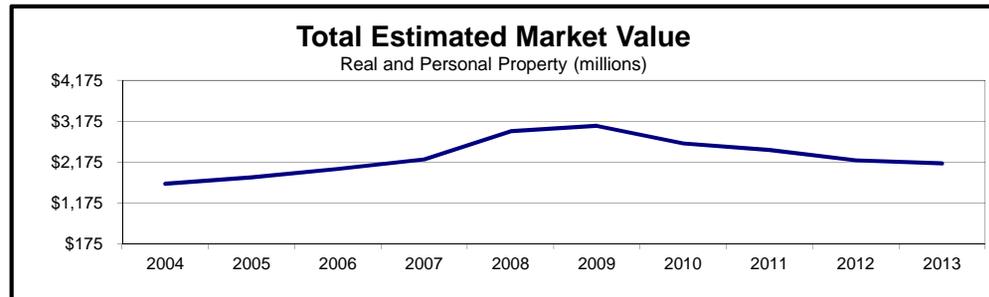


Source: Building Official, FDIC

Tax Capacity and Estimated Market Value of all Taxable Property Last Ten Fiscal Years

(Unaudited)

Year	Real Property		Personal Property		Total		% of Market Value
	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	Assessed Value	Estimated Market Value	
2004	\$ 149,996,349	\$ 1,578,908,937	\$ 6,481,410	\$ 68,225,368	\$ 156,477,759	\$ 1,647,134,305	9.5%
2005	164,621,369	1,732,856,516	6,846,504	72,068,463	171,467,873	1,804,924,979	9.5%
2006	183,761,885	1,934,335,632	7,153,314	75,298,042	190,915,199	2,009,633,674	9.5%
2007	206,198,880	2,170,514,526	6,945,980	73,115,579	213,144,860	2,243,630,105	9.5%
2008	272,195,947	2,865,220,495	6,316,807	66,492,705	278,512,754	2,931,713,200	9.5%
2009	284,362,340	2,993,287,789	6,369,689	67,049,358	290,732,029	3,060,337,147	9.5%
2010	244,243,907	2,570,988,495	6,278,622	66,090,758	250,522,529	2,637,079,253	9.5%
2011	228,266,880	2,402,809,263	6,371,975	67,073,421	234,638,855	2,469,882,684	9.5%
2012	205,405,333	2,162,161,400	5,961,101	62,748,432	211,366,434	2,224,909,832	9.5%
2013	197,830,122	2,082,422,337	6,291,219	66,223,358	204,121,341	2,148,645,695	9.5%



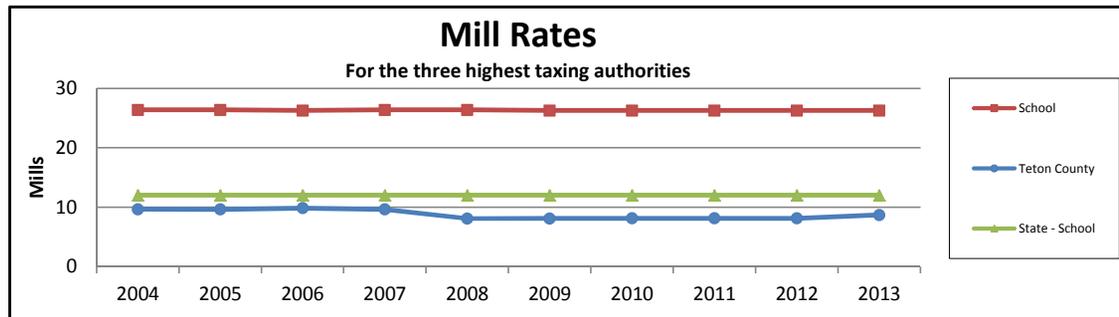
Note: The Town of Jackson does not levy a property tax. State statutes gives the town authority to levy taxes up to 8 mills (.008) on assessed valuation.

Source: County Assessor

Property Tax Rates - All Direct and Overlapping Governments Last Ten Fiscal Years

(Unaudited)

Year	Mill Rates							Total
	Town	School District	Teton County	State - School	County School	Hospital	Other	
2004	0.00	26.40	9.64	12.00	6.00	3.00	1.65	58.69
2005	0.00	26.40	9.62	12.00	6.00	3.00	1.67	58.69
2006	0.00	26.30	9.82	12.00	6.00	3.00	1.57	58.69
2007	0.00	26.40	9.60	12.00	6.00	3.00	1.99	58.99
2008	0.00	26.40	8.07	12.00	6.00	3.00	1.45	56.92
2009	0.00	26.30	8.07	12.00	6.00	3.00	1.45	56.82
2010	0.00	26.30	8.10	12.00	6.00	3.00	1.45	56.85
2011	0.00	26.30	8.10	12.00	6.00	3.00	1.45	56.85
2012	0.00	26.30	8.10	12.00	6.00	3.00	1.70	57.10
2013	0.00	26.30	8.66	12.00	6.00	3.00	2.40	58.36



Notes: The Town does not levy any mills for property taxes. It has statutory authorization to levy a maximum of 8 mills.
Source: Teton County Assessor

Taxable Sales by Major Business Class, Teton County Last Ten Years

(Unaudited)

Category	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Ag., forestry, etc	\$ 1,605,350	\$ 905,725	\$ 418,625	\$ 450,700	\$ 371,150	\$ 333,125	\$ 265,175	\$ 279,650	\$ 300,625	\$ 286,375
Mining	1,007,050	1,690,850	977,275	1,626,125	1,604,200	2,280,375	1,123,250	702,575	1,105,150	269,725
Utilities	-	26,548,650	29,704,900	30,521,950	35,243,000	31,445,050	34,759,250	33,388,650	34,269,825	33,608,800
Construction	9,950,475	9,314,000	10,668,725	15,437,100	16,788,025	18,977,400	13,243,300	8,937,000	7,029,700	8,019,450
Manufacturing	10,079,600	13,384,200	14,807,125	14,553,675	13,154,075	14,481,475	9,580,600	9,565,975	9,491,325	9,087,475
Transport & comm.	55,317,200	-	-	-	-	-	-	-	-	-
Wholesale trade	31,830,325	28,658,350	26,755,600	38,882,750	45,502,650	41,921,325	30,866,050	37,226,050	41,635,600	41,788,825
Retail trade	405,649,950	328,649,150	357,201,600	349,615,475	352,245,825	323,386,950	290,959,200	292,983,175	312,290,500	343,831,900
Transportation/warehse	-	3,118,800	3,827,950	3,498,850	3,998,450	3,792,750	5,168,225	4,455,200	3,782,150	4,767,525
Information	-	24,021,150	24,313,375	21,335,475	20,185,350	24,439,650	26,264,050	27,789,575	18,906,775	19,711,050
Finance/Ins./real estate	6,782,950	-	-	-	-	-	-	-	688,525	-
Services	213,006,900	-	-	-	-	-	-	-	-	-
Government	25,890,125	-	-	-	-	-	-	-	-	-
Finance and insurance	-	219,400	818,025	257,225	311,925	435,100	382,575	306,750	-	188,200
Real estate, rental & lease	-	44,363,150	50,599,750	60,633,125	61,324,525	59,994,425	52,299,850	53,030,350	44,337,225	52,209,150
Professional & technical	-	10,781,400	12,023,825	10,729,650	10,731,925	10,168,700	9,363,050	8,572,725	7,597,275	8,455,650
Management	-	-	-	-	-	-	-	-	2,712,875	-
Admin., support & waste	-	2,085,425	3,002,750	2,826,600	2,644,900	3,409,625	2,460,100	2,159,750	-	2,490,700
Educational services	-	65,475	89,975	25,200	59,400	17,875	33,000	51,425	1,057,700	101,600
Health and social assist	-	111,675	144,075	(208,125)	36,100	38,200	38,725	74,575	21,400	11,375
Arts, entertainment, & rec	-	7,605,300	9,084,325	8,962,875	14,187,650	13,782,225	11,537,325	14,102,400	7,121,700	6,365,200
Accommodations	-	258,948,625	287,535,875	302,652,775	337,130,700	326,127,600	296,270,200	301,523,200	317,216,400	350,131,625
Other services	-	20,711,300	23,668,625	26,216,800	27,920,700	26,909,375	23,454,975	22,100,450	21,820,875	24,007,200
Public administration	-	27,582,825	28,061,150	30,018,950	29,117,000	19,335,125	16,448,325	18,117,750	23,596,600	21,035,625
	<u>\$ 761,119,925</u>	<u>\$ 808,765,450</u>	<u>\$ 883,703,550</u>	<u>\$ 918,037,175</u>	<u>\$ 972,557,550</u>	<u>\$ 921,276,350</u>	<u>\$ 824,517,225</u>	<u>\$ 835,367,225</u>	<u>\$ 854,982,225</u>	<u>\$ 926,367,450</u>

Note: Sales are derived by dividing sales tax collections by the 4% sales tax rate in each industry classification (SIC coding for 2005-2009 and NAICS coding for 2002-2004).

Source: Wyoming Department of Revenue

Principal Employers Current Year and Seven Years Ago

(Unaudited)

<u>Employer</u>	<u>2013</u>		<u>Percentage of Total Employment</u>	<u>2007</u>		<u>Percentage of Total Employment</u>
	<u>Employees</u>	<u>Rank</u>		<u>Employees</u>	<u>Rank</u>	
St. John's Hospital	599	1	4.14%	347	2	2.28%
Teton County School District	482	2	3.33%	478	1	3.14%
Teton County	255	3	1.76%	224	4	1.47%
Smith Food and Drug	153	4	1.06%	86	8	0.56%
Snow King Resort	150	5	1.04%	260	3	1.71%
Town Square Inns	125	6	0.86%			
Town of Jackson	122	7	0.84%	120	6	0.79%
The Wort Hotel	113	8	0.78%	120	7	0.79%
Albertson's Food Center	105	9	0.73%	65	10	0.43%
Kmart Corporation	90	10	0.62%	67	9	0.44%
Shaw Construction				128	5	0.84%
	<u>2,194</u>		<u>15.12%</u>	<u>1,895</u>		<u>12.43%</u>

Source: Administration and Finance

Note: The city implemented GASB 34 for the financial reporting period ending December 31, 2003. The data, produced by survey, varies by the respondent providing the information. Data is only available for the last seven years.

Demographic and Economic Statistics Last Ten Years

(Unaudited)

<u>Year</u>	<u>Pop- ulation (1)</u>	<u>Unemploy- ment rate (2)</u>	<u>School Enrollment (3)</u>	<u>Personal Income (4) (thousands)</u>	<u>Per Capita Personal Income (5)</u>	<u>Education Level in Years of Formal Schooling</u>	<u>Median Age</u>
2004	9,085	2.9%	2,296	\$ 1,696,737	\$ 64,615	n/a	n/a
2005	9,176	2.7%	2,270	1,956,375	72,655	n/a	n/a
2006	9,378	2.5%	2,265	2,168,757	79,019	n/a	n/a
2007	9,638	2.4%	2,219	2,670,198	94,407	n/a	n/a
2008	9,861	1.9%	2,270	2,807,180	95,469	n/a	n/a
2009	9,915	6.4%	2,294	2,761,064	90,187	n/a	n/a
2010	9,577	6.2%	2,317	2,170,525	69,406	n/a	31.9
2011	9,656	5.2%	2,456	2,268,465	72,065	n/a	n/a
2012	9,710	5.1%	2,449	2,311,099	72,843	n/a	n/a
2013	9,838	3.9%	2,481	n/a	n/a	n/a	n/a

Sources: (1) State of Wyoming

(2) Wyoming Department of Employment

(3) Wyoming Department of Education

(4) & (5) U. S. Department of Commerce - Bureau of Economic Analysis releases county statistical area data 15 months after year end.

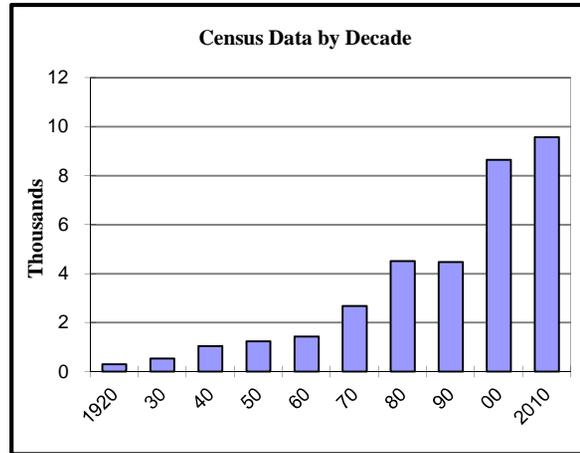
Demographic Statistics

U.S. Census Data

(Unaudited)

Population Changes:

1920	307
1930	533
1940	1,046
1950	1,244
1960	1,437
1970	2,688
1980	4,511
1990	4,472
2000	8,647
2010	9,577



Age Characteristics:	2000		2010	
	Total	% Total	Total	% Total
Under 5 years	469	5%	624	7%
5-9 years	424	4%	469	5%
10-14 years	437	5%	390	4%
15-19 years	465	5%	384	4%
20-24 years	1,005	10%	969	10%
25-34 years	2,226	23%	2,602	27%
35-44 years	1,550	16%	1,584	17%
45-54 years	1,091	11%	1,197	12%
55-59 years	296	3%	441	5%
60-64 years	183	2%	327	3%
65-74 years	262	3%	339	4%
75-84 years	153	2%	161	2%
85 years and older	86	1%	90	1%
Total	8,647	100%	9,577	100%

Population Characteristic:	1990	% Total	2000	% Total	2010	% Total
Under 20	1,094	24%	1,795	21%	1,867	19%
20 and over	3,378	76%	6,852	79%	7,710	81%
	4,472	100%	8,647	100%	9,577	100%

Miscellaneous:	1990	2000	2010
Median Age:	32.0 years	30.8 years	31.9 years
Household size:	2.33 people	2.35 people	2.42 people
Number of households:	1,884 units	3,631 units	3,964 units

Source: U.S. Census Bureau

Full-time Equivalent Employees by Function/Program Last Ten Fiscal Years

(Unaudited)

Function	Full-time Equivalent Employees as of June 30									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government:										
Town Attorney	2.00	1.00	1.00	1.30	1.30	1.30	1.30	1.50	2.00	2.00
Municipal Judge	0.50	0.50	0.50	1.50	1.50	1.00	1.00	1.00	1.00	1.00
Administration	3.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Town Clerk/Personnel	3.00	3.00	3.00	3.00	3.00	3.50	3.00	2.80	2.80	2.20
Finance	7.10	6.30	4.30	4.40	4.40	4.50	4.25	4.00	3.80	3.80
Planning	5.00	5.00	5.00	4.70	4.70	4.70	4.70	4.30	4.00	4.00
Information Technology	0.00	0.00	3.00	3.00	3.00	3.00	2.00	2.00	2.00	2.00
Town Hall Building	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Public Safety:										
Police	30.75	29.25	27.33	28.42	30.42	29.50	28.00	28.25	30.25	30.58
Building Inspection	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Victim Witness	0.00	2.50	2.50	2.50	2.50	2.00	2.50	2.50	2.50	2.50
Animal Shelter	2.17	2.17	2.17	2.47	2.75	2.75	2.75	2.55	2.55	2.75
Public Works										
Streets	8.50	8.50	8.50	9.42	9.89	8.50	7.58	7.58	8.00	8.00
Town Engineer	3.00	3.00	4.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00
Water O&M	4.00	4.00	4.00	4.00	4.00	4.00	3.50	3.25	3.25	3.25
Water Billing & Accounting	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Sewer Plant Operation	4.50	4.50	4.50	4.50	4.50	4.50	3.50	3.50	4.50	4.50
Sewer O&M	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.25	2.25	2.25
Sewer Billing & Accounting	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Fleet Management	5.00	5.00	5.00	6.00	6.00	6.00	5.60	5.60	5.60	6.00
Transit										
Start Bus	25.45	25.37	29.47	29.20	31.20	33.07	33.26	32.00	36.50	39.93
Culture & Recreation:										
Pathways Operations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00
Total Full-Time Equivalents	<u>113.47</u>	<u>111.59</u>	<u>115.77</u>	<u>119.90</u>	<u>124.65</u>	<u>122.82</u>	<u>117.44</u>	<u>114.58</u>	<u>122.50</u>	<u>124.26</u>

Source: Administration and Finance

Operating Indicators by Function Last Ten Fiscal Years

(Unaudited)

Function	Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Special events	na	52	50	48	63	61	59	62	63	69
Police										
Total arrests	652	721	675	603	678	812	582	533	419	609
Total part 1 offenses	47	65	80	90	63	63	61	42	277	249
DUI arrests	137	242	125	99	203	218	86	79	103	111
UCR Incidents reported	375	213	na	406	365	459	345	276	464	335
Fire/EMS										
Medical calls	815	848	979	1,139	1,068	1,022	946	1,004	1,009	1,217
Fire calls	39	30	57	32	48	57	56	69	46	73
Hazardous materials calls	40	35	43	27	38	30	26	32	40	29
Service calls	42	58	23	30	56	30	19	28	29	48
False alarms	54	82	107	42	118	75	68	73	61	78
Water Utility										
Annual Tap water billed (millions)	859	683	893	934	869	896	784	813	874	840
Number of water meters billed	3,064	3,211	3,347	3,472	3,526	3,562	3,601	3,633	3,639	3,799
Transit										
Revenue miles	431,627	441,945	475,857	519,536	605,118	606,359	557,440	599,180	709,069	748,183
Passengers	400,270	505,832	589,369	650,052	811,807	870,416	782,521	831,602	852,927	900,908
Accidents	11	7	6	12	8	12	3	5	7	7
Accidents/100,000 miles	2.55	1.58	1.26	2.31	1.32	1.98	0.54	0.83	0.99	0.94

Source: Various town departments

Note: The city implemented GASB 34 for the financial reporting period ending December 31, 2003.

Capital Assets Statistics by Function Last Seven Fiscal Years

(Unaudited)

Function	Year Ending June 30,							
	2006	2007	2008	2009	2010	2011	2012	2013
General government								
Town halls	1	1	1	1	1	1	1	1
Public safety								
Stations	1	1	1	1	1	1	1	1
Streets								
Street (miles)	33.8	33.8	33.8	33.8	33.8	33.8	34.0	34.0
Paved alleyways	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.9
Gravel alleyways	4.3	4.3	4.3	4.3	4.3	4.3	4.2	4.2
Parking garages			1	1	1	1	1	1
Recreation and culture								
Parks	12	12	12	12	12	12	12	12
Indoor ice arenas	1	1	1	1	1	1	1	1
Aquatics center	1	1	1	1	1	1	1	1
Water utility								
Well pump stations	7	7	7	7	7	7	7	7
Water mains (miles)	64.0	64.0	64.0	64.0	64.0	64.0	64.0	64.0
Water tanks	3	3	3	3	3	3	3	3
Fire hydrants	433	433	433	433	433	433	435	435
Sewage utility								
Sanitary sewers (miles)	57.1	57.1	57.1	57.1	57.1	57.1	57.2	57.2
Maximum daily treatment capacity (thousands of gallons)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Lift stations	5	5	5	5	5	5	5	5
Manholes	1,203	1,203	1,203	1,203	1,203	1,203	1,203	1,203

Note: Records prior to 2006 were unavailable.

Source: Various town departments



(This page left blank intentionally)



Thompson, Palmer & Associates, PC

CERTIFIED PUBLIC ACCOUNTANTS
PO BOX 4158
JACKSON, WY 83001

275 EAST BROADWAY
Tel: (307) 733-5160
FAX (307) 739-1415

December 16, 2013

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Jackson, Wyoming, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Town of Jackson, Wyoming's basic financial statements, and have issued our report thereon dated December 16, 2013.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a Town of Jackson, Wyoming

combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Jackson, 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*.

Purpose of this Report

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



Thompson, Palmer & Associates, PC
Certified Public Accountants

Thompson, Palmer & Associates, PC

CERTIFIED PUBLIC ACCOUNTANTS
PO BOX 4158
JACKSON, WY 83001

275 EAST BROADWAY
Tel: (307) 733-5160
FAX: (307) 739-1415

December 16, 2013

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

The Honorable Mayor and Members of the
Town Council of Jackson, Wyoming

Report on Compliance for Each Major Federal Program

We have audited Town of Jackson, Wyoming's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Town of Jackson, Wyoming's major federal programs for the year ended June 30, 2013. Town of Jackson, Wyoming's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Town of Jackson, Wyoming's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable

assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Town of Jackson, Wyoming's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Town of Jackson, Wyoming, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

A handwritten signature in blue ink that reads "Thompson, Palmer & Associates, PC".

Thompson, Palmer & Associates, PC
Certified Public Accountants

TOWN OF JACKSON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

SUMMARY OF AUDIT RESULTS

1. The auditor's report issued an unqualified opinion on the basic financial statements on the Town of Jackson, as of June 30, 2013.
2. The audit disclosed no items considered a reportable condition in internal controls.
3. The audit disclosed no instances of non compliance that were material to the financial statements taken as a whole.
4. The auditor's report on compliance for the major federal award programs for the Town of Jackson expresses an unqualified opinion on all major federal programs.
5. The audit did not disclose any audit findings relating to major programs which are required to be reported.
6. The programs tested as major programs were:
 - US Department of Transportation – Federal Highway Administration – Wyoming Department of Transportation – Rural Public Transit Program CFDA # 20.509
 - US Department of Transportation-Federal Highway Administration – Wyoming Department of Transportation – Rural Public Transit Program Capital Investment Program CFDA # 20.500
 - US Department of Transportation – Federal Highway Administration - Wyoming Department of Transportation Bus Purchase Program CFDA # 20.513
7. The threshold for distinguishing Types A and B programs was \$300,000.
8. The Town of Jackson was considered to be a high risk auditee.

TOWN OF JACKSON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2013

<u>GRANTOR/GRANT TITLE</u>	<u>CFDA NUMBER</u>	<u>TOTAL AWARD AMOUNT</u>	<u>EXPENDITURES</u>
GENERAL FUND			
US Department of Justice passed through the Wyoming Division of Victim Services			
VOCA Program	16.575	\$ 26,119	\$ 23,898
VAWA Program	16.588	106,921	48,731
US Department of Justice passed through the Wyoming Association of Sheriffs & Chiefs			
Enforcing Underage Drinking	16.727	13,276	7,825
US Department of Justice Bureau of Justice Administration Office of Justice Programs			
Bullet Proof Vest Partnership	16.607	2,550	2,550
National Highway Transportation Safety Administration passed through the Wyoming Association of Sheriffs & Chiefs			
Selective Traffic Enforcement Program - Non DUI	20.601	7,800	3,550
Selective Traffic Enforcement Program - DUI	20.601	2,200	2,200
Selective Traffic Enforcement Program - DUI	20.601	12,000	3,175
Selective Traffic Enforcement Program - Media	20.607	2,500	1,366
Selective Traffic Enforcement Program - Non DUI	20.601	6,600	5,100
Selective Traffic Enforcement Program - DUI	20.607	17,000	3,150
US Department of Homeland Security passed Through Wyoming Office of Homeland Security			
Law Enforcement & Terrorism Prevention	97.067	21,106	16,432
Law Enforcement & Terrorism Prevention	97.067	23,232	23,064
Total General Fund		<u>\$ 241,304</u>	<u>\$ 141,041</u>

(continued)

TOWN OF JACKSON
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2013

<u>GRANTOR/GRANT TITLE</u>	<u>CFDA NUMBER</u>	<u>TOTAL AWARD AMOUNT</u>	<u>EXPENDITURES</u>
CAPITAL PROJECTS FUND			
US Environmental Protection Agency passed through Wyoming Department of Environmental Quality Karns Meadow Wetland Grant	66.460	<u>\$ 770,154</u>	<u>\$ 17,643</u>
SPECIAL REVENUE FUND			
US Department of Transportation Federal Transit Administration passed through the Wyoming Department of Transportation Wyoming Rural Public Transit Program			
TCSF 004 Bus Stop Improvements	20.205	123,918	19,116
Capital Investment Program Bus Facility Program	20.500	5,000,000	979,349
FTA 11035 Section 5311 Administration and Operating Expenses	20.509	1,640,322	421,876

(continued)

TOWN OF JACKSON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

<u>GRANTOR/GRANT TITLE</u>	<u>CFDA NUMBER</u>	<u>TOTAL AWARD AMOUNT</u>	<u>EXPENDITURES</u>
FTA 12035 Section 5311 Administration and Operating Expenses	20.509	2,498,354	1,224,835
FTA 11035 Bus Pullout Projects	20.509	2,113,855	30,400
FTA - ARRA Transit Technology Program	20.509	100,000	15,000
FTA - 11035 Bus Purchase	20.513	156,000	156,000
US Department of Transportation Federal Transit Administration passed through the Idaho Transportation Department Division of Public Transportation			
ID 18X 030	20.516	33,221	3,865
ID 18X 040	20.516	77,850	35,768
2013A SB 00033	20.516	26,000	2,008
Total Special Revenue Fund		<u>\$ 11,769,520</u>	<u>\$ 2,888,217</u>
Total Federal Awards		<u>\$ 12,780,978</u>	<u>\$ 3,046,901</u>

TOWN OF JACKSON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED JUNE 30, 2013

NOTE 1 – BASIS OF PRESENTATION

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

