

Campbell County
School District No.1
Gillette, Wyoming

Comprehensive
Annual
Financial
Report
CAFR

Fiscal Year Ended
June 30, 2018



Prepared by the:

*Instructional Support Division,
Accounting Department*

Rhea J. Betts, MBA
Accounting Manager

**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT
OF
CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
GILLETTE, WYOMING
FOR THE FISCAL YEAR ENDED
JUNE 30, 2018**



ALEX AYERS, Ed.D., Superintendent
KIRBY EISNEHAUER, Ed.D., Deputy Superintendent
DENNIS HOLMES, Associate Superintendent for Instructional Support

Prepared By Instructional Support Division, Accounting Department

INTRODUCTORY
SECTION



CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

TABLE OF CONTENTS

INTRODUCTORY SECTION

| | |
|---|---------|
| LETTER OF TRANSMITTAL | iv-viii |
| PRINCIPAL OFFICIALS | ix |
| ORGANIZATION CHART | x |
| CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING - FISCAL YEAR ENDED JUNE 30, 2017 | xi |

FINANCIAL SECTION

| | |
|---|-------|
| INDEPENDENT AUDITOR'S REPORT | 1-3 |
| Management Discussion and Analysis (required supplementary information) | 4-12 |
| Basic Financial Statements: | |
| Government-Wide Financial Statements: | |
| Statement of Net Position | 13 |
| Statement of Activities | 14-15 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 16 |
| Reconciliation of the Balance Sheet of Governmental Funds to the Government-Wide Statement of Net Position | 17 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 18 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities | 19 |
| Statement of Revenues, Expenditures and Change in Fund Balance - Budget (Non-GAAP) and Actual General Fund | 20 |
| Statement of Net Position, Proprietary Funds | 21 |
| Statement of Revenues, Expenses and Changes in Net Position, Proprietary Funds | 22 |
| Statement of Cash Flows, Proprietary Funds | 23 |
| Statement of Fiduciary Assets and Liabilities, Fiduciary Fund | 24 |
| Notes to the Basic Financial Statements | 25-51 |

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
FINANCIAL SECTION (Continued)**

| | |
|---|-------|
| Required Supplementary Information: | |
| Schedule of Changes in Campbell County School District No. 1's Total OPEB Liability and Related Ratios | 52 |
| Schedule of Campbell County School District No. 1's Proportionate Share of the Net Pension Liability Public Employees' Pension Plan | 52 |
| Schedule of Campbell County School District No. 1's Contributions Public Employees' Pension Plan | 52 |
| Notes to Required Supplementary Information | 53 |
| Combining Statements and Individual Fund Schedules: | |
| Combining - Nonmajor Governmental Funds: | |
| Combining Balance Sheet, Nonmajor Governmental Funds | 54 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Nonmajor Governmental Funds | 55 |
| Nonmajor Special Revenue Funds | 56 |
| Combining Balance Sheet - Nonmajor Special Revenue Funds | 57-58 |
| Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Nonmajor Special Revenue Funds | 59-62 |
| Debt Service Fund | 63 |
| Balance Sheet - Nonmajor Debt Service Fund | 64 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Nonmajor Debt Service Fund | 65 |
| Nonmajor Capital Projects Funds | 66 |
| Combining Balance Sheet - Nonmajor Capital Project Funds | 67 |
| Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Nonmajor Capital Projects Funds | 68-69 |
| Nonmajor Enterprise Funds | 70 |
| Combining Statement of Net Position - Nonmajor Enterprise Funds | 71 |
| Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds | 72 |
| Combining Statement of Cash Flows - Nonmajor Enterprise Funds | 73 |
| Agency Fund | 74 |
| Statement of Changes in Assets and Liabilities - Agency Fund | 75 |

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
STATISTICAL SECTION**

| | | |
|----------|--|-------|
| Table 1 | Changes in Fund Balances for Total Governmental Funds | 76-77 |
| Table 2 | Net Position by Component | 78 |
| Table 3 | Changes in Net Position | 79-80 |
| Table 4 | Fund Balances of Governmental Funds | 81 |
| Table 5 | Property Tax Levies and Collections | 82 |
| Table 6 | Assessed Value and Estimated Actual Value of Taxable Property | 83 |
| Table 7 | Property Tax Rates - Direct and Overlapping Governments | 84 |
| Table 8 | General Governmental Funds Revenues by Source | 85 |
| Table 9 | Principal Taxpayers (Top 50%) | 86 |
| Table 10 | Legal Debt Margin Information | 87 |
| Table 11 | Ratios of Outstanding Debt by Type | 88 |
| Table 12 | Computation of Direct and Overlapping Debt | 89 |
| Table 13 | Demographic and Economic Statistics | 90 |
| Table 14 | Principal Employers | 91 |
| Table 15 | Operating Information for Campbell County School District No. 1 | 92-93 |
| Table 16 | School Building Information-Owned Buildings | 94-96 |

SINGLE AUDIT SECTION

| | |
|--|---------|
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> | 97-98 |
| Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance | 99-100 |
| Schedule of Expenditures of Federal Awards | 101-102 |
| Notes to the Schedule of Expenditures of Federal Awards | 103 |
| Schedule of Findings and Questioned Costs | 104-105 |
| Summary Schedule of Prior Audit Findings | 106 |

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December 11, 2018

Citizens of Campbell County and Members of the Board of Education
Campbell County School District No. 1

It is our pleasure to furnish you with the 2018 Comprehensive Annual Financial Report (CAFR) of Campbell County School District No. 1, for the fiscal year ended June 30, 2018. Pursuant to Wyoming State Statute 16-4-121 and 16-4-122 an annual audit was performed by independent auditors in accordance with generally accepted auditing standards and using "Government Auditing Standards" audit procedures, with copies of this CAFR being submitted to the Wyoming State Department of Education before December 15, 2018 as required by Wyoming State Statute 16-4-122. The basic financial statements in this report provide a comprehensive overview of the financial position and the results of operations of Campbell County School District No.1 as a whole, while the detailed financial statements describe specific activities of each fund used in the accounting for the District's financial transactions. With the technical assistance of Bennett, Weber & Hermstad, LLP, Certified Public Accountants, this report was prepared by the District's Instructional Support Division, Accounting Department, in accordance with accounting principles generally accepted in the United States of America and reporting standards of the Governmental Accounting Standards Board. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management.

We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of Campbell County School District No.1 as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the District's financial activity have been included.

ORGANIZATION OF THE REPORT

For the convenience of users we have divided this comprehensive annual financial report into four major sections, described as follows:

- The **introductory section** includes this transmittal letter, the list of principal officials, the organizational structure of Campbell County School District No. 1 and a copy of the Certificate of Excellence from fiscal year 2017.
- The **financial section** includes the government-wide financial statements; the fund financial statements; the notes to the basic financial statements; the required supplementary information; the combining statements and individual fund schedules; the independent auditor's report on the financial statements and schedules as well as the management's discussion and analysis letter.
- The **statistical section** is unaudited data which includes selected financial and demographic information, generally presented on a multi-year basis.
- The **single audit section** contains information relating to the District's single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance) and the independent auditor's reports on compliance and internal control.

The report provides valuable management information. Copies will be made available to the Chamber of Commerce, major taxpayers, public libraries in our area, financial rating agencies as well as other interested parties.

THE REPORTING ENTITY

The financial reporting entity includes all the funds of Campbell County School District No. 1 as well as that of its Discretely Presented Component Unit, the Board of Cooperative Higher Education Services (BOCHES) and the Blended Component Unit, Campbell County Community Public Recreation District (CCCPRD). The Board of Cooperative Higher Education Services (BOCHES) and the Campbell County Community Public Recreation District (CCCPRD) are fiscally dependent upon the District. Component units are legally separate entities for which the primary government is financially accountable. The blended component unit is reported as a Special Revenue Fund in the District's financial records. Financial activity of the Board of Cooperative Higher Education Services (BOCHES) is reported in a separate column in the basic financial statements to emphasize that it is legally separate from Campbell County School District No. 1 and to differentiate its financial position and results of operations from those of the District.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

Campbell County, Wyoming encompasses 4,755 square miles; includes the towns of Gillette, Recluse, Rozet, and Wright; with a June 2018 estimated population of 48,400. Approximately 8,603 students are taught in two senior high schools, one alternative high school, one junior/senior high school, two junior high schools and seventeen elementary schools (five of which are rural). There are no Charter schools in Campbell County, Wyoming.

Among the District's assets, are thirty-three essential buildings with an average age of 30 years. In addition to twenty-three school buildings, the District has ten main buildings: the Aquatic Center; support facility buildings which house offices and departments of Transportation, Buildings and Grounds-Maintenance, Central Warehouse, Lakeway Learning Center and the Educational Services Center; as well as a building housing the community support Kids Clinic, Virtual School service program and District offices for Title 1 and Student Support Services.

In the State of Wyoming, School District buildings are replaced with the approval and funding of the State of Wyoming's School Facilities Department. Recent replacement school buildings for Campbell County School District include the rural elementary school, Recluse in fiscal year 2007-2008, Hillcrest Elementary in fiscal year 2009-2010, the Prairie Wind Elementary in fiscal year 2010-2011, the new Buffalo Ridge Elementary school in the 2012-2013 fiscal year. Two replacement schools for Lakeview Elementary and the alternative high school, Westwood, both opened for the 2014-2015 fiscal year, and the new Stocktrail Elementary school in the 2016-2017 fiscal year. In fiscal year 2014-2015, prompted by student enrollment projections from Middle Cities Education Association, the District started the expansion of the Campbell County High School's South Campus building to have an additional stand alone high school. School Year 2017-2018 was the first year for the District's new Thunder Basin High School.

School staff, including part time, totaled 1,598 in 2017-2018. Of the total, 841 were certified staff including teachers, specialists, and administrators. Non certified staff including clerical, custodial, food services, aides, maintenance, and bus drivers totaled 757. Staff totals do not include substitutes.

The educational program is the most comprehensive in the region with a broad spectrum of courses in the high schools ranging from basic to general to honors and advanced placement. Recent building renovations and construction projects have produced a pleasant and effective system of school buildings, library media centers, playgrounds, and athletic facilities. Elementary schools have been designed to enhance the neighborhood school concept in the interest of community involvement and effective instruction.

As an independent School District, the Board of Trustees for Campbell County School District No. 1 is composed of seven citizens each elected to a four-year term. Based upon legislative authority codified in the Wyoming Education Code, the trustees: (1) have the exclusive power to manage and govern the District; (2) can acquire and hold real and personal property, sue and be sued, and hold all rights and titles to the school property, (3) shall have the power to levy and collect taxes and to issue bonds, (4) can contract for appointed officers, teachers and other personnel as well as for goods and services, and (5) have the right to eminent domain to acquire real property necessary for the District.

The purpose and responsibility of Campbell County School District No. 1 is to provide an efficient educational system for the children enrolled in public schools within its boundaries, whereby each child has access to programs and services that are appropriate to his or her educational needs. In addition to the regular educational program, Campbell County School District No. 1 offers comprehensive programs in the areas of vocational education, special education, English as a second language and a full range of compensatory programs.

The State of Wyoming's economy has fluctuated over the last several years due to the volatility in the energy related industries. The major effect on Campbell County School District No.1 can be seen in the county's property values. (See Table 6 Assessed Value and Estimated Actual Value of Taxable Property in the Statistical Section) At first glance the national recession was not overly apparent when looking at the District's financial statements. Over the past ten years the average daily membership (ADM) has risen 7.44% while the Campbell County's assessed valuation declined 11.44% to \$4,182,623,053. During the past 12 months the area's energy related industries have reduced both production and employee numbers causing the Campbell County unemployment rate to be higher than the state of Wyoming while matching the national rate. July 2018 unemployment rates were 4.1% nationally, 3.8% for the State of Wyoming and 4.1% for Campbell County, Wyoming. (For more information see Table 13 in the Statistical Section, Demographic and Economic Statistics.) When comparing the percent of District students eligible for the Free/Reduced Federal Food Program, signs of the national recession are also seen. Over the past ten years the percent of the student population eligible for the Free/Reduced Federal Food Program went from 27.58% to 36.24%. (See Table 15 in the Statistical Section, Operating Information for Campbell County School District No 1.)

The fluctuations in the Campbell County area employees and population over the past 36 months can be seen in the District's student average daily membership (ADM) numbers; a decrease of 471 students from 2015-2016 to the 2016-2017 school year, then an increase of 36 students from 2016-2017 to the 2017-2018 school year.

INTERNAL AND BUDGETARY CONTROL

In developing, evaluating, and improving the District's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

As a recipient of federal, state and local grants, Campbell County District No.1 has the responsibility for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to these grants. This internal control structure is subject to periodic review and revision by management.

Relevant financial policies

Campbell County District No.1 has adopted Board of Trustee policies that specify how state and district student performance standards affect planning for facilities and annual budget priorities beyond fixed costs. The administration monitors building operations to assure all legal requirements, whether federal, state, or local, are met in each school.

District programs provided have been determined to be sufficient for students to meet state and district content and performance standards. Each school has developed individual improvement plans based on examination data of student assessments and additional resources are provided where needed based on these plans.

The District’s Board of Trustees is required by Wyoming State Statute 16-4-109 to approve the initial budget for the fiscal year no later than the third Wednesday in July. Campbell County District No.1 utilizes a line item budget of proposed expenditures and the means of financing them. The emphasis of the budget process is to identify the activities requiring resources and to rank administratively those activities according to the needs of the entire District. Budgetary control is maintained by the Finance Department at the function level by organizational unit. Purchase commitments, personnel actions, or other obligations which would result in an overrun of appropriated funds are not released until additional appropriations are made available.

Detailed reports are available to building principals and supervisors showing the status of budgets for which they are responsible. These reports summarize the transactions and remaining budgeted funds allocated for goods and services among the programs so managed.

MAJOR INITIATIVES

During the year: Campbell County School District No. 1 continues to be a leader in Wyoming as the state itself continues to be a national leader in public education.

Testing

During the year, Campbell County School District No. 1 participated in the Wyoming Proficiency and Progress (WY-TOPP) testing. Tests in math and english were administered to students in grades three through ten; science tests in grades four, eight, and ten. The figure below indicates the percentage of students who scored proficient or better on WY-TOPP. A comparison of the District versus statewide percentages is provided.

Figure One

| Grade | Third | | Fourth | | Fifth | | Sixth | | Seventh | | Eighth | | Ninth | | Tenth | |
|----------------|--------|---------|--------|---------|--------|---------|--------|---------|---------|---------|--------|---------|--------|---------|--------|---------|
| | CCSD | Wyoming | CCSD | Wyoming | CCSD | Wyoming | CCSD | Wyoming | CCSD | Wyoming | CCSD | Wyoming | CCSD | Wyoming | CCSD | Wyoming |
| Math | | | | | | | | | | | | | | | | |
| Below Basic | 33.29% | 23.35% | 27.57% | 23.48% | 24.69% | 22.81% | 19.53% | 23.91% | 22.16% | 25.78% | 22.61% | 25.18% | 34.67% | 30.35% | 39.94% | 33.44% |
| Basic | 32.47% | 25.33% | 27.16% | 25.65% | 29.88% | 24.16% | 22.19% | 24.15% | 26.85% | 25.03% | 24.75% | 23.16% | 29.05% | 28.11% | 22.73% | 23.67% |
| Proficient | 24.93% | 29.42% | 24.86% | 25.73% | 33.70% | 33.01% | 35.47% | 30.49% | 27.84% | 26.76% | 26.57% | 25.94% | 27.29% | 29.95% | 26.46% | 28.13% |
| Advanced | 9.32% | 21.89% | 20.41% | 25.14% | 11.73% | 20.02% | 22.81% | 21.45% | 23.15% | 22.44% | 26.07% | 25.72% | 8.99% | 11.59% | 10.88% | 14.77% |
| English | | | | | | | | | | | | | | | | |
| Below Basic | 30.37% | 23.01% | 25.98% | 23.36% | 24.35% | 21.34% | 22.22% | 23.22% | 31.91% | 25.92% | 23.10% | 23.11% | 44.55% | 37.28% | 30.58% | 24.98% |
| Basic | 28.73% | 25.55% | 30.04% | 27.44% | 24.35% | 20.05% | 20.81% | 19.28% | 22.93% | 19.73% | 23.60% | 18.85% | 20.99% | 18.29% | 27.18% | 24.09% |
| Proficient | 29.96% | 35.98% | 29.50% | 30.46% | 39.05% | 39.26% | 41.63% | 40.40% | 32.62% | 36.85% | 38.94% | 40.05% | 28.53% | 33.40% | 30.10% | 31.88% |
| Advanced | 10.94% | 15.46% | 14.48% | 18.74% | 12.24% | 19.35% | 15.34% | 17.10% | 12.54% | 17.49% | 14.36% | 17.99% | 5.93% | 11.03% | 12.14% | 19.05% |
| Science | | | | | | | | | | | | | | | | |
| Below Basic | | | 17.84% | 16.98% | | | | | | | 19.50% | 17.01% | | | 32.20% | 27.76% |
| Basic | | | 32.57% | 31.18% | | | | | | | 43.64% | 36.15% | | | 30.73% | 26.01% |
| Proficient | | | 36.08% | 36.28% | | | | | | | 32.73% | 38.03% | | | 27.64% | 32.23% |
| Advanced | | | 13.51% | 15.55% | | | | | | | 4.13% | 8.81% | | | 9.43% | 14.00% |

The average American College Testing (ACT) composite score for Campbell County School District No.1 graduating class of 2018 was 18.5; 17.7 for the Campbell County High School, 19.5 for Thunder Basin High School, 18.9 for Wright Junior/Senior High School and 16.3 for Westwood High School, compared with the Wyoming State average of 19.5.

During 2017-2018 an average of 93.32% of Campbell County School District No.1 students attended class each day compared to 94.02% in 2016-2017, 94.04% in 2015-2016, 93.48% in 2014-2015, 93.30% in 2013-2014, and 93.59% in 2012-2013. Students absent for school-sponsored academic or athletic activities were not considered absent for attendance purposes.

The student graduation rate for Campbell County School District No.1 rose to 77.8% for 2016-2017 compared to 74.6% for 2015-2016, 81.7% for 2014-2015, 81.7% in 2013-2014, and 85.19% in 2012-2013. The District's alternative high school, Westwood High School, has been very successful in recruiting students at high risk of becoming dropouts. Many students complete their education in this alternative setting who would not have succeeded or returned to our other high schools. Over the past ten years, 1,074 students have graduated with regular diplomas from this school.

INDEPENDENT AUDIT

The financial statements of the District are audited annually by independent certified public accountants selected by the Board of Education. The independent auditor's report, by Bennett, Weber & Hermstad, LLP, Certified Public Accountants, for fiscal year 2017-2018 is located at the front of the financial section of this report.

RECOGNITION FOR FINANCIAL REPORTING

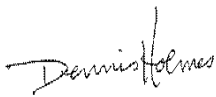
The Association of School Business Officials International (ASBO) awarded Campbell County School District No.1 a Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for fiscal year ended June 30, 2017. This was the twenty-sixth consecutive year that the District's Comprehensive Annual Financial Reports have achieved this prestigious award.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Excellence is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Excellence Program requirements, and we are submitting it to the Association of School Business Officials International.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the diligent and dedicated services of Rhea Betts, the District's Accounting Manager, and we would like to express our appreciation for her contribution. Also, we would like to express our appreciation to other departments, schools, and individuals who assisted in its preparation. Moreover, we wish to thank and express appreciation to the administrators and other employees of Campbell County District No.1 for their interest and support in planning and conducting the financial affairs of the District in a responsible and progressive manner.

Respectfully submitted,



Dennis Holmes
Associate Superintendent for
Instructional Support



Alex Ayers, Ed.D.
Superintendent of Schools

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
FISCAL YEAR ENDED JUNE 30, 2018
LIST OF PRINCIPAL OFFICIALS

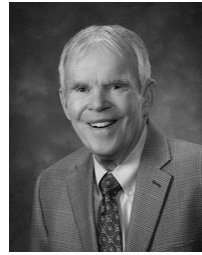
ELECTED OFFICIALS - BOARD OF TRUSTEES



Chairman
Anne Ochs
(2014-2018)



Vice-Chairman
Lisa Durgin
(2016-2020)



Treasurer
David Foreman
(2014-2018)



Clerk/Asst. Treasurer
Andrea Hladky
(2014-2018)



Trustee
Toni Bell
(2016-2020)



Trustee
Ken Clouston
(2016-2020)



Trustee
Dr. Joseph Lawrence
(2017-2018)

APPOINTED OFFICIALS



Deputy Superintendent for
Instruction
Alex Ayers, Ed.D.



Superintendent
Boyd Brown, Ed.D.



Associate Superintendent for
Instructional Support
Kirby Eisenhauer

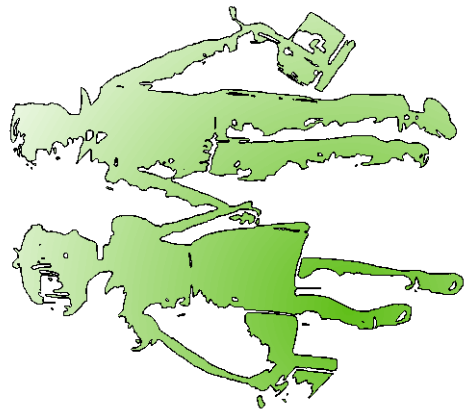
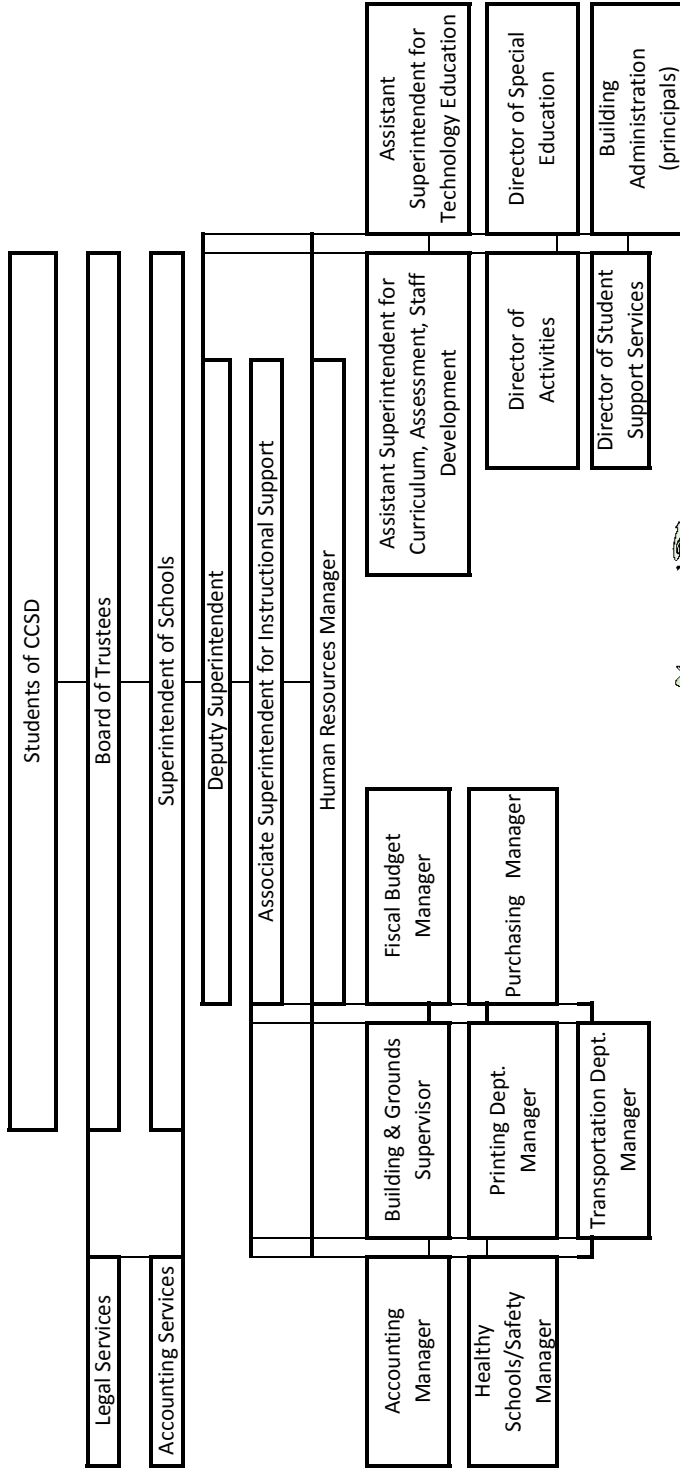


Assistant Superintendent for
Curriculum, Assessment
& Staff Development
Kelly Hornby



Assistant Superintendent for
Technology Education
Lyla Downey

Campbell County School District No.1 Organizational Chart



" Teaching Effectively - Learning Successfully "



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Campbell County School District No. 1

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE
Executive Director

FINANCIAL
SECTION



BENNETT, WEBER & HERMSTAD, LLP

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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INDEPENDENT AUDITOR'S REPORT

Governing Board
Campbell County School District No. 1
Gillette, Wyoming

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1 (District)** as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the **District's** basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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 misstatement 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1**, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund 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 4 through 12 and the Schedule of Changes in Campbell County School District No. 1's Total OPEB Liability and Related Ratios, the Schedule of Campbell County School District No. 1's Proportionate Share of the Net Pension Liability - Public Employees' Pension Plan, and the Schedule of Campbell County School District No. 1's Contributions - Public Employees' Pension Plan and the Notes to Requirement Supplementary Information on pages 52 and 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the **District's** basic financial statements. The introductory section, combining statements and individual fund schedules, 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor 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 used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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 November 6, 2018, on our consideration of **Campbell County School District No. 1's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the **District's** internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Campbell County School District No. 1's** internal control over financial reporting and compliance.

Bennett, Weber & Hermstad, LLP

Gillette, Wyoming
November 6, 2018

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CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

(Unaudited)

This section of the annual financial report presents the management's discussion and analysis (MD&A) of the financial performance of Campbell County School District No.1 during the fiscal year ending June 30, 2018. This report should be read in conjunction with the letter of transmittal in the Introductory Section and the financial statements. The management's discussion and analysis report provides an overall financial performance review of the District as a whole. To enhance their understanding of the District's financial performance readers should also review the notes to the basic financial statements starting on page 25.

Financial Highlights

Key financial highlights for fiscal year 2018 are as follows:

- The District's financial status declined. In total, net position decreased \$7,730,972 which represents a 3.918 percent decrease from fiscal year 2017.
- During the year the District had revenues from taxes and other revenues for the governmental and business-type programs of \$163,381,248 and expenditures totaling \$171,112,220 for the governmental and business-type programs.
- General Revenues accounted for \$151,329,871 in revenue or 92.624 percent of total revenues. Program specific revenues in the form of charges for services, and operating grants and contributions accounted for \$12,051,377 or 7.376 percent of total revenues of \$163,381,248.
- As shown in Note 3 G in the Notes to the Basic Financial Statements, the District's outstanding long-term debt decreased by \$7,639,355 or 6.496 percent.
- The District had \$171,112,220 in expenses; only \$12,051,377 of these expenses were offset by program specific charges for services and operating grants and contributions revenues. General revenues of \$151,329,871 were adequate to provide for these programs.
- The District's General Fund had \$141,045,019 in revenues and \$138,779,575 in expenditures. After Other Financing Sources (Uses) of (\$1,737,097) the General Fund June 30, 2018 fund balance increased \$528,347 over fiscal year 2017.
- The net position of governmental activities decreased by 3.996 percent or \$7,865,454. The net position of the business-type activities increased 28.384 percent or \$134,482.

Overview of the Financial Statements

This annual report consists of a series of financial statements, notes to those financial statements, and is followed by a section of required supplementary information that further explain and support the financial statements with a comparison of the District's budget for the year. These financial statements are organized so the reader can understand Campbell County School District No.1 as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The two basic kinds of financial statements presented are the *government-wide financial statements* and the *fund financial statements*.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

(Unaudited - Continued)

Reporting the District as a Whole

Government-wide financial statements

The Statement of Net Position and the Statement of Activities are the two government-wide financial statements presented. The government-wide financial statements are separated into two categories, the Governmental activities and the Business-type activities, and provide both short-term and long-term information on the overall financial status of the District. These reports list the District's programs and services in defined function classifications, established by the State of Wyoming, and are presented to answer the reader's question, "How did Campbell County School District No.1 do financially during fiscal year 2018?" Business-type activities are where the District charges fees to help cover the costs of certain services it provides. In the District's case, there are two business-type activities, the Enterprise Fund-Food Service and the Enterprise Fund - CAT/Preschool. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all the current year's revenues and expenses regardless of when cash is received or paid. These two statements also report the net position and changes in the net position. This change in net position is important because it tells the reader if the financial position of the District as a whole has improved or diminished.

Reporting the District's Most Significant Funds

Fund financial statements

The fund financial statements provide the next level of detail by focusing on the individual parts of the District and by reporting the operations in more detail than the government-wide statements. Fund financial statements focus on the most significant funds with all other non-major funds presented in total in one column. Campbell County School District No.1 uses many funds to account for a multitude of financial transactions. The General Fund was the only major governmental fund for fiscal year 2017-2018.

Fund Types

Campbell County School District No.1 has three kinds of funds:

Governmental funds statements

Most of the District activities are reported in governmental funds, which generally focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are reconciled in the financial statements.

Proprietary funds statements

Services for which the District charges a fee are generally reported in the proprietary funds and are reported in the same way as the government-wide statements which offer short and long-term financial information about the activities the District operates like a business. The District had two Enterprise Fund programs, the Food Service and the - CAT/Preschool. The other type of a proprietary fund is an Internal Service Fund. An Internal Service Fund may be used to report activities that provide supplies and services for other programs and activities. The District currently uses the Internal Service Fund to account for the financing and operations of its Health Insurance Fund.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

(Unaudited - Continued)

Fiduciary funds statements

Fiduciary funds are held by the District as the trustee, or fiduciary, for assets that belong to others. The District had one fund in this category; the Agency Funds of Student Activities. The District is responsible for ensuring the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its own operations.

Financial Analysis of the District as a Whole

The Statement of Net Position provides the perspective of the District as whole. Figure A provides a summary of the District's net position for 2018 compared to 2017:

Figure A

| Condensed Statement of Net Position | | | | | | | |
|---|-------------------------|-----------------------|--------------------------|-------------------|-----------------------|-----------------------|-------------------------|
| | Governmental Activities | | Business-type Activities | | Total School District | | Total Percentage Change |
| | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017-2018 |
| Current and other assets | \$ 214,605,030 | \$ 214,447,323 | \$ 451,195 | \$ 623,180 | \$ 215,056,225 | \$ 215,070,503 | 0.007 % |
| Capital assets | 233,300,263 | 236,419,881 | 90,705 | 80,063 | 233,390,968 | 236,499,944 | 1.332 % |
| Total Assets | 447,905,293 | 450,867,204 | 541,900 | 703,243 | 448,447,193 | 451,570,447 | 0.696 % |
| Total Deferred Outflows of resources - Relating to Pensions | 26,091,008 | 28,253,908 | 0 | 0 | 26,091,008 | 28,253,908 | 8.290 % |
| Long-Term Liabilities | 117,275,092 | 109,482,804 | 0 | 0 | 117,275,092 | 109,482,804 | (6.644)% |
| Other Liabilities | 20,827,832 | 16,618,232 | 68,097 | 94,958 | 20,895,929 | 16,713,190 | (20.017)% |
| Total Liabilities | 138,102,924 | 126,101,036 | 68,097 | 94,958 | 138,171,021 | 126,195,994 | (8.667)% |
| Total Deferred Inflows of Resources - Property Taxes Receivable & Relating to Pensions/OPEB | 139,059,698 | 164,051,851 | 0 | 0 | 139,059,698 | 164,051,851 | 17.972 % |
| Net Position | | | | | | | |
| Net Investment in Capital Assets | 225,612,026 | 233,060,872 | 90,705 | 80,063 | 225,702,731 | 233,140,935 | 3.296 % |
| Restricted | 19,929,512 | 19,476,227 | 0 | 0 | 19,929,512 | 19,476,227 | (2.274)% |
| Unrestricted | (48,707,859) | (63,568,874) | 383,098 | 528,222 | (48,324,761) | (63,040,652) | 30.452 % |
| Total Net Position | \$ 196,833,679 | \$ 188,968,225 | \$ 473,803 | \$ 608,285 | \$ 197,307,482 | \$ 189,576,510 | (3.918)% |

The District's combined net position was less on June 30, 2018 than on June 30, 2017, decreasing by 3.918 percent to \$189,576,510 (See Figure A). This overall decrease in the District's financial position was the result of a decrease in its governmental activities net position of \$7,865,454 and a net position increase of \$134,482 in its business-type activities.

Changes in net position

The District's total revenues for fiscal year 2018 were \$163,381,248. (See Figure B)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Unaudited - Continued)**

Figure B

| Changes in Net Position from Operating Results | | | | | | | |
|--|-------------------------|--------------------|--------------------------|------------------|-----------------------|--------------------|-------------------------|
| | Governmental Activities | | Business-type Activities | | Total School District | | Total Percentage Change |
| | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017-2018 |
| Revenues | | | | | | | |
| Program revenues: | | | | | | | |
| Charges for Services | \$ 637,364 | \$ 682,026 | \$ 1,865,951 | \$ 1,774,599 | \$ 2,503,315 | \$ 2,456,625 | (1.865)% |
| Operating Grants and Contributions | 9,798,364 | 7,285,106 | 2,397,371 | 2,309,646 | 12,195,735 | 9,594,752 | (21.327)% |
| General Revenues: | | | | | | | |
| Taxes: Property levied - specific | 148,254,323 | 140,055,504 | - | - | 148,254,323 | 140,055,504 | (5.530)% |
| Grants and Contributions not restricted | 27,271,085 | 10,420,935 | - | - | 27,271,085 | 10,420,935 | (61.788)% |
| Interest | 322,310 | 614,075 | 240 | 2,980 | 322,550 | 617,055 | 91.305 % |
| Miscellaneous | 222,988 | 236,377 | - | - | 222,988 | 236,377 | 6.004 % |
| Gain (loss) on Sale of Capital Assets | - | - | - | - | - | - | 0 % |
| Total Revenues | 186,506,434 | 159,294,023 | 4,263,562 | 4,087,225 | 190,769,996 | 163,381,248 | (14.357)% |
| Expenses | | | | | | | |
| Governmental Activities | | | | | | | |
| Instruction | 97,627,142 | 96,164,684 | - | - | 97,627,142 | 96,164,684 | (1.498)% |
| Pupil and Instructional Staff | 26,756,140 | 28,346,161 | - | - | 26,756,140 | 28,346,161 | 5.943 % |
| General, School & Business Administration | 12,421,516 | 12,056,676 | - | - | 12,421,516 | 12,056,676 | (2.937)% |
| Operation and Maintenance of Plant | 13,683,239 | 14,819,445 | - | - | 13,683,239 | 14,819,445 | 8.304 % |
| Pupil Transportation | 10,453,618 | 9,538,591 | - | - | 10,453,618 | 9,538,591 | (8.753)% |
| Central | 1,643,464 | 1,436,478 | - | - | 1,643,464 | 1,436,478 | (12.594)% |
| Other Support Services | 282,843 | 246,393 | - | - | 282,843 | 246,393 | (12.887)% |
| Community Support - Non Instruct. Services | 4,072,102 | 3,425,166 | - | - | 4,072,102 | 3,425,166 | (15.887)% |
| Debt Service | 68,818 | 68,232 | - | - | 68,818 | 68,232 | (.852)% |
| Other - Enterprise Funds | - | - | 5,250,965 | 5,010,394 | 5,250,965 | 5,010,394 | (4.581)% |
| Total Expenses | 167,008,882 | 166,101,826 | 5,250,965 | 5,010,394 | 172,259,847 | 171,112,220 | (.666)% |
| Excess (deficiency) before transfers | 19,497,552 | (6,807,803) | (987,403) | (923,169) | 18,510,149 | (7,730,972) | (141.766)% |
| Transfers | (1,230,000) | (1,057,651) | 1,230,000 | 1,057,651 | - | - | - |
| Change in Net Position: | 18,267,552 | (7,865,454) | 242,597 | 134,482 | 18,510,149 | (7,730,972) | (141.766)% |
| Net Position - Beginning July 1 | 178,566,127 | 196,833,679 | 231,206 | 473,803 | 178,797,333 | 197,307,482 | 10.353 % |
| Net Position - Ending June 30 | \$ 196,833,679 | \$ 188,968,225 | \$ 473,803 | \$ 608,285 | \$197,307,482 | \$189,576,510 | (3.918)% |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

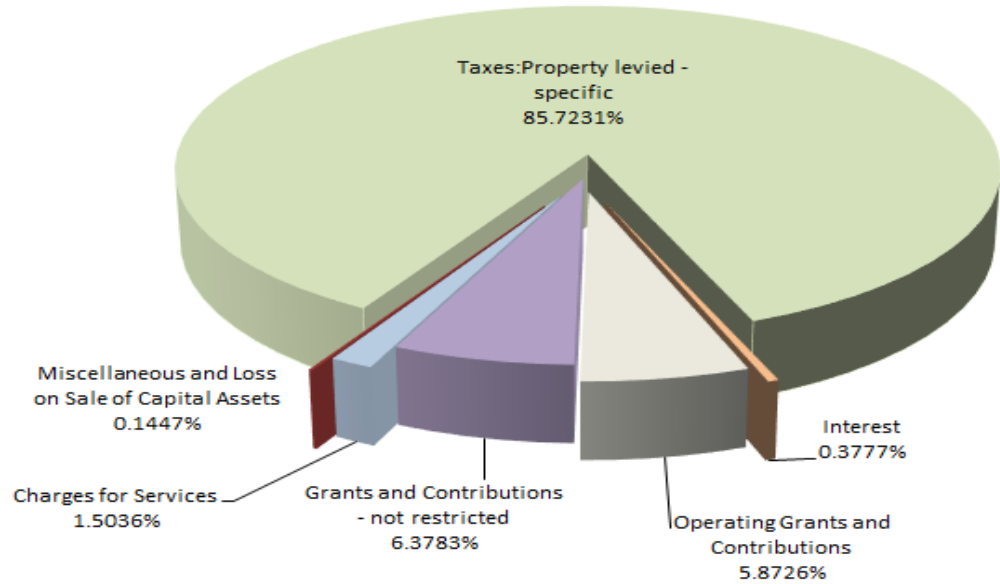
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

(Unaudited - Continued)

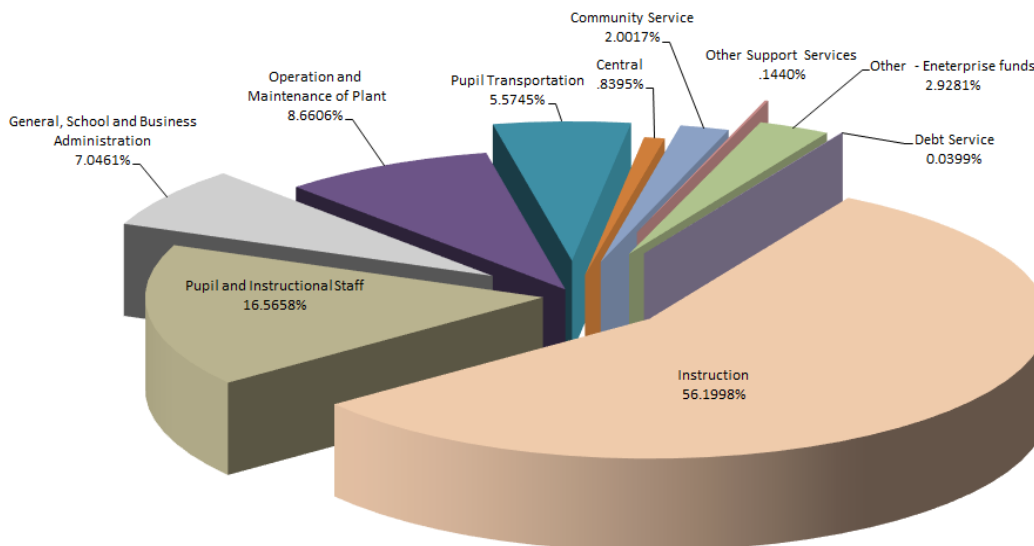
Of the \$163,381,248 total revenues, property taxes of \$140,055,504 accounted for most of the District's revenue, or 85.7231 percent. Local, state and federal aid for specific programs contributed \$9,594,752 or 5.8726 percent, with charges for services of \$2,456,625 or 1.5036 percent, grants and contributions not restricted of \$10,420,935 or 6.3783 percent. The remainder \$853,432 or .5224 percent, resulted from interest earnings, miscellaneous sources and the gain on the Sale of Capital Assets.

The cost of all programs and services totaled \$171,112,220. Of the District's expenses, \$124,510,845 or 72.7656 percent are directly related to the areas of instruction, and pupil and instructional staff. Pupil transportation with costs of \$9,538,591 represents 5.5745 percent, operation and maintenance of plant

Revenue Sources for Fiscal Year 2018
Fund types presented: General, Special Revenue, Capital Projects, Debt Service and Proprietary - Enterprise funds



Expenses for Fiscal Year 2018
Fund types presented: General, Special Revenue, Capital Projects, Debt Service and Proprietary - Enterprise funds



services costs totaled \$14,819,445 or 8.6606 percent of total expenses. The areas of administration: general, school and business, had expenses totaling \$12,056,676 or 7.0461 percent. Central, which is the office of human resources and the costs associated with the Health Insurance Fund, totaled \$1,436,478 or .8395 percent of total expenses, debt service expenses totaled \$68,232 or .0399 percent. Other support services and community services expenses totaling \$3,671,559 represent 2.1457 percent while the enterprise funds totaled \$5,010,394 or 2.9281 percent of total District expenses.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

(Unaudited - Continued)

Total District expenditures for fiscal year 2018 surpassed revenues causing a reduction in the District's financial position by \$7,730,972. A reduction in governmental activities of \$7,865,454 was offset by an increase in the business-type activities of the Enterprise Funds of \$134,482.

Governmental Activities

Revenues

When reviewing Total Governmental specific revenue source changes for 2017-2018 compared to 2016-2017 the changes were:

- The District realized an overall increase of \$641,931 in Local and County revenue sources in 2017-2018 over 2016-2017. Local area revenues with increases were; Taxes of \$188,794, Interest of \$271,137, Tuition & Fees of \$2,025, Charges for Services of \$42,809, Contributions and Donations of \$76,820 and \$13,389 in Miscellaneous. These increases were offset by a revenue reduction of \$172 in the Rentals. County area revenues increased by \$47,129.
- Revenues from the State of Wyoming decreased \$19,724,573 in 2017-2018 compared to 2016-2017. An increase in the Non-Major Special Revenue Funds of \$238,591 was offset by decreases of \$17,061,090 in the Non-Major Capital Projects Funds and \$2,902,074 in the General Fund.
- Revenues from Federal Sources increased \$284,345 in 2017-2018 compared to 2016-2017. A revenue decrease in the General Fund of \$28,900 was offset by a \$313,245 revenue increase in Non-Major Special Revenue Funds - federal and state grant award funding sources.

Expenses

Figure C presents the cost of nine major district activities: instruction, pupil and instructional staff, general, school and business administration, operation and maintenance of plant, pupil transportation, central, other support service, operation of non-instructional services-community support and debt service. The table also shows each activity's *net cost* (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

Figure C

| Net Cost of Governmental Activities | | | | | | |
|---|------------------------|-----------------------|-------------------|-----------------------|-----------------------|-------------------|
| | Total Cost of Services | | Percentage Change | Net Cost of Services | | Percentage Change |
| | 2017 | 2018 | | 2017 | 2018 | |
| Instruction | \$ 97,627,142 | \$ 96,164,684 | (1.4980)% | \$ 91,555,287 | \$ 90,626,016 | (1.0150)% |
| Pupil and Instructional Staff | 26,756,140 | 28,346,161 | 5.9426 % | 23,268,089 | 26,684,198 | 14.6815 % |
| General, School and Business Administration | 12,421,516 | 12,056,676 | (2.9372)% | 12,295,224 | 11,958,597 | (2.7379)% |
| Operation and Maintenance of Plant | 13,683,239 | 14,819,445 | 8.3036 % | 13,683,239 | 14,819,445 | 8.3036 % |
| Pupil Transportation | 10,453,618 | 9,538,591 | (8.7532)% | 10,035,855 | 9,172,211 | (8.6056)% |
| Central | 1,643,464 | 1,436,478 | (12.5945)% | 1,643,464 | 1,436,478 | (12.5945)% |
| Other Support Services | 282,843 | 246,393 | (12.8870)% | 21,240 | 4,497 | (78.8277)% |
| Operation on Non- Instructional Service - Community | 4,072,102 | 3,425,166 | (15.8870)% | 4,001,938 | 3,365,020 | (15.9152)% |
| Debt Service | 68,818 | 68,232 | (.8515) % | 68,818 | 68,232 | (.8515)% |
| Total | \$ 167,008,882 | \$ 166,101,826 | (.5431)% | \$ 156,573,154 | \$ 158,134,694 | .9973 % |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2018 (Unaudited - Continued)

Governmental Activities - Expenses (continued)

Total cost of governmental activities for 2017-2018 totaled \$166,101,826. To achieve a net cost to the District for governmental activities, monies received from federal and state governments, which subsidized certain programs with grants and contributions, totaling \$7,285,106 and Charges for Services of \$682,026 are deducted, bringing the total net cost of services to \$158,134,694.

Specific fund expenditure changes before government-wide adjustments for 2017-2018 compared to 2016-2017 showed:

- Expenditures in the Non-Major Special Revenue Funds increased \$1,135,685 in total for 2017-2018 compared to 2016-2017. Of the Non-Major Special Revenue Funds the Campbell County Community Public Recreation District was the only one with a spending decrease of \$5,000,985, which was off set by spending increases of \$313,245 in award funding from federal and state grant sources and \$5,823,425 in Major Maintenance.
- General Fund expenditures in total decreased by \$924,387 in 2017-2018 compared to 2016-2017. Spending in areas directly in contact with students had an overall increase of \$103,628; a decrease of \$1,016,416 in Instruction areas was off set by a spending increases of \$1,120,044 in the Pupil and Instructional Staff areas. Additional areas with spending increases were; \$266,902 in School Administration, \$1,263,815 in Operation and Maintenance of Plant and \$111,630 in Community Services. These increases were off set by spending decreases of; \$325,589 in General Administration, \$29,233 in Business Administration, \$541,710 in Pupil Transportation, \$711,111 in Central, \$40,966 in Other Support Services and \$1,021,753 in the Debt Service.
- The District had an overall decrease of \$22,208,494 in Capital Outlay spending. The decreased spending of \$17,634,005 in the NonMajor Capital Projects Funds-Major Capital Projects, \$4,268,429 in Special Revenue Funds - Campbell County Community Public Recreation District, and \$1,027,392 in Debt Service, was offset by increase spending in NonMajor Capital Projects Funds of; \$148,417 in Depreciation Reserve and \$572,915 Component Projects.

Business-Type Activities

The District's business-type activities revenues decreased 4.1359 percent to \$4,087,225 and the expenses decreased 4.5815 percent to \$5,010,394. (refer to Figure B) Expenses exceeded revenues by \$923,169 before transfers. When including transfers, the net position of the business-type activities increased by \$134,482 or 28.3835 percent.

Financial Analysis of the District's Funds

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget one time. The reasoning for this budget amendment is one of two categories; budget transfers between function classifications to properly record expenditures and appropriation increases to recognize actual funding received from state and federal sources and to prevent budget over runs.

Although the District's final budget for the General Fund had anticipated revenues and expenditures resulting with a reduction of \$4,039,986 actual results for the year show an increase of \$2,743,144. Actual revenues of \$141,522,719 were \$2,457,894 higher than expected. Local and County Sources brought in more revenue than expected; \$2,850,710 for Local Sources and \$710,268 for County Sources. While both State and Federal Sources received less than expected; \$477,568 for State Sources and \$625,516 for Federal Sources.

The General Fund expenditures had no areas exceeding its budget appropriations for fiscal year 2017-2018. Actual General Fund expenditures were \$138,779,575, or \$4,325,236 below budget. When the unused budgeted contingency funding of

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Unaudited - Continued)**

\$362,565 is deducted actual expenditures show a savings of \$3,962,671. General Fund budgeted expenditure savings by established function areas were: \$1,050,156 in Instruction, \$1,817,490 Pupil and Instructional Support, \$48,392 in General, \$16,247 in School and Business Administration, \$22,600 in Operation and Maintenance of Plant, \$358,362 in Pupil Transportation, \$7 in Central, \$145,524 in Other Support Services and \$503,893 in Community Support.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2018 the District's governmental activities had invested \$387,682,266 before depreciation, in a broad range of Capital Assets, including land, school buildings, athletic facilities, computer and audio-visual equipment, vehicles and administrative offices. This represents an increase of \$15,156,646 or 4.0686 percent from fiscal year 2016-2017. Total depreciation expense for the year was \$13,027,688 which brings total accumulated depreciation to \$151,262,385 for fiscal year ending June 30, 2018. (See Figure D)

Governmental Activities Capital Assets had a net increase totaling \$3,119,618; the net reduction of \$31,124,590 in Construction in Progress was offset by net increases of; \$30,829,365 in Buildings and Building Improvements, \$2,771,994 in Improvements other than Buildings, and \$642,849 in the Equipment and Vehicles area.

At fiscal year end, the District had contractual purchase commitments approximately totaling \$22,768,000, which will be funded by the General Fund, the Capital Projects Fund, the Depreciation Reserve Fund, the Special Revenue Funds - Major Maintenance, Special Revenue Funds - Campbell County Community Public Recreation District, and the Component Projects Fund. More detailed information about capital assets can be found in Note 3 C of the Notes to the Basic Financial Statements.

Figure D

| Capital Assets (net of depreciation) | | | | | | | |
|--------------------------------------|-------------------------|----------------------|--------------------------|------------------|-----------------------|----------------------|-------------------------|
| | Governmental Activities | | Business-type Activities | | Total School District | | Total Percentage Change |
| | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017-2018 |
| Land | \$ 11,962,828 | \$11,962,828 | | | \$ 11,962,828 | \$ 11,962,838 | - |
| Buildings and Building Improvements | 146,882,254 | 177,711,619 | | | 146,882,254 | 177,711,619 | 20.9892 % |
| Improvements other than Buildings | 18,829,941 | 21,601,935 | | | 18,829,941 | 21,601,935 | 14.7212 % |
| Equipment and Vehicles | 7,585,329 | 8,228,178 | 90,705 | 80,063 | 7,676,034 | 8,308,241 | 8.2361 % |
| Construction in Progress | 48,039,911 | 16,915,321 | | | 48,039,911 | 16,915,321 | (64.7890)% |
| Total | \$233,300,263 | \$236,419,881 | \$ 90,705 | \$ 80,063 | \$233,390,968 | \$236,499,944 | 1.3321 % |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(Unaudited - Continued)**

Debt Administration / Long Term Debt

On June 30, 2018 the District had \$109,965,904 in other long-term debt outstanding or an decrease of 6.4958% from June 30, 2017 as shown in Figure E. (More detailed information about the District's long-term liabilities is presented in Note 3 G of the Notes to the Basic Financial Statements.) On June 30, 2018, the District's overall legal debt limit was \$418,262,305 leaving a legal debt margin of \$418,262,305 available.

Figure E

| Outstanding Long Term Debt | | | |
|--|-----------------------|----------------------|-------------------------|
| | Total School District | | Total Percentage Change |
| | 2017 | 2018 | 2017-2018 |
| Other general obligation debt - Capital leases | 1,354,728 | 1,475,543 | 8.9180 % |
| Other general obligation debt - Sick Leave Payable (anticipated) | 338,638 | 330,465 | (2.4135)% |
| Total OPEB Liability | 2,230,833 | 2,250,501 | .8816 % |
| Total Pension Liability | 113,681,060 | 105,909,395 | (6.8364)% |
| Total | \$117,605,259 | \$109,965,904 | (6.4958)% |

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of a few existing circumstances that could significantly affect its financial health in the future:

The State of Wyoming's energy related industries experienced a downturn beginning in 2015. With the reduced demand for their products, Campbell County experienced numerous employee layoffs over the past three years.

Starting in March 2016, local area coal mines eliminated more that 600 area jobs, or about 15 percent of their workforce. With these workforce layoffs the District realized a reduction in Average Daily Membership (ADM) student numbers of 435 students from June 30, 2016 to June 30, 2017. As of June 30, 2018 the District's ADM student numbers seem to have stabilized compared to the prior year with an increase of 36 students. On October 1, 2018 the District's fall student enrollment numbers have increased 122 students from June 30, 2018.

Wyoming School Districts receive their funding from the State of Wyoming's school foundation program and the established Wyoming State funding model as defined by statute. The previous mentioned volatility in the State's energy related industries have caused a reduction of assessed property valuations across the state, resulting in drastic tax revenue reductions for the Wyoming school foundation program. Due to a combination of student enrollment loss and state funding cuts, the Foundation Program Guarantee funding for 2018-2019 compared 2017-2018 was reduced by \$2,160,049 or 1.581% for Campbell County School District.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If anyone has questions about this report or needs additional financial information, they may contact the Finance Office, Campbell County School District No.1, 1000 West Eighth Street, PO Box 3033, Gillette, WY 82717-3033 or visit the District's web site at www.campbellcountyschools.net.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF NET POSITION

June 30, 2018

| | Primary Government | | | Component |
|--|----------------------------|---------------------------------|-----------------------|---------------------|
| | Governmental Activities | Business- Type Activities | Total | Unit BOCHES |
| ASSETS | | | | |
| Cash | \$ 853,163 | \$ 108,969 | \$ 962,132 | \$ 670,041 |
| Investments | 52,611,034 | 410,464 | 53,021,498 | 107,151 |
| Taxes Receivable (net of allowance for uncollectibles) | 153,342,556 | - | 153,342,556 | 2,994,811 |
| Accounts Receivable | 1,742,629 | 26,232 | 1,768,861 | 6,209 |
| Internal Balances | (23,163) | 23,163 | - | - |
| State Foundation Receivable | 3,109,500 | - | 3,109,500 | - |
| Due From Other Governments | 1,154,871 | 27,722 | 1,182,593 | 7,782 |
| Prepaid Expenses | 874,734 | - | 874,734 | - |
| Inventories | 781,999 | 26,630 | 808,629 | - |
| Capital Assets: | | | | |
| Non-depreciable Capital Assets | 28,878,149 | - | 28,878,149 | - |
| Depreciable Capital Assets, Net | 207,541,732 | 80,063 | 207,621,795 | - |
| Total Assets | \$ 450,867,204 | \$ 703,243 | \$ 451,570,447 | \$ 3,785,994 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Relating to Pensions | \$ 28,253,908 | \$ - | \$ 28,253,908 | \$ - |
| LIABILITIES | | | | |
| Accounts Payable | \$ 864,944 | \$ 91,767 | \$ 956,711 | \$ 13,513 |
| Accrued Compensation | 12,682,216 | 3,191 | 12,685,407 | - |
| Advance Payments Received on Grants | 93,506 | - | 93,506 | - |
| Contracts and Retainage Payable | 1,883,466 | - | 1,883,466 | - |
| State Foundation Payable | 571,000 | - | 571,000 | - |
| Estimated Claims Payable | 40,000 | - | 40,000 | - |
| Noncurrent Liabilities: | | | | |
| Due Within One Year | 483,100 | - | 483,100 | - |
| Due Within More Than One Year | 109,482,804 | - | 109,482,804 | - |
| Total Liabilities | \$ 126,101,036 | \$ 94,958 | \$ 126,195,994 | \$ 13,513 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Taxes Levied for Subsequent Years | \$ 141,705,000 | \$ - | \$ 141,705,000 | \$ 2,704,000 |
| Relating to OPEB | 246,152 | - | 246,152 | - |
| Relating to Pensions | 22,100,699 | - | 22,100,699 | - |
| Total Deferred Inflows of Resources | \$ 164,051,851 | \$ - | \$ 164,051,851 | \$ 2,704,000 |
| NET POSITION | | | | |
| Net Investment in Capital Assets | \$ 233,060,872 | \$ 80,063 | \$ 233,140,935 | \$ - |
| Restricted for: | | | | |
| Capital Maintenance | 6,184,572 | - | 6,184,572 | - |
| Capital Projects | 6,617,158 | - | 6,617,158 | - |
| Public Recreation | 6,674,497 | - | 6,674,497 | - |
| Unrestricted | (63,568,874) | 528,222 | (63,040,652) | 1,068,481 |
| Total Net Position | \$ 188,968,225 | \$ 608,285 | \$ 189,576,510 | \$ 1,068,481 |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF ACTIVITIES

Year Ended June 30, 2018

| | | Program Revenues | |
|--|----------------|-------------------------|--|
| | Expenses | Charges for Services | Operating Grants and Contributions |
| Primary Government | | | |
| Governmental Activities: | | | |
| Instruction: | | | |
| Regular | \$ 69,895,319 | \$ 303,231 | \$ 2,783,278 |
| Special Education | 23,556,127 | - | 2,157,949 |
| Vocational | 2,490,877 | - | 294,210 |
| Other Instruction | 222,361 | - | - |
| Support Services: | | | |
| Pupil | 16,309,128 | - | 294,937 |
| Instructional Staff | 12,037,033 | 12,415 | 1,354,611 |
| General Administration | 1,407,958 | - | 98,079 |
| School Administration | 7,395,535 | - | - |
| Business | 3,253,183 | - | - |
| Operation and Maintenance of Plant | 14,819,445 | - | - |
| Pupil Transportation | 9,538,591 | 366,380 | - |
| Central | 1,436,478 | - | - |
| Other Support Services | 246,393 | - | 241,896 |
| Operation of Non-Instructional Services: | | | |
| Community Services | 3,425,166 | - | 60,146 |
| Debt Service: | | | |
| Interest on Long Term Debt | 68,232 | - | - |
| Total Governmental Activities | \$ 166,101,826 | \$ 682,026 | \$ 7,285,106 |
| Business-type Activities: | | | |
| Food Service | \$ 4,980,530 | \$ 1,755,757 | \$ 2,309,646 |
| Children After School Together | 29,864 | 18,842 | - |
| Total Business-type Activities | \$ 5,010,394 | \$ 1,774,599 | \$ 2,309,646 |
| Total Primary Government | \$ 171,112,220 | \$ 2,456,625 | \$ 9,594,752 |
| Component Unit: | | | |
| BOCHES | \$ 2,574,278 | \$ - | \$ - |
| General Revenues: | | | |
| Taxes: | | | |
| Levied for general purposes | | | |
| Levied for public recreation | | | |
| Grants and Contributions not restricted to specific programs | | | |
| Investment Income | | | |
| Miscellaneous | | | |
| Transfers | | | |
| Total General Revenues and Transfers | | | |
| Change in Net Position | | | |
| Net Position, Beginning July 1 | | | |
| Net Position, Ending June 30 | | | |

See Notes to the Basic Financial Statements.

| Net (Expense) Revenue and Changes in Net Position | | | | |
|---|-----------------------------|------------------|----------------|------|
| Primary Government | | | Component Unit | |
| Governmental Activities | Business-type Activities | Totals | BOCHES | |
| \$ (66,808,810) | \$ - | \$ (66,808,810) | \$ - | \$ - |
| (21,398,178) | - | (21,398,178) | - | - |
| (2,196,667) | - | (2,196,667) | - | - |
| (222,361) | - | (222,361) | - | - |
| (16,014,191) | - | (16,014,191) | - | - |
| (10,670,007) | - | (10,670,007) | - | - |
| (1,309,879) | - | (1,309,879) | - | - |
| (7,395,535) | - | (7,395,535) | - | - |
| (3,253,183) | - | (3,253,183) | - | - |
| (14,819,445) | - | (14,819,445) | - | - |
| (9,172,211) | - | (9,172,211) | - | - |
| (1,436,478) | - | (1,436,478) | - | - |
| (4,497) | - | (4,497) | - | - |
| (3,365,020) | - | (3,365,020) | - | - |
| (68,232) | - | (68,232) | - | - |
| \$ (158,134,694) | \$ - | \$ (158,134,694) | \$ - | \$ - |
| \$ - | \$ (915,127) | \$ (915,127) | \$ - | \$ - |
| - | (11,022) | (11,022) | - | - |
| \$ - | \$ (926,149) | \$ (926,149) | \$ - | \$ - |
| \$ (158,134,694) | \$ (926,149) | \$ (159,060,843) | \$ - | \$ - |
| \$ - | \$ - | \$ - | \$ (2,574,278) | \$ - |
| \$ 135,769,625 | \$ - | \$ 135,769,625 | \$ 2,663,882 | \$ - |
| 4,285,879 | - | 4,285,879 | - | - |
| 10,420,935 | - | 10,420,935 | - | - |
| 614,075 | 2,980 | 617,055 | 1,773 | - |
| 236,377 | - | 236,377 | - | - |
| (1,057,651) | 1,057,651 | - | - | - |
| \$ 150,269,240 | \$ 1,060,631 | \$ 151,329,871 | \$ 2,665,655 | \$ - |
| \$ (7,865,454) | \$ 134,482 | \$ (7,730,972) | \$ 91,377 | \$ - |
| \$ 196,833,679 | \$ 473,803 | \$ 197,307,482 | \$ 977,104 | \$ - |
| \$ 188,968,225 | \$ 608,285 | \$ 189,576,510 | \$ 1,068,481 | \$ - |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

BALANCE SHEET
GOVERNMENTAL FUNDS
 June 30, 2018

| | General Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|-----------------------|------------------------------------|--------------------------------|
| ASSETS | | | |
| Cash | \$ 332,990 | \$ 446,078 | \$ 779,068 |
| Investments | 28,830,345 | 20,086,475 | 48,916,820 |
| Taxes Receivable (net of allowance for uncollectibles) | 148,550,882 | 4,791,674 | 153,342,556 |
| Accounts Receivable | 49,171 | - | 49,171 |
| Due From Other Funds | 339,948 | 134,285 | 474,233 |
| State Foundation Receivable | 3,109,500 | - | 3,109,500 |
| Due From Other Governments | 80,378 | 1,074,493 | 1,154,871 |
| Prepaid Expenses | 874,734 | - | 874,734 |
| Inventories | 781,999 | - | 781,999 |
| Total Assets | \$ 182,949,947 | \$ 26,533,005 | \$ 209,482,952 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ 354,923 | \$ 260,195 | \$ 615,118 |
| Accrued Compensation | 12,517,871 | 164,345 | 12,682,216 |
| Advance Payments Received on Grants | 93,245 | 261 | 93,506 |
| Contracts and Retainage Payable | 19,523 | 1,863,943 | 1,883,466 |
| State Foundation Payable | 571,000 | - | 571,000 |
| Due To Other Funds | 157,362 | 340,034 | 497,396 |
| Total Liabilities | \$ 13,713,924 | \$ 2,628,778 | \$ 16,342,702 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable Taxes | \$ 146,863,300 | \$ 4,737,235 | \$ 151,600,535 |
| FUND BALANCES | | | |
| Nonspendable | \$ 1,656,733 | \$ - | \$ 1,656,733 |
| Restricted | - | 19,166,992 | 19,166,992 |
| Committed | 399,274 | - | 399,274 |
| Unassigned | 20,316,716 | - | 20,316,716 |
| Total Fund Balances | \$ 22,372,723 | \$ 19,166,992 | \$ 41,539,715 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 182,949,947 | \$ 26,533,005 | \$ 209,482,952 |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION**

June 30, 2018

| | |
|---|-----------------------|
| Total Governmental Fund Balances | \$ 41,539,715 |
| Amounts reported for governmental activities in the statement of net position are different because: | |
| Property and production taxes are not available to pay for current-period expenditures and, therefore, are deferred in the funds. | 9,895,535 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | |
| Non-depreciable capital assets | 28,878,149 |
| Depreciable assets | 358,804,117 |
| Less: accumulated depreciation | <u>(151,262,385)</u> |
| | 236,419,881 |
| An Internal Service Fund is used by Campbell County School District No. 1 to charge the cost of the District's health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position. Internal Service Fund net position is: | 5,171,941 |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. | |
| Capital Leases Payable | 1,475,543 |
| Sick Leave Payable | 330,465 |
| Total OPEB Liability | 2,250,501 |
| Net Pension Liability | <u>105,909,395</u> |
| | (109,965,904) |
| Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds. | |
| Deferred outflows of resources related to pensions | 28,253,908 |
| Deferred inflows of resources related to pensions | (22,100,699) |
| Deferred inflows of resources related to OPEB | <u>(246,152)</u> |
| | 5,907,057 |
| Net Position of Governmental Activities | \$ 188,968,225 |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

Year Ended June 30, 2018

| | General Fund | Non-Major Governmental Funds | Total Governmental Funds |
|--|-----------------------|------------------------------|--------------------------|
| REVENUES | | | |
| Local Sources: | | | |
| Taxes | \$ 110,152,444 | \$ 4,343,701 | \$ 114,496,145 |
| Investment Income | 351,152 | 235,614 | 586,766 |
| Tuition and Fees | 2,025 | - | 2,025 |
| Rentals | 22,264 | - | 22,264 |
| Charges for Services | 657,737 | - | 657,737 |
| Contributions and Donations | 286,449 | - | 286,449 |
| Miscellaneous | 236,377 | - | 236,377 |
| Total Local Sources | \$ 111,708,448 | \$ 4,579,315 | \$ 116,287,763 |
| County Sources: | | | |
| Taxes | \$ 27,407,858 | \$ - | \$ 27,407,858 |
| State Sources: | | | |
| Intergovernmental | \$ 1,803,655 | \$ 10,295,876 | \$ 12,099,531 |
| Federal Sources: | | | |
| Intergovernmental | \$ 125,058 | \$ 5,195,003 | \$ 5,320,061 |
| Total Revenues | \$ 141,045,019 | \$ 20,070,194 | \$ 161,115,213 |
| EXPENDITURES | | | |
| Current: | | | |
| Instruction: | | | |
| Regular | \$ 51,938,440 | \$ 1,710,485 | \$ 53,648,925 |
| Special Education | 20,483,267 | 1,484,166 | 21,967,433 |
| Vocational Education | 2,393,294 | 154,808 | 2,548,102 |
| Other Instruction | 210,484 | - | 210,484 |
| Support Services: | | | |
| Pupil | 14,769,339 | 240,136 | 15,009,475 |
| Instructional Staff | 9,961,054 | 1,268,985 | 11,230,039 |
| General Administration | 1,215,294 | 74,767 | 1,290,061 |
| School Administration | 7,392,292 | - | 7,392,292 |
| Business | 2,656,919 | - | 2,656,919 |
| Operation and Maintenance of Plant | 13,330,238 | 1,165,372 | 14,495,610 |
| Pupil Transportation | 10,962,392 | - | 10,962,392 |
| Central | 1,375,719 | 6,923,138 | 8,298,857 |
| Other Support | 19,908 | 226,485 | 246,393 |
| Operation of Non-Instructional Service: | | | |
| Community Services | 183,518 | 3,244,376 | 3,427,894 |
| Capital Outlay | - | 6,600,939 | 6,600,939 |
| Debt service: | | | |
| Principal | 1,819,185 | - | 1,819,185 |
| Interest | 68,232 | - | 68,232 |
| Total Expenditures | \$ 138,779,575 | \$ 23,093,657 | \$ 161,873,232 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ 2,265,444 | \$ (3,023,463) | \$ (758,019) |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | \$ - | \$ 2,628,000 | \$ 2,628,000 |
| Transfers (Out) | (3,685,651) | - | (3,685,651) |
| Sale of General Capital Assets | 8,554 | - | 8,554 |
| Capital Lease | 1,940,000 | - | 1,940,000 |
| Total Other Financing Sources (Uses) | \$ (1,737,097) | \$ 2,628,000 | \$ 890,903 |
| Net Changes in Fund Balances | \$ 528,347 | \$ (395,463) | \$ 132,884 |
| FUND BALANCES, BEGINNING JULY 1 | 21,844,376 | 19,562,455 | 41,406,831 |
| FUND BALANCES, ENDING JUNE 30 | \$ 22,372,723 | \$ 19,166,992 | \$ 41,539,715 |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

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

Year Ended June 30, 2018

| | |
|--|----------------------------|
| Net Changes in Fund Balances - Total Governmental Funds | \$ 132,884 |
| Amounts reported for governmental activities in the Statement of Activities are different because: | |
| Timing differences for the recognition of property and production tax revenues between revenues reported in the funds and revenues reported in the Statement of Activities. | (1,848,499) |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. | |
| Capital Outlays | 16,237,307 |
| Depreciation | <u>(13,027,688)</u> |
| | 3,209,619 |
| Governmental funds recognize gain on sale of capital assets as the sales proceeds received. However, in the Statement of Activities, this amount is reduced by the remaining net book value of the disposed assets. This is the amount of the net book value of the disposed assets. | (90,001) |
| Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. | (1,940,000) |
| An Internal Service Fund is used by Campbell County School District No. 1 to charge the cost of the District's health insurance to individual funds. The net income of the internal service fund is reported with governmental activities. | 6,011 |
| Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. | 1,819,185 |
| Decrease in long-term sick leave payable is not reflected in the governmental funds, but decreases long-term liabilities in the Statement of Net Position. | 8,173 |
| Governmental funds report District OPEB payments as expenditures. However, in the Statement of Activities, the cost of OPEB benefits earned net of Retiree payments is reported as OPEB expense. | |
| Retiree payments | 113,690 |
| Cost of benefits earned | <u>(175,354)</u> |
| | (61,664) |
| Governmental funds report District pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. | |
| District pension contributions | 6,911,506 |
| Cost of benefits earned net of employee contributions | <u>(16,012,668)</u> |
| | (9,101,162) |
| Change in Net Position of Governmental Activities | \$ (7,865,454) |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE
IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
GENERAL FUND

Year Ended June 30, 2018

| | Budgeted Amounts | | Actual * | Variance With Final Budget |
|--|-----------------------|-----------------------|-----------------------|-------------------------------|
| | Original | Final | | |
| REVENUES | | | | |
| Local Sources: | | | | |
| Taxes | \$ 107,526,324 | \$ 107,526,324 | \$ 110,480,244 | \$ 2,953,920 |
| Investment Income | 205,000 | 205,000 | 351,152 | 146,152 |
| Tuition and Fees | - | - | 2,025 | 2,025 |
| Rentals | 30,650 | 30,650 | 22,264 | (8,386) |
| Charges for Services | 678,660 | 678,660 | 657,737 | (20,923) |
| Contributions and Donations | 10,050 | 10,050 | 286,449 | 276,399 |
| Miscellaneous | 734,854 | 734,854 | 236,377 | (498,477) |
| Total Local Revenues | \$ 109,185,538 | \$ 109,185,538 | \$ 112,036,248 | \$ 2,850,710 |
| County Sources: | | | | |
| Taxes | \$ 26,844,890 | \$ 26,844,890 | \$ 27,555,158 | \$ 710,268 |
| State Sources: | | | | |
| Intergovernmental | \$ 2,281,223 | \$ 2,281,223 | \$ 1,803,655 | \$ (477,568) |
| Federal Sources: | | | | |
| Intergovernmental | \$ 753,174 | \$ 753,174 | \$ 127,658 | \$ (625,516) |
| Total Revenues | \$ 139,064,825 | \$ 139,064,825 | \$ 141,522,719 | \$ 2,457,894 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | \$ 54,426,481 | \$ 53,028,773 | \$ 51,938,440 | \$ 1,090,333 |
| Special Education | 21,624,465 | 20,622,617 | 20,483,267 | 139,350 |
| Vocational Education | 2,371,632 | 2,522,757 | 2,393,294 | 129,463 |
| Other Instruction | 248,702 | 232,421 | 210,484 | 21,937 |
| Support Services: | | | | |
| Pupil | 15,869,072 | 16,077,614 | 14,769,339 | 1,308,275 |
| Instructional Staff | 9,549,454 | 10,501,908 | 9,961,054 | 540,854 |
| General Administration | 1,362,878 | 1,263,686 | 1,215,294 | 48,392 |
| School Administration | 7,333,891 | 7,408,534 | 7,392,292 | 16,242 |
| Business | 2,505,075 | 2,656,924 | 2,656,919 | 5 |
| Operation and Maintenance of Plant | 12,366,083 | 13,352,838 | 13,330,238 | 22,600 |
| Pupil Transportation | 11,234,235 | 11,320,754 | 10,962,392 | 358,362 |
| Central | 1,560,464 | 1,375,726 | 1,375,719 | 7 |
| Other Support | 161,588 | 165,432 | 19,908 | 145,524 |
| Operation of Non-Instructional Services: | | | | |
| Community Services | 773,570 | 687,410 | 183,518 | 503,892 |
| Debt service: | | | | |
| Principal | 794,624 | 1,819,185 | 1,819,185 | - |
| Interest | 68,232 | 68,232 | 68,232 | - |
| Total Expenditures | \$ 142,250,446 | \$ 143,104,811 | \$ 138,779,575 | \$ 4,325,236 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ (3,185,621) | \$ (4,039,986) | \$ 2,743,144 | \$ 6,783,130 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | \$ 8,500 | \$ 8,500 | \$ - | \$ (8,500) |
| Transfers (Out) | (729,181) | (3,702,954) | (3,685,651) | 17,303 |
| Sale of General Capital Assets | - | - | 8,554 | 8,554 |
| Capital Lease | 1,944,570 | 1,944,570 | 1,940,000 | (4,570) |
| Total Other Financing Sources (Uses) | \$ 1,223,889 | \$ (1,749,884) | \$ (1,737,097) | \$ 12,787 |
| Net Change in Fund Balance | \$ (1,961,732) | \$ (5,789,870) | \$ 1,006,047 | \$ 6,795,917 |
| FUND BALANCE, BEGINNING JULY 1 | 21,937,676 | 21,937,676 | 21,937,676 | - |
| FUND BALANCE, ENDING JUNE 30 | \$ 19,975,944 | \$ 16,147,806 | \$ 22,943,723 | \$ 6,795,917 |

See Notes to the Basic Financial Statements.

* The actual revenues and expenditures reflected in this statement have been adjusted to the method of accounting used for budgetary purposes.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS**

June 30, 2018

| | Business-Type Activities <u>Enterprise Funds</u> | Internal Service Fund <u>Health Insurance</u> |
|----------------------------------|--|--|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash | \$ 108,969 | \$ 74,095 |
| Investments | 410,464 | 3,694,214 |
| Accounts Receivable | 26,232 | 1,693,458 |
| Due From Other Funds | 23,163 | - |
| Due From Other Governments | 27,722 | - |
| Inventories | 26,630 | - |
| Total Current Assets | \$ 623,180 | \$ 5,461,767 |
| Capital Assets, Net | \$ 80,063 | \$ - |
| Total Assets | \$ 703,243 | \$ 5,461,767 |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ 91,767 | \$ 249,826 |
| Accrued Compensation | 3,191 | - |
| Estimated Claims Payable | - | 40,000 |
| Total Liabilities | \$ 94,958 | \$ 289,826 |
| NET POSITION | | |
| Net Investment in Capital Assets | \$ 80,063 | \$ - |
| Unrestricted | 528,222 | 5,171,941 |
| Total Net Position | \$ 608,285 | \$ 5,171,941 |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

Year Ended June 30, 2018

| | Business-Type Activities <u>Enterprise Funds</u> | Internal Service Fund <u>Health Insurance</u> |
|---------------------------------|--|--|
| OPERATING REVENUES | | |
| Charges for Services | \$ 1,774,599 | \$ 19,885,800 |
| OPERATING EXPENSES | | |
| Salaries | \$ 1,436,392 | \$ 40,576 |
| Fringe Benefits | 962,449 | 33,224 |
| Claims and Contractual Services | - | 19,833,298 |
| Purchased Services | 14,310 | - |
| Materials and Supplies | 236,429 | - |
| Direct Food Costs | 2,339,157 | - |
| Depreciation | 15,650 | - |
| Other | 6,007 | - |
| Total Operating Expenses | \$ 5,010,394 | \$ 19,907,098 |
| Operating (Loss) | \$ (3,235,795) | \$ (21,298) |
| NONOPERATING REVENUES | | |
| Donated Commodities | \$ 445,844 | \$ - |
| Intergovernmental Grants | 1,863,802 | - |
| Investment Income | 2,980 | 27,309 |
| Total Nonoperating Revenues | \$ 2,312,626 | \$ 27,309 |
| Income (Loss) Before Transfers | \$ (923,169) | \$ 6,011 |
| TRANSFERS | | |
| Transfers In | \$ 1,057,651 | \$ - |
| Changes in Net Position | \$ 134,482 | \$ 6,011 |
| NET POSITION, BEGINNING JULY 1 | 473,803 | 5,165,930 |
| NET POSITION, ENDING JUNE 30 | \$ 608,285 | \$ 5,171,941 |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

Year Ended June 30, 2018

| | Business-Type Activities Enterprise Funds | Internal Service Fund Health Insurance |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash Received from Customers | \$ 1,760,008 | \$ - |
| Cash Payments from Interfund Services Provided | - | 19,957,497 |
| Cash Payments to Employees for Services | (1,445,240) | (40,576) |
| Cash Payments for Employee Benefits | (962,449) | (33,224) |
| Cash Payments for Goods and Services | (2,114,212) | (19,842,671) |
| Net Cash Provided By (Used In) Operating Activities | \$ (2,761,893) | \$ 41,026 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| Intergovernmental Grants Received | \$ 1,891,830 | \$ - |
| Transfers In From Other Funds | 1,057,651 | - |
| Net Cash Provided By Noncapital Financing Activities | \$ 2,949,481 | \$ - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Payments for Capital Acquisitions | \$ (5,008) | \$ - |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Investment Income | \$ 2,980 | \$ 27,309 |
| Proceeds from Maturities of Investments | 950,000 | 19,793,716 |
| Purchase of Investments | (1,060,443) | (19,827,153) |
| Decrease in Cash Pooled in General Fund | 11,022 | - |
| Net Cash (Used In) Investing Activities | \$ (96,441) | \$ (6,128) |
| Net Increase in Cash | \$ 86,139 | \$ 34,898 |
| Cash, Beginning July 1 | 22,830 | 39,197 |
| Cash, Ending June 30 | \$ 108,969 | \$ 74,095 |
| Reconciliation of Operating (Loss) to Net Cash Provided By (Used in) Operating Activities | | |
| Operating (Loss) | \$ (3,235,795) | \$ (21,298) |
| Adjustments: | | |
| Depreciation | 15,650 | - |
| Donated Commodities Used During Year | 445,844 | - |
| (Increase) Decrease in Assets: | | |
| Accounts Receivable | (14,591) | 71,697 |
| Inventories | 138 | - |
| Increase (Decrease) in Liabilities: | | |
| Accounts Payable | 35,709 | (12,373) |
| Estimated Claims Payable | - | 3,000 |
| Accrued Compensation | (8,848) | - |
| Net Cash Provided By (Used in) Operating Activities | \$ (2,761,893) | \$ 41,026 |
| NONCASH NONCAPITAL FINANCING ACTIVITIES | | |
| Donated Food Commodities | \$ (445,844) | \$ - |

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUND**

June 30, 2018

| | Agency Fund |
|-----------------------|----------------|
| ASSETS | |
| Cash | \$ 149,689 |
| Investments | 590,723 |
| Total Assets | \$ 740,412 |
| LIABILITIES | |
| Due to Student Groups | \$ 740,412 |

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
NOTES TO THE BASIC FINANCIAL STATEMENTS**

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

Campbell County School District No. 1 (the District), is a political subdivision of the State of Wyoming and provides a broad range of educational services to the youth of Campbell County, Wyoming. It is governed by an elected board of seven trustees. As required by accounting principles generally accepted in the United States of America, these financial statements present the District and its component units, for which the District is considered to be financially accountable. The blended component unit, although a legally separate unit, is in substance part of the District's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The component units also have a June 30 year end.

Blended Component Unit - The Campbell County Community Public Recreation District (CCCPRD) provides funding to the Campbell County community for recreation projects, which may include facilities, construction, programs and equipment. The Campbell County School District No. 1 Board of Trustees appoints all five members of the CCCPRD's Governing Board. CCCPRD is fiscally dependent on the District because the District's Board of Trustees must approve annually a 1 mill levy which provides the CCCPRD's funding. CCCPRD is reported as a special revenue fund.

Discretely Presented Component Unit - The Board of Cooperative Higher Educational Services (BOCHES) provides a broad range of educational services for adults. The District's Board of Trustees appoints three of the seven members of BOCHES' Governing Board. The Board is fiscally dependent on the District because the District's Board of Trustees must approve annually a .5 mill levy, which provides the majority of the Board's funding.

Complete financial information for these component units may be obtained at Board of Cooperative Higher Educational Services and Campbell County Community Public Recreation District administrative offices located at 1000 W. Eighth Street, Gillette, Wyoming.

B. Government-Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

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 and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property and production taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The government reports the following major governmental 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.

The other governmental funds of the District account for grants and other resources whose use is restricted to a particular purpose.

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes.

Major Maintenance - This fund was established by the District in accordance with Wyoming Statutes. This fund accounts for the revenues and expenditures for capital maintenance allocations determined by the Wyoming Department of Education. This fund is being funded by the State.

Campbell County Community Public Recreation District (CCCPRD) - This fund provides funding to the Campbell County community for recreation projects, which may include facilities, construction, programs and equipment.

Title I Basic/Neglected and Delinquent - This fund accounts for federal revenues used to assist the District in meeting the special needs of educationally deprived children who reside in areas with high concentrations of children from low-income families, including providing drop-out prevention, coordination of health and social services, and programs to meet the unique educational needs of youth at educational risk, including pregnant and parenting teens, youth who have come in contact with the juvenile justice system, youth at least one year behind their expected grade level, migrant youth, students with limited English proficiency, and gang members.

Title IIA - This fund accounts for federal revenues used to support sustained and intensive high-quality professional development for educators in the core academic subjects.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Carl Perkins - This fund accounts for federal revenues used to develop the technical, vocational, and academic skills of secondary and post-secondary students.

Part B - This fund accounts for federal revenues used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive environments, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Mathematics & Science Partnerships - This fund accounts for federal revenues used to improve the academic achievement in mathematics and science by encouraging schools to participate in programs that improve and upgrade the status and stature of mathematics and science teaching.

Title III - This fund accounts for federal revenues used to ensure that Limited English Proficient (LEP) students, including immigrant children, develop English proficiency and meet the same academic content and achievement standards as other students are expected to meet.

McKinney Homeless - This fund accounts for federal revenues used to provide homeless children and youth with an appropriate education and the supplies and other physical needs required to attain the education. These funds are also used to raise the awareness of professional educators to better identify homeless children and youth and to understand their special needs.

Title IV-A - This fund accounts for federal revenues used to provide students with a well-rounded education, support safe and health students, and support the effective use of technology.

Homeland Security - This fund accounts for federal revenues used to enhance the safety of schools in the District.

Nonmajor Debt Service Fund - This fund accounts for financial resources which was originally to be used for principal and interest payments on general obligation long-term debt. The debt has since been retired; the funds are now restricted for capital projects at the Campbell County High School South Campus, which was the facility the general obligation long-term debt originally funded. During the year ended June 30, 2018 the last of the remaining funds were used.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. Following are descriptions of the nonmajor capital projects funds:

Depreciation Reserve Fund - This fund was established in accordance with Wyoming Statutes. The statutes allow the District to establish reserves for the purpose of purchasing or replacing specified equipment or creating a depreciation reserve for equipment and school building repair. This fund is funded by transfers from the General Fund.

The *Major Capital Projects Fund* was established in accordance with Wyoming Statutes and accounts for money received from the Wyoming School Facilities Department, which is used to construct new schools.

Component Projects Fund - This fund was established in accordance with Wyoming Statutes. It was created for the purpose of accounting for the replacement, repair and upgrades of single building components as determined by the Wyoming School Facilities Department. This fund is being funded by the Wyoming School Facilities Department.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Additionally, the government reports the following fund types:

Proprietary Funds - Proprietary funds focus on the determination of the changes in net position, financial position and cash flows. The District's proprietary funds consist of two enterprise funds and an internal service fund. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The District's enterprise funds are the Food Service Fund, which accounts for the financial transactions related to the food service operations of the District, and the CAT/Preschool Fund, which accounts for before and after school child care services. The internal service fund accounts for operations that provide services to other funds of Campbell County School District No. 1 on a cost-reimbursement basis. The District uses the internal service fund to account for the financing and operations of the District's self-insurance dental plan and for payments of insurance premiums for the third party multiple employer welfare arrangement which provides medical benefits.

Fiduciary Fund - The District's fiduciary fund is an agency fund. Agency funds are custodial in nature (assets plus deferred outflows of resources equal liabilities plus deferred inflows of resources) and do not involve measurement of results of operations.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service enterprise fund are charges for food sales. Operating expenses for the food service enterprise fund include direct food costs, salaries and related benefits, depreciation on capital assets and other administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The principal operating revenues of the CAT/Preschool enterprise fund are charges for child care. Operating expenses for the CAT/Preschool enterprise fund include salaries and related benefits and other administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

1. Cash and Investments

The District's cash is considered to be cash on hand and demand deposit accounts.

Investments (all of which have maturities of less than one year) for the District, as well as for its component units, are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

2. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due From Other Funds/Due To Other Funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

3. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses and are accounted for on the consumption method.

4. Inventory

On government-wide and fund financial statements, governmental inventories are presented at average cost which is not in excess of market. Inventory in the General Fund consists of expendable supplies held for consumption and are accounted for using the "consumption" method, whereby the costs are recorded as an expenditure at the time the individual inventory items are used.

On government-wide and fund financial statements, proprietary food service inventories are presented at cost. Inventory in the Food Service Fund consists of donated food and purchased food and is expensed when purchased and then adjusted to the end-of-year actual physical inventory count.

5. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund.

All capital assets are capitalized at cost and updated for additions and retirements during the year. Buildings and building improvements with an individual cost of less than \$100,000, improvements other than buildings less than \$50,000, and equipment and vehicles with an individual cost less than \$5,000 are not capitalized. Donated capital assets are recorded at their acquisition value at date of receipt. Donated capital assets acquired prior to July 1, 2015 are stated at fair value as of the date of donation. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

| Description | Governmental Activities Estimated Lives | Business- Type Activities Estimated Lives |
|-------------------------------------|--|---|
| Buildings and building improvements | 7 - 50 years | N/A |
| Improvements other than buildings | 15 - 20 years | N/A |
| Equipment and vehicles | 5 - 20 years | 5 - 20 years |

6. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means, such as payment for unused accumulated vacation leave upon termination of services. The District records a liability for accumulated unused vacation time when earned for all eligible employees. The amount due for unused vacation leave is included in accrued compensation in the government-wide statements. The District anticipates that this amount will be liquidated using currently available resources. Therefore, the entire amount is included in accrued compensation in the governmental fund financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

The District's sick leave reimbursement policy allows an employee who leaves the District to be reimbursed for unused accumulated sick leave. The amount that is actually due at year-end is recorded as a payable in the General Fund. Due means the employee has applied for the leave but has not received payment at year end. Amounts not due at year end are recorded as long-term debt in the government-wide statement of net position.

7. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Long-term capital leases, the long-term portion of sick leave payable, the total OPEB (other than pension postemployment benefits) liability that has accrued but not yet been applied for that will be paid from governmental funds, and the District's proportionate share of the long-term net pension liability of the Wyoming Retirement System's Public Employees' pension plan are recognized as liabilities in the government-wide financial statements.

8. Defined Benefit Obligations

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, benefit payments are recognized when due and payable in accordance with the benefit terms.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System Public Employees' Pension Plan (Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Fund Balance

The District reports fund balance in its governmental funds based on hierarchy of classifications that are primarily based on the extent to which the District is bound to honor constraints on the specific purpose for which amounts can be spent. The fund balance classifications used by the District's governmental funds are as follows:

Nonspendable fund balances - Those balances representing amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to remain intact. The not in spendable form criteria includes items that are not expected to be converted to cash. The amounts reported as nonspendable fund balances are determined before classifying the amounts as restricted, committed, or assigned.

Restricted fund balances - Those balances representing amounts that are externally restricted by creditors, grantors, contributors, or laws or regulations of other governments. Restrictions can also be imposed through law, constitutional provisions, or enabling legislation. Restricted fund balances are reported by the District's governmental funds.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Committed fund balances - Those balances representing amounts that can only be used for specified purposes as imposed by formal actions of the District's highest level of decision making authority, the Board of Trustees. Those committed amounts cannot be used for any other purpose unless the District removes or changes the specified use through the same formal action.

Assigned fund balances - Those balances representing amounts that are constrained by the District to be used for a specified purpose. These amounts are neither restricted nor committed. The authority for making or changing an assignment of fund balance resides with the Assistant Superintendent for Instructional Support. Assigned fund balances represent all remaining amounts reported in all the governmental funds except for the General Fund. Assigned fund balances are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balances - Those fund balances representing the remaining classification for the General Fund. This balance represents the fund balance of the General Fund that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes in the General Fund. If expenditures incurred for specified purposes exceed the amounts restricted, committed, or assigned for those purposes, a negative unassigned fund balance may be reported.

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Net Position

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

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are considered to be applied. It is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

11. Property and Production Tax Revenues

Property and production tax revenues represent property and production taxes for 2017 and prior years which were collected during the year ended June 30, 2018. Property is annually valued and assessed January 1. Property and production taxes are levied by the first Monday of August and payable in two installments on September 1 and March 1. These installments become delinquent and thus payable, on November 10 and May 10. The taxpayer may elect, without penalty, to pay the entire balance by December 31. If not paid, property and production taxes attach as an enforceable lien on property on May 11 as of January 1. Property and production tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period on the financial statements. Property and production taxes which are not current receivables are offset by deferred inflows of resources. Property and production taxes are collected by the County Treasurer and remitted to the District in the month following that of collection.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

12. Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2. Stewardship, Compliance and Accountability

A. Budgetary Data

Budgets for the Special Revenue, Debt Service and Capital Projects Funds are prepared on the same basis and using the same accounting practices as are used to prepare the financial reports. The budget for the General Fund is prepared on the same basis used to prepare the financial report with the exception that payments to the State Foundation Program are budgeted on the cash basis of accounting.

On or before the last Thursday of March each year, all agencies and departments of the District submit requests for appropriations to the finance department so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Before May 15, the proposed budget is presented to the District's Board of Trustees for review. The District's Board of Trustees holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the finance department, or, the revenue estimates must be changed by an affirmative vote of the majority of the District's Board of Trustees.

Unexpended budgeted amounts lapse at the end of the budget year. Budgetary control is established at the department level (instruction: regular, special education, vocational, other instruction; support services: pupil, instructional staff, general administration, school administration, business, operation and maintenance of plant, pupil transportation, central, other support services; operation of non-instructional services: community services; capital outlay; debt service: principal and interest) for the General Fund and at the fund level for the Special Revenue Funds, Debt Service Fund and Capital Projects Funds. Management control is exercised at the budgetary line item level. The District may amend its budget after it is approved using the same procedures necessary to approve the original budget. Over the course of the year, the District revised the annual budget once. These budget amendments fall into two categories: budget transfers between function classifications to properly record expenditures and increases in appropriations to recognize actual funding received from state and federal sources and to prevent budget over runs. The amounts reported as the original and final budgeted amounts in the budgetary statements reflect appropriation in the first complete appropriated budget as well as the final appropriation amounts, including all supplemental appropriations.

B. Budget/GAAP Reconciliation

Budgetary comparisons in the financial statements are presented on a budgetary basis. Adjustments necessary to reconcile the General Fund revenues at the end of the year on the budgetary basis to actual are as follows:

| | Revenues |
|--|----------------|
| Budgetary basis | \$ 141,522,719 |
| Adjustment for State Foundation Program payable at June 30, 2017 | 93,300 |
| Adjustment for State Foundation Program payable at June 30, 2018 | (571,000) |
| Generally accepted accounting principles basis | \$ 141,045,019 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds

A. Deposits and Investments

Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy requires all acceptable securities pledged as collateral must have a fair market value equal to or exceeding 105 percent of total deposits, including any accrued interest, less the amount of Federal Deposit Corporation Insurance (FDIC), unless an exception is specifically granted by the Board of Trustees or an authorized representative of the Board.

Deposits of the District were covered in their entirety by federal depository insurance and collateral held by the District's agent under a joint custody receipt in the District's name at June 30, 2018.

Investments - The District is authorized by its governing board to invest in obligations of the U.S. Treasury, notes and bonds, agencies of all the U.S. Government that are backed by the full faith and credit of the United States Government, and Government National Mortgage Association mortgage-backed pass-through certificates which are authorized by State Statutes.

Investments of the District are reported at fair value. The Wyoming Government Investment Fund (WGIF) operates in accordance with applicable laws and regulations. The WGIF investment portfolio administers the short-term cash deposits made with the State by local entities. The investments are administered to provide liquid cash reserves, placing the majority portion in a cash portfolio and the rest in an extended cash portfolio. WGIF is sponsored by the Wyoming Association of Municipalities and the Wyoming School Board Association and is governed by a board elected by the depositors.

Fair Value of Investments - The District measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data, for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair values of the assets or liabilities.

The District and its discretely presented component unit have the following recurring fair value measurements as of June 30, 2018:

◦ \$53,719,372 held in WGIF Liquid Asset Series, a local government investment pool, is not assigned to a fair market value level, as it is measured at net asset value. Investments valued using the net asset value (NAV) per share (or its equivalent) are assets being reported according to GASB No. 79 requirements following amortized cost by the Wyoming Government Investment Fund. The District is eligible to redeem these funds at any time, with no redemption notice period required.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District does not address interest rate risk in its investing policy except to invest in investments which secure a maximum yield of interest revenues to supplement other revenues and support the educational programs of the District. Currently there are no restrictions on when the District can withdraw or contribute money to its current investments. The Wyoming Government Investment Fund invests in a wide variety of investments which are all allowed under State Statutes. The weighted average maturity of this fund is 216 days at June 30, 2018, but the weighted average maturity for this fund for the District is 1 day at June 30, 2018.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. Investing is performed in accordance with investing policies adopted by the governing board complying with State Statutes. District funds may be invested in obligations of the U.S. Treasury, notes and bonds, agencies of the U.S. Government that are backed by the full faith and credit of the United States Government and Government National Mortgage Association mortgage-backed pass-through certificates. The investments held by the Wyoming Government Investment Fund are rated by Standard and Poors.

As of June 30, 2018 the District had the following investments:

| Investment Type | Fair Value | Credit Quality Ratings | Weighted Average Maturity (Days) |
|------------------------------------|---------------------|------------------------|----------------------------------|
| Primary Government | | | |
| Wyoming Government Investment Fund | \$53,021,498 | AAAm | 1 |
| Fiduciary Funds | | | |
| Wyoming Government Investment Fund | \$ 590,723 | AAAm | 1 |
| Component Unit | | | |
| Wyoming Government Investment Fund | \$ 107,151 | AAAm | 1 |
| Total Investments | \$53,719,372 | | |

For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in open-end mutual funds and external investment pools are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form, and therefore, the District is not exposed to custodial credit risk related to these types of investments.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from the concentration of credit risk disclosure requirements. The District does not address concentration of credit risk disclosure in its investment policy.

B. Taxes Receivable

Receivables as of year end for the District's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

| | General Fund | Non-Major Funds | Total |
|---|-----------------------|---------------------|----------------------|
| Taxes Receivable for 2017 and Prior Years | \$ 13,841,415 | \$ 446,497 | \$ 14,287,912 |
| Estimated Taxes Receivable for 2018 | 137,277,000 | 4,428,000 | 141,705,000 |
| Less: Allowance for uncollectibles | (2,567,533) | (82,823) | (2,650,356) |
| Taxes Receivable, Net | \$ 148,550,882 | \$ 4,791,674 | \$153,342,556 |

Net taxes receivable of \$153,342,556 for the primary government and \$2,994,811 for BOCHES, the discretely presented component unit on the statement of net position includes 2018 taxes of \$141,705,000 and \$2,704,000 respectively. These amounts represent estimated taxes based on the 2018 assessed valuation. 2018 taxes are not levied until the first Monday of August, but there is an enforceable legal claim to the taxes as of the lien date, defined as the January 1 preceding the start of the fiscal year for which the taxes are levied. These 2018 taxes are included in deferred inflows of resources both on the statement of net position and in the fund statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in the governmental funds were as follows:

| | Unavailable |
|---|----------------------|
| Unavailable Taxes, 2017 and prior years (General Fund) | \$ 9,586,300 |
| Unavailable Taxes, 2018 (General Fund) | 137,277,000 |
| Unavailable Taxes, 2017 and prior years (Non-Major Funds) | 309,235 |
| Unavailable Taxes, 2018 (Non-Major Funds) | 4,428,000 |
| Total Deferred Inflows of Resources for Governmental Funds | \$151,600,535 |

C. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

| | Balance June 30, 2017 | Additions/ Transfers | Deductions/ Transfers | Balance June 30, 2018 |
|---|-----------------------------|-------------------------|--------------------------|-----------------------------|
| Governmental Activities | | | | |
| Non-depreciable capital assets: | | | | |
| Land | \$ 11,962,828 | \$ - | \$ - | \$ 11,962,828 |
| Construction in progress | 48,039,911 | 13,746,591 | (44,871,181) | 16,915,321 |
| Total non-depreciable capital assets | \$ 60,002,739 | \$ 13,746,591 | \$ (44,871,181) | \$ 28,878,149 |
| Depreciable capital assets: | | | | |
| Buildings and building improvements | \$ 253,212,655 | \$ 40,458,340 | \$ - | \$ 293,670,995 |
| Improvements other than buildings | 37,537,699 | 4,412,841 | - | 41,950,540 |
| Equipment and vehicles | 21,772,527 | 2,490,716 | (1,080,661) | 23,182,582 |
| Total depreciable capital assets | \$ 312,522,881 | \$ 47,361,897 | \$ (1,080,661) | \$ 358,804,117 |
| Less accumulated depreciation for: | | | | |
| Buildings and building improvements | \$(106,330,401) | \$ (9,628,975) | \$ - | \$(115,959,376) |
| Improvements other than buildings | (18,707,758) | (1,640,847) | - | (20,348,605) |
| Equipment and vehicles | (14,187,198) | (1,757,866) | 990,660 | (14,954,404) |
| Total accumulated depreciation | \$(139,225,357) | \$(13,027,688) | \$ 990,660 | \$(151,262,385) |
| Total depreciable capital assets, net | \$ 173,297,524 | \$ 34,334,209 | \$ (90,001) | \$ 207,541,732 |
| Governmental activities capital assets, net | \$ 233,300,263 | \$ 48,080,800 | \$ (44,961,182) | \$ 236,419,881 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

| | Balance June 30, 2017 | Additions/ Transfers | Deductions/ Transfers | Balance June 30, 2018 |
|--|-----------------------------|-------------------------|--------------------------|-----------------------------|
| Business-type Activities | | | | |
| Depreciable capital assets: | | | | |
| Equipment and vehicles | \$ 320,686 | \$ 5,008 | \$ (52,472) | \$ 273,222 |
| Less accumulated depreciation | (229,981) | (15,650) | 52,472 | (193,159) |
| Total depreciable capital assets, net | \$ 90,705 | \$ (10,642) | \$ - | \$ 80,063 |

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

| | |
|---|----------------------|
| Governmental Activities | |
| Regular instruction | \$ 12,966,541 |
| General administration | 61,147 |
| Total depreciation expense - governmental activities | \$ 13,027,688 |
| Business-type Activities | |
| Food service | \$ 15,650 |

Construction in progress represents construction related to improvements at several schools and the construction of a stadium and play field. Actual signed contracts for these projects approximate \$22,768,000 and will be funded by the General Fund, the Major Maintenance Special Revenue Fund, the CCCPRD Special Revenue Fund, the Depreciation Reserve Fund, the Major Capital Projects Fund and the Component Projects Fund. There were no contracts signed but not yet started at June 30, 2018.

D. Interfund Receivables, Payables and Transfers

The composition of due to/from other funds as of June 30, 2018 are as follows:

| | Receivable | Payable |
|--|------------|------------|
| Major Fund: | | |
| General Fund | \$ 339,948 | \$ 157,362 |
| Enterprise Funds: | | |
| CAT/Preschool Fund | \$ 23,163 | \$ - |
| Non-Major Funds: | | |
| Special Revenue Funds: | | |
| CCCPRD | \$ 94,062 | \$ - |
| Title I Basic/Neglected and Delinquent | - | 122,564 |
| Title IIA | - | 37,237 |
| Carl Perkins | - | 39,560 |
| Part B | - | 129,649 |
| Title III | 86 | - |
| McKinney Homeless | - | 3,314 |
| Title IV-A | - | 2,333 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

The composition of due to/from other funds as of June 30, 2018 are as follows:

| | Receivable | Payable |
|------------------------------|-------------------|-------------------|
| Capital Project Funds: | | |
| Depreciation Reserve | \$ 40,137 | \$ - |
| Major Capital Projects | - | 5,150 |
| Component Projects | - | 227 |
| Total Non-Major Funds | \$ 134,285 | \$ 340,034 |
| | \$ 497,396 | \$ 497,396 |

The above interfund balances are principally a reflection of the District's pooling of certain cash and investments in the General Fund.

Interfund Transfers:

| | General Fund | Enterprise Funds | Depreciation Reserve Fund | Total |
|--------------------------------|-----------------------|---------------------|---------------------------|--------------|
| Transfers In | \$ - | \$ 1,057,651 | \$ 2,628,000 | \$ 3,685,651 |
| Transfers (Out) | (3,685,651) | - | - | (3,685,651) |
| Net interfund transfers | \$ (3,685,651) | \$ 1,057,651 | \$ 2,628,000 | \$ - |

The primary purpose of material interfund transfers was for the General Fund to make operational transfers to the Food Service Fund and Depreciation Reserve Fund.

E. Compensated Absences

The District allows its employees one day of sick leave for each month of employment, with the employees being allowed to accumulate sick leave indefinitely. The District allows its employees two days of convenience leave for each year of employment, changing to three days after ten years of employment, with the employees being allowed to accumulate a maximum of three days. The accumulated unpaid convenience leave over the maximum three days allowed will be converted to sick leave at the end of the fiscal year. The accumulated unpaid sick and convenience leave approximated \$16,120,000 at June 30, 2018.

The District's sick leave reimbursement policy allows an employee who leaves the District be reimbursed for unused sick leave according to the following formula:

For days accumulated on or after July 1, 1994:

| | 61-120 Days | 120+ Days |
|-------------------------------|--------------|--------------|
| Educational Support Personnel | \$15 per day | \$20 per day |
| Certified | \$20 per day | \$25 per day |
| Administrators/Supervisors | \$25 per day | \$30 per day |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

GASB Interpretation No. 6 limits the amount of compensated absence liability to be reported in the governmental funds to the amount that is actually due at year-end. Due means the employee has applied for the leave but has not yet received payment at year end. The current liability for this reimbursement at June 30, 2018 is \$-0-. Amounts not due at year end approximating \$330,000 are recorded as a non-current liability due within more than one year in the government-wide Statement of Net Position.

The District's employees have vested accrued vacation amounting to approximately \$430,000 at June 30, 2018, which has been recorded within the accrued compensation liability. It is anticipated that this amount will be liquidated using currently available resources; therefore, the recorded amount has been charged to expenditures for the year ended June 30, 2018.

F. Capital Leases

The District has entered into a lease agreement for financing the acquisition of transportation equipment. This lease agreement provides for the transfer of title to the District at the end of the lease, and therefore qualifies as a capital lease for accounting purposes. The lease has been recorded at the present value of the future minimum lease payments as of the inception date. The lease is cancelable should monies not be appropriated in future years.

The assets acquired through the capital lease are as follows:

| | Governmental Activities |
|--------------------------------|----------------------------|
| Equipment and vehicles | \$ 1,944,570 |
| Less: Accumulated depreciation | (200,277) |
| Total | \$ 1,744,293 |

Payments on this obligation are being made by the General Fund. Annual debt service requirements as of June 30, 2018 are presented below:

| Year Ending June 30, | Obligations Under Capital Lease |
|---|--|
| 2019 | \$ 509,659 |
| 2020 | 509,659 |
| 2021 | 509,660 |
| Total lease payments | \$ 1,528,978 |
| Less interest portion | (53,435) |
| Present value of net minimum lease payments | \$ 1,475,543 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

G. Long-Term Debt

Long-term liability activity for the year ended June 30, 2018 was as follows:

| | Balance June 30, 2017 | Additions | Reductions | Balance June 30, 2018 | Due Within One Year |
|--------------------------|-----------------------------|---------------|----------------|-----------------------------|---------------------------|
| Governmental Activities: | | | | | |
| Capital leases | \$ 1,354,728 | \$ 1,940,000 | \$ (1,819,185) | \$ 1,475,543 | \$ 483,100 |
| Sick Leave Payable | 338,638 | 39,038 | (47,211) | 330,465 | - |
| Total OPEB Liability | 2,230,833 | 195,022 | (175,354) | 2,250,501 | - |
| Total Pension Liability | 113,681,060 | 8,241,003 | (16,012,668) | 105,909,395 | - |
| Long-term liabilities | \$117,605,259 | \$ 10,415,063 | \$(18,054,418) | \$109,965,904 | \$ 483,100 |

H. Legal Debt Margin

At June 30, 2018, the District did not exceed its legal debt margin as shown by the computation that follows:

| | |
|--|------------------------|
| Assessed valuation | \$4,182,623,053 |
| Debt limit - 10% of total assessed valuation | \$ 418,262,305 |
| Unused legal debt capacity | \$ 418,262,305 |

I. State Foundation Program Receivable/State Foundation Program Payable

Wyoming State Statutes provide for a determination of amounts to be included in the Foundation Program for each School District. If a District has resources which exceed the Foundation's funding formula, then the District must pay the excess amounts to the State Foundation Program for redistribution to other Districts. Because of this funding formula, Campbell County School District No. 1 must pay \$571,000 of amounts received during the year ended June 30, 2018 to the Foundation Program during the ensuing year. During the fiscal year ended June 30, 2018, the District experienced a tax shortfall of approximately \$3,109,500. This shortfall resulted because amounts collected from the 25 mill District and 6 mill County tax levies were lower than originally projected. As Wyoming Statutes require the Foundation to pay that shortfall amount to the District by October 15 of the succeeding fiscal year, the District has recorded this amount in the General Fund.

J. Classifications of Equity

Classifications of fund balance at June 30, 2018, not disclosed elsewhere and not apparent from the descriptions in the fund statements includes: \$351,301 committed for Healthy Schools Education and \$47,973 committed to fund the District's vested sick leave obligation based on District policy, \$6,617,158 restricted for capital projects in the nonmajor capital projects funds, \$6,184,572 restricted for capital maintenance and \$6,365,262 restricted for recreation projects in the nonmajor special revenue funds.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchased commercial insurance for claims and risks of loss through the Wyoming School Risk Retention Program Pool. This pool currently includes 29 districts in the State of Wyoming. The coverages for significant items and the related deductible are as follows:

| Type of Claim | Amount of Coverage | Deductible |
|---|--------------------|------------|
| Commercial General Liability | | |
| Occurrence | \$ 2,000,000 | \$ - |
| Personal and advertising injury | \$ 2,000,000 | \$ - |
| Products-completed operations aggregate | \$ 2,000,000 | \$ - |
| School board legal liability | \$ 2,000,000 | \$ 2,500 |
| Auto Liability | | |
| Each accident | \$ 2,000,000 | \$ - |
| Uninsured motorist | \$ 2,000,000 | \$ - |
| Under-insured motorist | \$ 2,000,000 | \$ - |
| Property | | |
| Building and contents | \$200,000,000 | \$ 5,000 |
| Extra expense (per occurrence) | \$ 5,000,000 | \$ - |
| Earthquake | \$ 25,000,000 | \$ - |
| Flood/backup water | \$ 25,000,000 | \$ - |
| Supplemental Coverages | | |
| Electronic data processing equipment, data and media | \$ 25,000,000 | \$ - |
| Accounts receivable | \$ 5,000,000 | \$ - |
| Errors and omissions | \$ 5,000,000 | \$ - |
| Valuable papers | \$ 5,000,000 | \$ - |
| Demolition and increased cost of construction | \$ 25,000,000 | \$ - |
| Contractors' equipment (per item) | \$ 3,000,000 | \$ - |
| Vehicle damage | \$ 5,000,000 | \$ - |
| Boiler and Machinery | | |
| Total breakdown limit | \$ 50,000,000 | \$ 5,000 |
| Ordinance or law, demolition | \$ 10,000,000 | \$ - |
| Hazardous substance | \$ 10,000,000 | \$ - |
| WHSAA Athletics Catastrophic Accidental Death/Dismemberment | | |
| Accident medical expense | \$ 2,000,000 | \$ - |

Settled claims have not exceeded commercial coverage in any of the past three fiscal years. In addition, there have been no significant reductions in insurance coverage in the prior year in any of the past three years.

The District has elected to provide employee dental benefits through a self-insured program. The District uses an internal service fund to account for and finance its uninsured risks of loss in this program. The dental plan has no deductible for preventative and diagnostic services, \$45 deductible for single and \$90 per family for basic and major services. Basic is covered at 85%, and major at 50%. A third party administrator reviews all claims which the District then pays.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

The District has elected to provide employee medical benefits through a partially self insured multiple employer welfare arrangement through the Wyoming School Board Association Insurance Trust. This Trust has 21 participating school districts throughout the State of Wyoming. As a result of this plan, the District is only required to pay monthly premiums for employees and eligible retirees of the District who elect to participate. In addition, if the District were to leave the Trust, it would retain the liability for unpaid claims through the date of Plan termination. This plan provides a medical plan with four levels of available coverage: single, employee plus spouse, family, and employee plus minor children. Participants have three plan coverage options: a high deductible plan or two different high deductible/HSA eligible plans. The high deductible plan has a \$2,500 deductible for single coverage and a \$2,500/\$5,000 deductible for all other coverages, while the first HSA eligible plan has a \$2,700 deductible for single coverage and a \$2,700/\$5,200 deductible for all other coverages. The second HSA eligible plan has a \$5,000 deductible for single coverage and a \$5,000/\$10,000 deductible for all other coverages. A retirees only plan was added July 1, 2017. This plan has a \$6,500 deductible for single coverage and a \$13,000 deductible for family coverage. For term life insurance and also accidental death and dismemberment insurance, the District covers one times an employee's annual salary, minimum at \$10,000 and maximum at \$50,000. The District also provides short term and long term disability coverage, which provides 60% of an employee's monthly salary with a maximum of \$5,000 per month.

The liability for unpaid claims cost of \$40,000 as estimated by the self insurance dental benefits third party administrator based upon claims filed subsequent to year end and historical experience, which is reported in the financial statements at June 30, 2018, is based on the requirements of Governmental Accounting Standards Board Statement No. 10 which requires that a liability for claims, including incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are:

| | Balance at Beginning of Year | Current Year Claims | Claim Payments | Balance at End of Year |
|--------------------------------|---------------------------------------|---------------------------|-------------------|---------------------------------|
| June 30, 2017 to June 30, 2018 | \$ 37,000 | \$ 1,180,864 | \$ 1,177,864 | \$ 40,000 |
| June 30, 2016 to June 30, 2017 | \$ 38,000 | \$ 1,169,803 | \$ 1,170,803 | \$ 37,000 |

The District contributes to the Wyoming Worker's Compensation Insurance program. Employees covered by Wyoming Workers Compensation Insurance include: bus drivers, mechanics, shop workers, chemistry laboratory instructors, specific career and technology education instructors and specific special education teaching and paraprofessional positions, printing department personnel, warehouse personnel, electronics technicians, custodians and custodial supervisors, maintenance employees, nutrition services employees and school nurses. This list may be changed as required by State Statutes. All Work Investment Act student employees are covered by Wyoming Workers' Safety and Compensation regardless of job assignment. All other employees of the District are not covered by any form of on-the-job injury insurance.

B. Pension Obligations

Plan Description

Substantially all employees of the District, excluding substitutes, temporary, and student workers are provided with pensions through the Wyoming Retirement System Public Employees' Pension Plan, (Plan) - a statewide cost-sharing multiple-employer defined benefit pension plan administered by the Wyoming Retirement System (WRS). The authority to establish and amend benefits and contributions rates rests with the Legislature of the State of Wyoming. WRS is granted the authority to administer the Plan by Wyoming State Statutes 9-3-401 through 432. WRS issues a publicly available financial report that can be obtained at <http://retirement.state.wy.us/home/index.html>.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Employee membership data related to the Plan, as of June 30, 2018 was as follows:

The three classes of covered employees in the Plan include: retirees and beneficiaries currently receiving benefits, terminated employees entitled to but not yet receiving benefits, and active plan members.

Benefits provided

The determination of retirement benefits is dependent upon the employee's initial employment date.

Service Retirement Tier 1: Full retirement at age 60 or qualifies for the Rule of 85. Early retirement is permitted at age 50 or 25 years of service. Formula for retirement equals 2.125% times the number of years of service times the three years highest average salary for the first fifteen years and 2.25% times the number of years of service times the three year highest average over fifteen years.

Service Retirement Tier 2: Full retirement at age 65 or qualifies for Rule of 85. Early retirement is permitted at age 55 or 25 years of service. Formula for retirement equals 2% times the number of years of service times the five year highest average salary.

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

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

For the year ended June 30, 2018, the District's total payroll for all employees was approximately \$86,177,000. Total covered payroll was approximately \$80,455,000. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Contributions

Per Title 9-3-412 and 413 of Wyoming State Statutes, for the year ended June 30, 2018 member contributions were required to be 8.25% of compensation and employer contributions were required to be 8.37% of compensation. In accordance with Title 9-3-412 (c)(ii) of State Statutes, the District has elected to pay 5.57% of the member's contribution in addition to the employer's contribution. Total contributions to the pension plan from the District were approximately \$11,218,000 for the year ended June 30, 2018.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

As of June 30, 2018 the District reported a liability of approximately \$105,900,000 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The District's proportion of the net pension liability was based on the relationship of the District's total contributions to the plan for the year ended December 31, 2017 to the contributions of all participating employers for the same period. At December 31, 2017, the District's proportion was 4.6465%, which was a decrease of .0559% from its proportion of 4.7024% measured as of December 31, 2016.

For the year ended June 30, 2018, the District recognized pension expense of approximately \$16,013,000. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows Of Resources | Deferred Inflows Of Resources |
|---|---|--|
| Differences between expected and actual experience | \$ - | \$ 3,708,711 |
| Net difference between projected and actual earnings on Plan investments | 13,281,267 | 17,281,896 |
| Change in proportion and differences between employer contributions and proportionate share of contributions | 1,283,589 | 1,110,092 |
| Change in assumption | 10,290,850 | - |
| District contributions subsequent to the measurement date | 3,398,202 | - |
| Total | \$ 28,253,908 | \$ 22,100,699 |

An amount of \$3,398,202 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending June 30,

| | |
|------|----------------|
| 2019 | \$ 4,669,101 |
| 2020 | \$ 3,679,702 |
| 2021 | \$ (1,715,450) |
| 2022 | \$ (3,878,346) |

Actuarial Assumptions

The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.25% |
| Salary increases | 2.5% - 6.00%, including inflation |
| Payroll growth rate | 2.5% |
| Investment rate of return | 7.0%, net of Pension Plan investment expense |

Mortality rates were based on the RP-2000 Combined Mortality Table, for males or females, as appropriate, with adjustments for mortality improvements based on Scale BB.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Long-term Expected Rate of Return

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

| Asset Class | Target Allocation | Long-Term Expected Arithmetic Real Rate of Return |
|---------------------|-------------------|---|
| Fixed Income | 20.00% | 1.77 % |
| Equity | 45.00% | 6.88 % |
| Market Alternatives | 17.50% | 3.30 % |
| Private Markets | 17.50% | 7.11 % |
| Cash | 0.00% | 0.40 % |
| Total | 100.00% | |

Experience Analysis

An experience study was conducted on behalf of all WRS' plans covering the five-year period ended December 31, 2016. That study provided a detailed analysis concerning the development of the long-term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g., mortality, salary increases, retirement, termination and disability) and proposed assumptions consistent with the findings.

Discount Rate

The discount rate used to measure the total pension liability decreased to 7.0% as of December 31, 2017 from 7.75% as of December 31, 2016. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the current contribution rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

| | Discount Rate | District's Proportionate Share of Net Pension Liability |
|-----------------------|---------------|---|
| 1% decrease | 6.00% | \$ 160,070,341 |
| Current discount rate | 7.00% | \$ 105,909,395 |
| 1% increase | 8.00% | \$ 60,739,943 |

Pension Plan Fiduciary Net Position

Detailed information about the Pension Plan's fiduciary net position is available in a separately issued WRS financial report available from the Wyoming Retirement System, 6101 Yellowstone Road, Cheyenne, Wyoming 82002 or at <http://retirement.state.wy.us/home/index.html>.

C. Tax Revenues

Approximately 81% of tax revenue for the year ended June 30, 2018 represents production tax based on the value of minerals extracted, which may vary from year to year.

D. Contingencies

The District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2018.

E. Commitment

The District has committed \$28.1 million toward a recreation center in Campbell County, Wyoming. This amount includes \$24.9 million of lease payments and \$3.2 million in cash. This facility was constructed by a joint powers board consisting of Campbell County School District No. 1, Campbell County and the City of Gillette. Through June 30, 2018 the District has paid approximately \$27.2 million in lease and cash payments toward this commitment. This commitment runs through June, 2019 and is anticipated to be funded by the CCCPRD's mill levy. The building is owned by Campbell County.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

F. Impact of Recently Issued Accounting Principles

Recently Issued Accounting Pronouncements:

In January, 2017 the GASB issued GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement is effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. Management is currently evaluating the impact of the adoption of this statement on the District's financial statements.

In June, 2017 the GASB issued GASB Statement No. 87, *Leases*. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. This Statement is effective for reporting periods beginning after December 15, 2019, and earlier application is encouraged. Management is currently evaluating the impact of the adoption of this statement on the District's financial statements.

G. Postemployment Benefits Other Than Pensions (OPEB)

General Information About the OPEB Plan

Plan Description - As of June 30, 2018, an actuarial valuation was performed that has updated the June 30, 2017 actuarial valuation to the new measurement date of June 30, 2018. The update was a roll forward of the 2017 valuation and not a new valuation. The District's defined benefit OPEB plan as of June 30, 2018, the actuarial date, is a medical/prescription drug plan which includes dental benefits. The criteria for eligibility is as follows: As of July 1, 2007 any District retiree who was hired after June 30, 2007, has been with the District for twenty or more years (the years may be either consecutive or a total accumulation) and is at least 55 years of age is eligible to continue under this Plan. Any District employee hired prior to July 1, 2007 who has been with the District for ten or more years (the years may be either consecutive or a total accumulation) and is at least 50 years of age upon retirement is eligible to continue under this Plan. Benefits under these retiree programs cease for the employee and covered dependent(s) once an employee or dependent becomes eligible for Medicare. An employee and/or covered dependent(s) must exhaust all COBRA benefits prior to being eligible for this retiree benefit program. Eligible retirees receive a medical/prescription drug and dental benefit. The projection of the sharing of benefit-related costs is based on an established pattern of practice. The Plan is a single employer plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. A summary of the Plan provisions may be obtained at the District's human resources offices located at 1000 W. Eighth Street, Gillette, Wyoming. The retiree health care plan is established and may be amended by the District's Board of Trustees. The following table provides a summary of participant information at June 30, 2018.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

At June 30, 2018, the following employees were covered by the benefit terms:

| | |
|------------------------------|--------------|
| Actives (fully eligible) | 319 |
| Actives (not fully eligible) | 1,323 |
| Retirees | 17 |
| Total participants | 1,659 |

Funding Policy - The contribution requirements of plan members and the District are established and may be amended by the District's Board of Trustees. Contribution amounts differ depending on the selected plan. Based on the plan selected, members receiving benefits contribute \$1,161, \$1,079 or \$824 per month for retiree only coverage, \$2,329, \$2,157, or \$1,649 per month for retiree and spouse coverage, \$2,116, \$1,964, or \$1,501 per month for retiree and child(ren) coverage, and \$2,971, \$2,759, or \$2,109 per month for family coverage.

Total OPEB Liability - The District's total OPEB liability of \$2,250,501 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

| | |
|---------------------------|-----------------|
| <i>Inflation rate</i> - | 2.5% per annum |
| <i>Salary increases</i> - | 3.5% per annum |
| <i>Discount rate</i> - | 3.87% per annum |

The discount rate was based on the Bond Buyer 20-Bond GO Index.

Healthcare Cost Trend Rates - 7.0% for 2018, decreasing .5% per year to an ultimate rate of 4.5% for 2022 and later years.

Retirees' Share of Benefit Related Costs - Retirees are required to contribute the full premium rates for retiree and dependent coverage.

Marriage Rate - The assumed number of eligible spouses is based on actual census information.

Spouse Age - Spousal dates of birth were provided by the District. Where this information is missing, male spouses are assumed to be three years older than female spouses.

Medicare Eligibility - All current and future retirees are assumed to be eligible for Medicare at age 65.

Actuarial Cost Method - Entry age normal based on level of percentage of projected salary.

Amortization Method - Experience/assumptions gains and losses are amortized over a closed period of 14.6 years, equal to the average remaining service of active and inactive plan members (who have no future service).

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Plan Participation Percentage - The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 15% of all employees and their dependents who are eligible for early retiree benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement.

Plan Election Percentage - It is assumed that 11% of future retirees elect Plan C, 48% elect Plan D, and the remaining elect Plan E at retirement.

Per Capita Health Claim Costs - Expected retiree claim costs were developed using 24 months of historical claim experience through June, 2018. The annual age 60 claim costs for retirees and their spouses are as follows:

| | |
|---------|-----------|
| Plan C: | \$ 14,906 |
| Plan D: | \$ 14,860 |
| Plan E: | \$ 12,715 |

Non-Claim Expenses - Non-claim expenses are based on the current amounts charged per retired employee. These amounts were estimated on the current administrative fee payouts per months; administrative fees are estimated to be \$43 PEPM and stop loss fees are \$30 for individual and \$54 for family.

Age Based Morbidity - The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study, and are assumed to be the following:

| Age | Male | Female |
|-----|------|--------|
| 45 | 4.6% | 1.6% |
| 50 | 6.2% | 4.2% |
| 55 | 5.4% | 2.4% |
| 60 | 4.7% | 3.6% |
| 65 | 1.7% | 2.4% |
| 70 | 1.8% | 2.0% |
| 75 | 1.2% | 1.3% |
| 80 | .8% | 1.1% |

Retirement Age - The probabilities of retirement were developed from the State of Wyoming Retirement System Valuation as of January 1, 2017. Sample retirement ages and associated probabilities are as follows:

| Age | Unreduced Rates | Reduced Rates |
|-------|-----------------|---------------|
| <50 | 10% | 1% |
| 50-52 | 10% | 4.5% |
| 53-54 | 10% | 5% |
| 55-56 | 17% | 5% |
| 57 | 15% | 5% |
| 58 | 15% | 5.5% |
| 59 | 15% | 6% |
| 60-61 | 13% | 13% |
| 62-63 | 17.5% | 17.5% |
| 64 | 17% | 17% |
| 65 | 25% | 25% |
| 66 | 32% | 32% |
| 67-69 | 20% | 20% |
| 70+ | 100% | 100% |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Termination - The rates of withdrawal were developed from the State of Wyoming Retirement System Valuation as of January 1, 2017. Sample retirement probabilities are provided below:

| Service | Withdrawal | |
|---------|------------------|--------|
| | First Five Years | |
| | Male | Female |
| 1 | 22% | 26% |
| 2 | 18% | 21% |
| 3 | 13% | 15% |
| 4 | 11% | 15% |
| 5 | 11% | 14% |

| Age | Withdrawal | |
|-----|--------------------------|--------|
| | After 5 Years of Service | |
| | Male | Female |
| 20 | 10% | 11% |
| 30 | 4.5% | 7.5% |
| 35 | 4% | 5% |
| 45 | 3.5% | 5% |
| 50 | 3% | 4% |

Valuation of Excise Tax - An active/retiree blended pre-65 claim cost is projected at health care cost trend (with age grading) and compared to the excise tax cost threshold beginning in 2020 and continuing thereafter. The District will be liable for 40% of the difference between plan costs and the cost threshold, when the plan costs are greater than the cost threshold. Excise tax is not applied to Medicare retiree coverage.

Pre-Medicare Plan Costs For Excise Tax

The annual plan costs assumed in the valuation of excise tax are based on the District’s current retiree claim costs (see “Per Capita Health Claims Cost” above).

Excise Tax Threshold - The 2020 annual threshold costs for excise tax are as follows:

| | | |
|-----------------------|-----------|----------------------------|
| Pre-65 Retiree Single | \$ 11,850 | (increased by CPI to 2020) |
| Pre-65 Retiree Family | \$ 30,950 | (increased by CPI to 2020) |

On December 18, 2015, a bill was signed delaying the excise tax for two years from 2018. The above threshold will soon be updated to reflect this two-year delay. The retiree threshold is assumed to increase at health CPI trend each year.

Mortality rates were based on the RP-2014 generational table scaled using MP-16 and applied on a gender-specific basis.

The actuarial assumptions used in the June 30, 2018 valuation were based on census data provided as of May, 2017.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Changes in the Total OPEB Liability

| | Total OPEB Liability |
|--|-------------------------|
| Balance at June 30, 2017 | \$ 2,230,833 |
| Changes for the year: | |
| Service cost | \$ 106,766 |
| Interest cost | 88,256 |
| Changes in assumptions or other inputs | (61,199) |
| Benefit payments | (114,155) |
| Net changes | \$ 19,668 |
| Balance at June 30, 2018 | \$ 2,250,501 |

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58% in 2017 to 3.87% in 2018.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the approximate total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) or one percentage point higher (4.87%) than the current discount rate:

| Discount Rate | Total OPEB Liability |
|-----------------------|-------------------------|
| 1% decrease (2.87%) | \$ 2,572,000 |
| Current discount rate | \$ 2,251,000 |
| 1% increase (4.87%) | \$ 1,957,000 |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates - The following presents the approximate total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6% decreasing to 3.5%) or one percentage point higher (8% decreasing to 5.5%) than the current healthcare trend rates:

| Healthcare Cost Trend Rates | Total OPEB Liability |
|--|-------------------------|
| 1% decrease (6% decreasing to 3.5%) | \$ 1,967,000 |
| Current healthcare cost trend rate (7% decreasing to 4.5%) | \$ 2,251,000 |
| 1% increase (8% decreasing to 5.5%) | \$ 2,551,000 |

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

OPEB Expense and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2018, the District recognized OPEB expense of \$61,664. At June 30, 2018 the District reported deferred inflows of resources related to OPEB of \$246,152 due to changes of assumptions or other inputs. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30,

| | | |
|------------|----|-----------|
| 2019 | \$ | (19,203) |
| 2020 | \$ | (19,203) |
| 2021 | \$ | (19,203) |
| 2022 | \$ | (19,203) |
| 2023 | \$ | (19,203) |
| Thereafter | \$ | (150,137) |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN CAMPBELL COUNTY SCHOOL DISTRICT NO. 1'S
TOTAL OPEB LIABILITY AND RELATED RATIOS***

June 30, 2018

| | 2017 | 2018 |
|---|---------------------|---------------------|
| Total OPEB Liability | | |
| Service Cost | \$ 102,788 | \$ 106,766 |
| Interest Cost | 86,817 | 88,256 |
| Changes in Assumptions or Other Inputs | (219,167) | (61,199) |
| Benefit Payments | (123,863) | (114,155) |
| Net Change in Total OPEB Liability | \$ (153,425) | \$ 19,668 |
| Total OPEB Liability - Beginning | 2,384,258 | 2,230,833 |
| Total OPEB Liability - Ending | \$ 2,230,833 | \$ 2,250,501 |
| Covered Payroll | \$ 75,212,465 | \$ 77,845,000 |
| Total OPEB Liability as a Percentage of Covered Payroll | 2.966% | 2.891% |

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full ten-year trend is compiled, the District will present information for those years for which information is available. Years presented are as of the measurement date of June 30.

**SCHEDULE OF CAMPBELL COUNTY SCHOOL DISTRICT NO. 1'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' PENSION PLAN***

| | District's Percentage Of Net Pension Liability | District's Proportionate Share Of Net Pension Liability | District's Covered Payroll | District's Proportionate Share of Net Pension Liability as A Percentage of Covered Payroll | Plan's Fiduciary Net Position As A Percentage Of Net Pension Liability |
|------|--|---|----------------------------------|---|---|
| 2013 | 4.573950016% | \$ 66,670,732 | \$ 78,669,000 | 84.75% | - % |
| 2014 | 4.591611318% | \$ 81,027,808 | \$ 80,014,000 | 101.27% | 79.08% |
| 2015 | 4.597367245% | \$ 107,088,674 | \$ 83,714,000 | 127.93% | 73.40% |
| 2016 | 4.702421900% | \$ 113,681,060 | \$ 84,406,000 | 134.68% | 73.42% |
| 2017 | 4.646492900% | \$ 105,909,395 | \$ 81,957,000 | 129.23% | 76.35% |

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full ten-year trend is compiled, the District will present information for those years for which information is available. Years presented are as of the measurement date of December 31.

**SCHEDULE OF CAMPBELL COUNTY SCHOOL DISTRICT NO. 1'S CONTRIBUTIONS
PUBLIC EMPLOYEES' PENSION PLAN***

| Fiscal Year Ended June 30, | Statutorily Required Contributions | District's Contributions Related to Statutory Contributions | Difference Between Statutorily Required And Actual Contributions | District's Covered Payroll | Statutorily Required District's Contributions As a Percentage of District's Covered Payroll |
|-------------------------------|--|---|---|----------------------------------|---|
| 2014 | \$ 5,073,000 | \$ 5,073,000 | \$ - | \$ 71,248,000 | 7.12% |
| 2015 | \$ 6,129,000 | \$ 6,129,000 | \$ - | \$ 80,437,000 | 7.62% |
| 2016 | \$ 7,083,000 | \$ 7,083,000 | \$ - | \$ 84,625,000 | 8.37% |
| 2017 | \$ 6,993,000 | \$ 6,993,000 | \$ - | \$ 83,549,000 | 8.37% |
| 2018 | \$ 6,734,000 | \$ 6,734,000 | \$ - | \$ 80,455,000 | 8.37% |

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full ten-year trend is compiled, the District will present information for those years for which information is available. Years presented are as of the contribution date of June 30.

See Notes to Required Supplementary Information.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

Total OPEB Liability

No assets are accumulated in a trust that meets the criteria in Paragraph 4 of Statement 75.

Changes in benefit terms

There were no changes in benefit terms between the June 30, 2017 measurement date and the June 30, 2018 measurement date.

Changes in assumptions

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

| | |
|------|-------|
| 2017 | 3.58% |
| 2018 | 3.87% |

Net Pension Liability - Public Employees' Pension Plan

Changes in benefit terms

There were no changes in benefit terms between the December 31, 2016 measurement date and the December 31, 2017 measurement date.

Changes in assumptions

There were economic and demographic changes in assumptions between the December 31, 2016 measurement date and the December 31, 2017 measurement date.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2018

| | Special Revenue | Debt Service | Capital Projects | Total Non-Major Governmental Funds |
|---|----------------------|-----------------|---------------------|---|
| ASSETS | | | | |
| Cash | \$ 446,078 | \$ - | \$ - | \$ 446,078 |
| Investments | 13,330,963 | - | 6,755,512 | 20,086,475 |
| Taxes Receivable (net of allowance for uncollectibles) | 4,791,674 | - | - | 4,791,674 |
| Due From Other Funds | 94,148 | - | 40,137 | 134,285 |
| Due From Other Governments | 506,971 | - | 567,522 | 1,074,493 |
| Total Assets | \$ 19,169,834 | \$ - | \$ 7,363,171 | \$ 26,533,005 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 260,195 | \$ - | \$ - | \$ 260,195 |
| Accrued Compensation | 164,345 | - | - | 164,345 |
| Advance Payments Received on Grants | 261 | - | - | 261 |
| Contracts and Retainage Payable | 1,123,307 | - | 740,636 | 1,863,943 |
| Due To Other Funds | 334,657 | - | 5,377 | 340,034 |
| Total Liabilities | \$ 1,882,765 | \$ - | \$ 746,013 | \$ 2,628,778 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Taxes | \$ 4,737,235 | \$ - | \$ - | \$ 4,737,235 |
| FUND BALANCES | | | | |
| Restricted | \$ 12,549,834 | \$ - | \$ 6,617,158 | \$ 19,166,992 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 19,169,834 | \$ - | \$ 7,363,171 | \$ 26,533,005 |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

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

Year Ended June 30, 2018

| | Special Revenue | Debt Service | Capital Projects | Total Non-Major Governmental Funds |
|--|-----------------------|-----------------|---------------------|---|
| REVENUES | | | | |
| Local Sources: | | | | |
| Taxes | \$ 4,343,701 | \$ - | \$ - | \$ 4,343,701 |
| Investment Income | 193,147 | - | 42,467 | 235,614 |
| Total Local Sources | \$ 4,536,848 | \$ - | \$ 42,467 | \$ 4,579,315 |
| State Sources: | | | | |
| Intergovernmental | \$ 5,196,296 | \$ - | \$ 5,099,580 | \$ 10,295,876 |
| Federal Sources: | | | | |
| Intergovernmental | \$ 5,195,003 | \$ - | \$ - | \$ 5,195,003 |
| Total Revenues | \$ 14,928,147 | \$ - | \$ 5,142,047 | \$ 20,070,194 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction: | | | | |
| Regular | \$ 1,710,485 | \$ - | \$ - | \$ 1,710,485 |
| Special Education | 1,484,166 | - | - | 1,484,166 |
| Vocational Education | 154,808 | - | - | 154,808 |
| Support Services: | | | | |
| Pupil | 240,136 | - | - | 240,136 |
| Instructional Staff | 1,268,985 | - | - | 1,268,985 |
| General Administration | 74,767 | - | - | 74,767 |
| Operation and Maintenance of Plant | 1,165,372 | - | - | 1,165,372 |
| Central | 6,923,138 | - | - | 6,923,138 |
| Other Support | 226,485 | - | - | 226,485 |
| Operation of Non-Instructional Services: | | | | |
| Community Services | 3,244,376 | - | - | 3,244,376 |
| Capital Outlay | 1,319,708 | 578 | 5,280,653 | 6,600,939 |
| Total Expenditures | \$ 17,812,426 | \$ 578 | \$ 5,280,653 | \$ 23,093,657 |
| (Deficiency) of Revenues (Under) Expenditures | \$ (2,884,279) | \$ (578) | \$ (138,606) | \$ (3,023,463) |
| OTHER FINANCING SOURCES | | | | |
| Transfers In | \$ - | \$ - | \$ 2,628,000 | \$ 2,628,000 |
| Net Changes in Fund Balances | \$ (2,884,279) | \$ (578) | \$ 2,489,394 | \$ (395,463) |
| FUND BALANCES, BEGINNING JULY 1 | 15,434,113 | 578 | 4,127,764 | 19,562,455 |
| FUND BALANCES, ENDING JUNE 30 | \$ 12,549,834 | \$ - | \$ 6,617,158 | \$ 19,166,992 |

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NONMAJOR SPECIAL REVENUE FUNDS

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

June 30, 2018
(Page 1 of 2)

| | Major Maintenance | CCCPRD | Title I Basic/ Neglected & Delinquent | Title IIA | Carl Perkins | Part B | Mathematics & Science Partnerships | Title III |
|---|-------------------|---------------|---|-----------|--------------|------------|------------------------------------|-----------|
| ASSETS | | | | | | | | |
| Cash | \$ 140,191 | \$ 305,887 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investments | 7,181,373 | 6,149,590 | - | - | - | - | - | - |
| Taxes Receivable (net of allowance for uncollectibles) | - | 4,791,674 | - | - | - | - | - | - |
| Due From Other Funds | - | 94,062 | - | - | - | - | - | 86 |
| Due From Other Governments | - | - | 218,187 | 84,897 | 45,569 | 152,477 | - | 98 |
| Total Assets | \$ 7,321,564 | \$ 11,341,213 | \$ 218,187 | \$ 84,897 | \$ 45,569 | \$ 152,477 | \$ - | \$ 184 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | | | | | |
| LIABILITIES | | | | | | | | |
| Accounts Payable | \$ 13,685 | \$ 221,855 | \$ 9,416 | \$ 5,268 | \$ 6,009 | \$ 3,768 | \$ - | \$ 98 |
| Accrued Compensation | - | 16,861 | 86,207 | 42,392 | - | 18,885 | - | - |
| Advance Payments Received on Grants | - | - | - | - | - | 175 | - | 86 |
| Contracts and Retainage Payable | 1,123,307 | - | - | - | - | - | - | - |
| Due To Other Funds | - | - | 122,564 | 37,237 | 39,560 | 129,649 | - | - |
| Total Liabilities | \$ 1,136,992 | \$ 238,716 | \$ 218,187 | \$ 84,897 | \$ 45,569 | \$ 152,477 | \$ - | \$ 184 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | |
| Unavailable Taxes | \$ - | \$ 4,737,235 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| FUND BALANCES | | | | | | | | |
| Restricted | \$ 6,184,572 | \$ 6,365,262 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 7,321,564 | \$ 11,341,213 | \$ 218,187 | \$ 84,897 | \$ 45,569 | \$ 152,477 | \$ - | \$ 184 |

(Continued)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2018
(Page 2 of 2)

| | McKinney Homeless | Title IV-A | Homeland Security | Totals |
|---|----------------------|------------|----------------------|---------------|
| ASSETS | | | | |
| Cash | \$ - | \$ - | \$ - | \$ 446,078 |
| Investments | - | - | - | 13,330,963 |
| Taxes Receivable (net of allowance for uncollectibles) | - | - | - | 4,791,674 |
| Due From Other Funds | - | - | - | 94,148 |
| Due From Other Governments | 3,345 | 2,398 | - | 506,971 |
| Total Assets | \$ 3,345 | \$ 2,398 | \$ - | \$ 19,169,834 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 31 | \$ 65 | \$ - | \$ 260,195 |
| Accrued Compensation | - | - | - | 164,345 |
| Advance Payments Received on Grants | - | - | - | 261 |
| Contracts and Retainage Payable | - | - | - | 1,123,307 |
| Due To Other Funds | 3,314 | 2,333 | - | 334,657 |
| Total Liabilities | \$ 3,345 | \$ 2,398 | \$ - | \$ 1,882,765 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Taxes | \$ - | \$ - | \$ - | \$ 4,737,235 |
| FUND BALANCES | | | | |
| Restricted | \$ - | \$ - | \$ - | \$ 12,549,834 |
| Total Liabilities, Deferred Inflows of Resources and Fund Balances | \$ 3,345 | \$ 2,398 | \$ - | \$ 19,169,834 |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

NONMAJOR SPECIAL REVENUE FUNDS

Year Ended June 30, 2018

(Page 1 of 2)

| | Major Maintenance | | | CCCPRD | | | Title I Basic/ Neglected and Delinquent | | |
|--|----------------------|---------------------|----------------------------|---------------------|---------------------|----------------------------|---|---------------------|----------------------------|
| | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget |
| REVENUES | | | | | | | | | |
| Local Sources: | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 4,182,623 | \$ 4,343,701 | \$ 161,078 | \$ - | \$ - | \$ - |
| Investment Income | 12,000 | 117,636 | 105,636 | 41,600 | 75,511 | 33,911 | - | - | - |
| Total Local Sources | \$ 12,000 | \$ 117,636 | \$ 105,636 | \$ 4,224,223 | \$ 4,419,212 | \$ 194,989 | \$ - | \$ - | \$ - |
| State Sources: | | | | | | | | | |
| Intergovernmental | \$ 4,957,705 | \$ 5,196,296 | \$ 238,591 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal Sources: | | | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,910,147 | \$ 2,223,748 | \$ (686,399) |
| Total Revenues | \$ 4,969,705 | \$ 5,313,932 | \$ 344,227 | \$ 4,224,223 | \$ 4,419,212 | \$ 194,989 | \$ 2,910,147 | \$ 2,223,748 | \$ (686,399) |
| EXPENDITURES | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Regular | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,006,105 | \$ 1,587,200 | \$ 418,905 |
| Special Education | - | - | - | - | - | - | 210,982 | 105,906 | 105,076 |
| Vocational Education | - | - | - | - | - | - | - | - | - |
| Support Services: | | | | | | | | | |
| Pupil | - | - | - | - | - | - | 24,661 | 6,987 | 17,674 |
| Instructional Staff | - | - | - | - | - | - | 442,876 | 346,118 | 96,758 |
| General Administration | - | - | - | 19,050 | 17,105 | 1,945 | 11,075 | 11,093 | (18) |
| Operation and Maintenance | | | | | | | | | |
| of Plant | 1,559,349 | 1,165,372 | 393,977 | - | - | - | - | - | - |
| Central | 10,560,651 | 6,923,138 | 3,637,513 | - | - | - | - | - | - |
| Other Support | - | - | - | - | - | - | 160,492 | 122,892 | 37,600 |
| Operation of Non-Instructional Services: | | | | | | | | | |
| Community Services | - | - | - | 5,336,786 | 3,192,100 | 2,144,686 | 53,956 | 43,552 | 10,404 |
| Capital Outlay | - | - | - | 4,598,751 | 1,319,708 | 3,279,043 | - | - | - |
| Total Expenditures | \$ 12,120,000 | \$ 8,088,510 | \$ 4,031,490 | \$ 9,954,587 | \$ 4,528,913 | \$ 5,425,674 | \$ 2,910,147 | \$ 2,223,748 | \$ 686,399 |
| Net Changes in Fund Balances | \$ (7,150,295) | \$ (2,774,578) | \$ 4,375,717 | \$ (5,730,364) | \$ (109,701) | \$ 5,620,663 | \$ - | \$ - | \$ - |
| FUND BALANCES, | | | | | | | | | |
| BEGINNING JULY 1 | 8,959,150 | 8,959,150 | - | 6,474,963 | 6,474,963 | - | - | - | - |
| FUND BALANCES, | | | | | | | | | |
| ENDING JUNE 30 | \$ 1,808,855 | \$ 6,184,572 | \$ 4,375,717 | \$ 744,599 | \$ 6,365,262 | \$ 5,620,663 | \$ - | \$ - | \$ - |

| Title IIA | | | Carl Perkins | | | Part B | | |
|--------------|------------|----------------------------|--------------|------------|----------------------------|--------------|--------------|----------------------------|
| Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |
| \$ 900,990 | \$ 520,648 | \$ (380,342) | \$ 185,248 | \$ 183,888 | \$ (1,360) | \$ 2,857,967 | \$ 1,936,653 | \$ (921,314) |
| \$ 900,990 | \$ 520,648 | \$ (380,342) | \$ 185,248 | \$ 183,888 | \$ (1,360) | \$ 2,857,967 | \$ 1,936,653 | \$ (921,314) |
| \$ 128,328 | \$ 100,214 | \$ 28,114 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | 2,101,341 | 1,345,908 | 755,433 |
| - | - | - | 159,314 | 154,808 | 4,506 | - | - | - |
| - | - | - | - | - | - | 211,704 | 211,663 | 41 |
| 729,059 | 398,686 | 330,373 | 19,659 | 23,997 | (4,338) | 428,808 | 287,103 | 141,705 |
| - | - | - | - | - | - | 40,544 | 40,369 | 175 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| 32,590 | 21,053 | 11,537 | 6,275 | 5,083 | 1,192 | 75,570 | 51,610 | 23,960 |
| 11,013 | 695 | 10,318 | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| \$ 900,990 | \$ 520,648 | \$ 380,342 | \$ 185,248 | \$ 183,888 | \$ 1,360 | \$ 2,857,967 | \$ 1,936,653 | \$ 921,314 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - | - | - | - | - |

(Continued)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

NONMAJOR SPECIAL REVENUE FUNDS

Year Ended June 30, 2018

(Page 2 of 2)

| | Mathematics & Science Partnerships | | | Title III | | | McKinney Homeless | | |
|--|------------------------------------|-------------------|----------------------------|------------------|------------------|----------------------------|-------------------|------------------|----------------------------|
| | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget |
| REVENUES | | | | | | | | | |
| Local Sources: | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Investment Income | - | - | - | - | - | - | - | - | - |
| Total Local Sources | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State Sources: | | | | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Federal Sources: | | | | | | | | | |
| Intergovernmental | \$ 157,959 | \$ 157,959 | \$ - | \$ 74,438 | \$ 68,015 | \$ (6,423) | \$ 33,392 | \$ 20,461 | \$ (12,931) |
| Total Revenues | \$ 157,959 | \$ 157,959 | \$ - | \$ 74,438 | \$ 68,015 | \$ (6,423) | \$ 33,392 | \$ 20,461 | \$ (12,931) |
| EXPENDITURES | | | | | | | | | |
| Current: | | | | | | | | | |
| Instruction: | | | | | | | | | |
| Regular | \$ 23,071 | \$ 23,071 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Special Education | - | - | - | 18,174 | 12,479 | 5,695 | - | - | - |
| Vocational Education | - | - | - | - | - | - | - | - | - |
| Support Services: | | | | | | | | | |
| Pupil | - | - | - | - | - | - | 25,517 | 18,346 | 7,171 |
| Instructional Staff | 130,826 | 130,826 | - | 46,348 | 45,755 | 593 | - | - | - |
| General Administration | - | - | - | - | - | - | - | - | - |
| Operation and Maintenance of Plant | - | - | - | - | - | - | - | - | - |
| Central | - | - | - | - | - | - | - | - | - |
| Other Support | 4,062 | 4,062 | - | 3,476 | 3,341 | 135 | 869 | 526 | 343 |
| Operation of Non-Instructional Services: | | | | | | | | | |
| Community Services | - | - | - | 6,440 | 6,440 | - | 7,006 | 1,589 | 5,417 |
| Capital Outlay | - | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 157,959 | \$ 157,959 | \$ - | \$ 74,438 | \$ 68,015 | \$ 6,423 | \$ 33,392 | \$ 20,461 | \$ 12,931 |
| Net Changes in Fund Balances | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| FUND BALANCES, BEGINNING JULY 1 | - | - | - | - | - | - | - | - | - |
| FUND BALANCES, ENDING JUNE 30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

| Title IV-A | | | Homeland Security | | | Totals | | |
|--------------|-----------|----------------------------|-------------------|----------|----------------------------|-----------------|----------------|----------------------------|
| Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,182,623 | \$ 4,343,701 | \$ 161,078 |
| - | - | - | - | - | - | 53,600 | 193,147 | 139,547 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,236,223 | \$ 4,536,848 | \$ 300,625 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,957,705 | \$ 5,196,296 | \$ 238,591 |
| \$ 108,223 | \$ 77,431 | \$ (30,792) | \$ 6,200 | \$ 6,200 | \$ - | \$ 7,234,564 | \$ 5,195,003 | \$ (2,039,561) |
| \$ 108,223 | \$ 77,431 | \$ (30,792) | \$ 6,200 | \$ 6,200 | \$ - | \$ 16,428,492 | \$ 14,928,147 | \$ (1,500,345) |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,157,504 | \$ 1,710,485 | \$ 447,019 |
| 36,796 | 19,873 | 16,923 | - | - | - | 2,367,293 | 1,484,166 | 883,127 |
| - | - | - | - | - | - | 159,314 | 154,808 | 4,506 |
| 3,140 | 3,140 | - | - | - | - | 265,022 | 240,136 | 24,886 |
| 49,539 | 36,500 | 13,039 | - | - | - | 1,847,115 | 1,268,985 | 578,130 |
| - | - | - | 6,200 | 6,200 | - | 76,869 | 74,767 | 2,102 |
| - | - | - | - | - | - | 1,559,349 | 1,165,372 | 393,977 |
| - | - | - | - | - | - | 10,560,651 | 6,923,138 | 3,637,513 |
| 18,748 | 17,918 | 830 | - | - | - | 302,082 | 226,485 | 75,597 |
| - | - | - | - | - | - | 5,415,201 | 3,244,376 | 2,170,825 |
| - | - | - | - | - | - | 4,598,751 | 1,319,708 | 3,279,043 |
| \$ 108,223 | \$ 77,431 | \$ 30,792 | \$ 6,200 | \$ 6,200 | \$ - | \$ 29,309,151 | \$ 17,812,426 | \$ 11,496,725 |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (12,880,659) | \$ (2,884,279) | \$ 9,996,380 |
| - | - | - | - | - | - | 15,434,113 | 15,434,113 | - |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,553,454 | \$ 12,549,834 | \$ 9,996,380 |

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DEBT SERVICE FUND

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

BALANCE SHEET
NONMAJOR DEBT SERVICE FUND
June 30, 2018

| | |
|----------------------|-------------|
| ASSETS | |
| Due From Other Funds | \$ - |
| FUND BALANCE | |
| Restricted | \$ - |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

NONMAJOR DEBT SERVICE FUND

Year Ended June 30, 2018

| | Final Budget | Actual | Variance With Final Budget |
|--------------------------------|-----------------|----------|----------------------------------|
| REVENUES | | | |
| Local Sources | | | |
| Taxes | \$ 22 | \$ - | \$ (22) |
| EXPENDITURES | | | |
| Capital Outlay | \$ 578 | \$ 578 | - |
| Net change in fund balance | \$ (556) | \$ (578) | \$ (22) |
| FUND BALANCE, BEGINNING JULY 1 | 578 | 578 | - |
| FUND BALANCE, ENDING JUNE 30 | \$ 22 | \$ - | \$ (22) |

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NONMAJOR CAPITAL PROJECTS FUNDS

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS**

June 30, 2018

| | Depreciation Reserve | Major Capital Projects | Component Projects | Totals |
|--|-------------------------|------------------------------|-----------------------|--------------------|
| ASSETS | | | | |
| Investments | \$6,755,512 | \$ - | \$ - | \$6,755,512 |
| Due From Other Funds | 40,137 | - | - | 40,137 |
| Due From Other Governments | - | 10,150 | 557,372 | 567,522 |
| Total Assets | \$6,795,649 | \$ 10,150 | \$ 557,372 | \$7,363,171 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Contracts and Retainage Payable | \$ 178,491 | \$ 5,000 | \$ 557,145 | \$ 740,636 |
| Due To Other Funds | - | 5,150 | 227 | 5,377 |
| Total Liabilities | \$ 178,491 | \$ 10,150 | \$ 557,372 | \$ 746,013 |
| FUND BALANCES | | | | |
| Restricted | \$6,617,158 | \$ - | \$ - | \$6,617,158 |
| Total Liabilities and Fund Balances | \$6,795,649 | \$ 10,150 | \$ 557,372 | \$7,363,171 |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

NONMAJOR CAPITAL PROJECTS FUNDS

Year Ended June 30, 2018

(Page 1 of 2)

| | Depreciation Reserve | | | Major Capital Projects | | |
|--|----------------------|--------------|----------------------------------|------------------------|--------------|----------------------------------|
| | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget |
| REVENUES | | | | | | |
| Local Sources: | | | | | | |
| Investment Income | \$ 1,750 | \$ 42,467 | \$ 40,717 | \$ - | \$ - | \$ - |
| State Sources: | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ 9,892,451 | \$ 1,958,258 | \$ (7,934,193) |
| Total Revenues | \$ 1,750 | \$ 42,467 | \$ 40,717 | \$ 9,892,451 | \$ 1,958,258 | \$ (7,934,193) |
| EXPENDITURES | | | | | | |
| Capital Outlay | \$ 386,500 | \$ 181,073 | \$ 205,427 | \$ 9,892,451 | \$ 1,958,258 | \$ 7,934,193 |
| Excess (Deficiency) of Revenues | | | | | | |
| Over (Under) Expenditures | \$ (384,750) | \$ (138,606) | \$ 246,144 | \$ - | \$ - | \$ - |
| OTHER FINANCING SOURCES | | | | | | |
| Transfers In | \$ - | \$ 2,628,000 | \$ 2,628,000 | \$ - | \$ - | \$ - |
| Net Changes in Fund Balances | \$ (384,750) | \$ 2,489,394 | \$ 2,874,144 | \$ - | \$ - | \$ - |
| FUND BALANCES, BEGINNING JULY 1 | | | | | | |
| | 4,127,764 | 4,127,764 | - | - | - | - |
| FUND BALANCES, ENDING JUNE 30 | | | | | | |
| | \$ 3,743,014 | \$ 6,617,158 | \$ 2,874,144 | \$ - | \$ - | \$ - |

(Continued)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL**

NONMAJOR CAPITAL PROJECTS FUNDS

Year Ended June 30, 2018

(Page 2 of 2)

| | Component Projects | | | Totals | | |
|--|--------------------|--------------|----------------------------------|-----------------|--------------|----------------------------------|
| | Final Budget | Actual | Variance With Final Budget | Final Budget | Actual | Variance With Final Budget |
| REVENUES | | | | | | |
| Local Sources: | | | | | | |
| Investment Income | \$ - | \$ - | \$ - | \$ 1,750 | \$ 42,467 | \$ 40,717 |
| State Sources: | | | | | | |
| Intergovernmental | \$ 6,819,271 | \$ 3,141,322 | \$ (3,677,949) | \$ 16,711,722 | \$ 5,099,580 | \$ (11,612,142) |
| Total Revenues | \$ 6,819,271 | \$ 3,141,322 | \$ (3,677,949) | \$ 16,713,472 | \$ 5,142,047 | \$ (11,571,425) |
| EXPENDITURES | | | | | | |
| Capital Outlay | \$ 6,819,271 | \$ 3,141,322 | \$ 3,677,949 | \$ 17,098,222 | \$ 5,280,653 | \$ 11,817,569 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ - | \$ - | \$ - | \$ (384,750) | \$ (138,606) | \$ 246,144 |
| OTHER FINANCING SOURCES | | | | | | |
| Transfers In | \$ - | \$ - | \$ - | \$ - | \$ 2,628,000 | \$ 2,628,000 |
| Net Changes in Fund Balances | \$ - | \$ - | \$ - | \$ (384,750) | \$ 2,489,394 | \$ 2,874,144 |
| FUND BALANCES, BEGINNING JULY 1 | - | - | - | 4,127,764 | 4,127,764 | - |
| FUND BALANCES, ENDING JUNE 30 | \$ - | \$ - | \$ - | \$ 3,743,014 | \$ 6,617,158 | \$ 2,874,144 |

NONMAJOR ENTERPRISE FUNDS

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS**

Year Ended June 30, 2018

| | Business-Type Activities Enterprise Funds | | Total Enterprise Funds |
|----------------------------------|--|-------------------|------------------------------|
| | CAT/ Preschool | Food Service | |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | \$ - | \$ 108,969 | \$ 108,969 |
| Investments | - | 410,464 | 410,464 |
| Accounts Receivable | - | 26,232 | 26,232 |
| Due From Other Funds | 23,163 | - | 23,163 |
| Due From Other Governments | - | 27,722 | 27,722 |
| Inventories | - | 26,630 | 26,630 |
| Total Current Assets | \$ 23,163 | \$ 600,017 | \$ 623,180 |
| Capital Assets, Net | \$ - | \$ 80,063 | \$ 80,063 |
| Total Assets | \$ 23,163 | \$ 680,080 | \$ 703,243 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Accounts Payable | \$ - | \$ 91,767 | \$ 91,767 |
| Accrued Compensation | - | 3,191 | 3,191 |
| Total Liabilities | \$ - | \$ 94,958 | \$ 94,958 |
| NET POSITION | | | |
| Net Investment in Capital Assets | \$ - | \$ 80,063 | \$ 80,063 |
| Unrestricted | 23,163 | 505,059 | 528,222 |
| Total Net Position | \$ 23,163 | \$ 585,122 | \$ 608,285 |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
Year Ended June 30, 2018**

| | Business-Type Activities Enterprise Funds | | Total Enterprise Funds |
|--------------------------------|--|-----------------|------------------------------|
| | CAT/ Preschool | Food Service | |
| OPERATING REVENUES | | | |
| Charges for Services | \$ 18,842 | \$ 1,755,757 | \$ 1,774,599 |
| OPERATING EXPENSES | | | |
| Salaries | \$ 17,758 | \$ 1,418,634 | \$ 1,436,392 |
| Fringe Benefits | 4,111 | 958,338 | 962,449 |
| Purchased Services | 54 | 14,256 | 14,310 |
| Materials and Supplies | 7,941 | 228,488 | 236,429 |
| Direct Food Costs | - | 2,339,157 | 2,339,157 |
| Depreciation | - | 15,650 | 15,650 |
| Other | - | 6,007 | 6,007 |
| Total Operating Expenses | \$ 29,864 | \$ 4,980,530 | \$ 5,010,394 |
| Operating (Loss) | \$ (11,022) | \$ (3,224,773) | \$ (3,235,795) |
| NONOPERATING REVENUES | | | |
| Donated Commodities | \$ - | \$ 445,844 | \$ 445,844 |
| Intergovernmental Grants | - | 1,863,802 | 1,863,802 |
| Investment Income | - | 2,980 | 2,980 |
| Total Nonoperating Revenues | \$ - | \$ 2,312,626 | \$ 2,312,626 |
| (Loss) Before Transfers | \$ (11,022) | \$ (912,147) | \$ (923,169) |
| Transfers In | \$ - | \$ 1,057,651 | \$ 1,057,651 |
| Changes in Net Position | \$ (11,022) | \$ 145,504 | \$ 134,482 |
| NET POSITION, BEGINNING JULY 1 | 34,185 | 439,618 | 473,803 |
| NET POSITION, ENDING JUNE 30 | \$ 23,163 | \$ 585,122 | \$ 608,285 |

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

Year Ended June 30, 2018

| | Business-Type Activities Enterprise Funds | | Total Enterprise Funds |
|--|--|-----------------|------------------------------|
| | CAT/ Preschool | Food Service | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash Received from Customers | \$ 18,842 | \$ 1,741,166 | \$ 1,760,008 |
| Cash Payments to Employees for Services | (17,758) | (1,427,482) | (1,445,240) |
| Cash Payments for Employee Benefits | (4,111) | (958,338) | (962,449) |
| Cash Payments for Goods and Services | (7,995) | (2,106,217) | (2,114,212) |
| Net Cash (Used In) Operating Activities | \$ (11,022) | \$ (2,750,871) | \$ (2,761,893) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | |
| Intergovernmental Grants Received | \$ - | \$ 1,891,830 | \$ 1,891,830 |
| Transfers In From Other Funds | - | 1,057,651 | 1,057,651 |
| Net Cash Provided By Noncapital Financing Activities | \$ - | \$ 2,949,481 | \$ 2,949,481 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | |
| Payments for Capital Acquisitions | \$ - | \$ (5,008) | \$ (5,008) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Investment Income | \$ - | \$ 2,980 | \$ 2,980 |
| Proceeds from Maturities of Investments | - | 950,000 | 950,000 |
| Purchase of Investments | - | (1,060,443) | (1,060,443) |
| Decrease in Cash Pooled in General Fund | 11,022 | - | 11,022 |
| Net Cash Provided By (Used In) Investing Activities | \$ 11,022 | \$ (107,463) | \$ (96,441) |
| Net Increase in Cash | \$ - | \$ 86,139 | \$ 86,139 |
| Cash, Beginning July 1 | - | 22,830 | 22,830 |
| Cash, Ending June 30 | \$ - | \$ 108,969 | \$ 108,969 |
| Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities | | | |
| Operating (Loss) | \$ (11,022) | \$ (3,224,773) | \$ (3,235,795) |
| Adjustments: | | | |
| Depreciation | - | 15,650 | 15,650 |
| Donated Commodities Used During Year | - | 445,844 | 445,844 |
| Changes in Assets and Liabilities: | | | |
| Accounts Receivable | - | (14,591) | (14,591) |
| Inventories | - | 138 | 138 |
| Accounts Payable | - | 35,709 | 35,709 |
| Accrued Compensation | - | (8,848) | (8,848) |
| Net Cash (Used in) Operating Activities | \$ (11,022) | \$ (2,750,871) | \$ (2,761,893) |
| NONCASH NONCAPITAL FINANCING ACTIVITIES | | | |
| Donated Food Commodities | \$ - | \$ (445,844) | \$ (445,844) |

AGENCY FUND

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
Year Ended June 30, **2018**

| | Balance, July 1, 2017 | Additions | Deductions | Balance, June 30, 2018 |
|-----------------------|--------------------------|-------------------|---------------------|----------------------------------|
| ASSETS | | | | |
| Cash | \$ 96,819 | \$ 401,635 | \$ (348,765) | \$ 149,689 |
| Investments | 583,993 | 6,730 | - | 590,723 |
| Total Assets | \$ 680,812 | \$ 408,365 | \$ (348,765) | \$ 740,412 |
| LIABILITIES | | | | |
| Due to Student Groups | \$ 680,812 | \$ 536,999 | \$ (477,399) | \$ 740,412 |

STATISTICAL SECTION

This part of Campbell County School District No. 1's Comprehensive Annual Financial Report (CAFR) presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

76 FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

82 REVENUE CAPACITY

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

87 DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and also its ability to issue additional debt in the future.

90 DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

92 OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.



CHANGES IN FUND BALANCES FOR TOTAL GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

TABLE 1

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | | | | | | | | | | |
| Local Sources: | | | | | | | | | | |
| Taxes | \$ 86,303,539 | \$ 89,965,029 | \$ 93,009,532 | \$ 99,786,164 | \$ 103,804,485 | \$ 102,755,821 | \$ 106,233,853 | \$ 114,588,797 | \$ 114,307,351 | \$ 114,496,145 |
| Interest | 998,796 | 218,746 | 121,985 | 87,243 | 56,581 | 42,914 | 48,250 | 124,477 | 315,629 | 586,766 |
| Tuition and Fees | 675,883 | 355,516 | 303,386 | 49,845 | 39,876 | 29,907 | 11,025 | 11,025 | 0 | 2,025 |
| Rentals | 43,002 | 55,024 | 44,612 | 57,580 | 44,399 | 27,758 | 22,753 | 40,692 | 22,436 | 22,264 |
| Charges for Services | 446,185 | 609,350 | 603,220 | 606,482 | 568,273 | 624,417 | 638,102 | 653,295 | 614,928 | 657,737 |
| Contributions and Donations | 262,591 | 540,885 | 738,691 | 438,373 | 515,251 | 728,239 | 583,458 | 402,114 | 209,629 | 286,449 |
| Miscellaneous | 501,898 | 57,907 | 851,430 | 565,530 | 196,884 | 266,134 | 497,194 | 207,295 | 222,988 | 236,377 |
| County Sources | | | | | | | | | | |
| Taxes | 20,389,644 | 21,663,559 | 22,236,817 | 24,028,699 | 24,660,168 | 24,944,932 | 25,471,301 | 27,765,648 | 27,360,729 | 27,407,858 |
| State Sources | | | | | | | | | | |
| Intergovernmental | 36,078,614 | 21,736,066 | 13,142,804 | 20,509,706 | 12,702,356 | 29,653,661 | 18,989,815 | 42,351,538 | 31,824,104 | 12,099,531 |
| Federal Sources | | | | | | | | | | |
| Intergovernmental | 6,056,673 | 7,781,772 | 9,619,392 | 8,502,731 | 6,158,415 | 5,134,695 | 4,989,966 | 5,296,484 | 5,035,716 | 5,320,061 |
| Total Revenues | \$ 151,756,825 | \$ 142,983,854 | \$ 140,671,869 | \$ 154,632,353 | \$ 148,746,688 | \$ 164,208,478 | \$ 157,485,717 | \$ 191,441,365 | \$ 179,913,510 | \$ 161,115,213 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular | \$ 40,684,778 | \$ 46,021,958 | \$ 49,505,090 | \$ 48,524,323 | \$ 50,492,379 | \$ 50,904,549 | \$ 51,679,480 | \$ 55,532,958 | \$ 54,216,745 | \$ 53,648,925 |
| Special Education | 14,023,482 | 17,110,954 | 17,874,522 | 18,929,112 | 18,572,564 | 19,407,719 | 20,276,923 | 22,372,261 | 22,265,679 | 21,967,433 |
| Vocational Education | 2,472,652 | 2,276,673 | 2,570,126 | 2,508,614 | 2,874,011 | 2,567,740 | 2,372,776 | 2,402,568 | 2,653,017 | 2,548,102 |
| Other Instruction | 459,419 | 590,637 | 577,012 | 466,381 | 349,027 | 341,265 | 345,792 | 330,460 | 309,837 | 210,484 |
| Support Services | | | | | | | | | | |
| Pupil | 10,651,612 | 11,829,225 | 12,546,405 | 12,454,778 | 12,492,026 | 13,165,977 | 13,089,065 | 14,059,130 | 14,202,622 | 15,009,475 |
| Instructional Staff | 8,265,732 | 10,725,768 | 11,967,581 | 10,206,960 | 8,443,230 | 10,641,096 | 10,355,819 | 10,747,365 | 10,568,396 | 11,230,039 |
| General Administration | 1,023,483 | 1,019,855 | 1,175,681 | 1,245,477 | 1,226,005 | 1,538,742 | 1,675,382 | 1,669,271 | 1,588,754 | 1,290,061 |
| School Administration | 5,794,233 | 6,630,776 | 6,661,685 | 6,415,623 | 6,571,601 | 6,729,320 | 6,605,071 | 6,983,462 | 7,125,390 | 7,392,292 |
| Business | 2,541,191 | 2,608,141 | 2,629,410 | 2,631,358 | 2,576,468 | 2,814,517 | 2,754,668 | 2,827,468 | 2,686,152 | 2,656,919 |
| Operation/Maintenance of Plant | 10,199,983 | 12,961,975 | 14,313,183 | 12,979,037 | 12,698,008 | 13,082,041 | 13,618,441 | 14,307,164 | 13,055,370 | 14,495,610 |
| Pupil Transportation | 6,606,642 | 7,446,730 | 7,887,065 | 8,056,002 | 9,594,180 | 10,147,843 | 10,110,566 | 10,676,476 | 11,504,102 | 10,962,392 |
| Central | 2,838,947 | 2,737,998 | 3,051,340 | 7,964,551 | 3,556,273 | 4,739,722 | 4,224,004 | 2,844,907 | 3,398,258 | 8,298,857 |
| Other Support | 448,653 | 280,269 | 387,249 | 426,576 | 505,293 | 321,260 | 373,199 | 369,066 | 247,553 | 246,393 |
| Other Non-Instructional Service | | | | | | | | | | |
| Community Services | 5,377,841 | 6,357,823 | 7,667,134 | 6,984,763 | 6,484,090 | 4,490,214 | 3,896,690 | 3,894,186 | 4,061,521 | 3,427,894 |
| Capital Outlay | 33,812,937 | 22,036,549 | 13,019,478 | 23,396,869 | 9,020,449 | 22,434,825 | 10,359,142 | 34,669,649 | 28,809,433 | 6,600,939 |

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Debt Service | | | | | | | | | | |
| Interest | 92,342 | 103,995 | 114,587 | 114,855 | 103,614 | 85,956 | 72,597 | 64,113 | 68,818 | 68,232 |
| Principal | 797,229 | 890,963 | 1,033,699 | 1,165,065 | 1,280,559 | 1,312,221 | 1,324,446 | 1,253,404 | 2,840,352 | 1,819,185 |
| Total Expenditures | \$ 146,091,156 | \$ 151,630,289 | \$ 152,981,247 | \$ 164,470,344 | \$ 146,839,777 | \$ 164,725,007 | \$ 153,134,061 | \$ 185,003,908 | \$ 179,601,999 | \$ 161,873,232 |
| Excess of revenues over(under) expenditures | \$ 5,665,669 | \$ (8,646,435) | \$ (12,309,378) | \$ (9,837,991) | \$ 1,906,911 | \$ (516,529) | \$ 4,351,656 | \$ 6,437,457 | \$ 311,511 | \$ (758,019) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Transfers in | | | | | | | | | | |
| Transfers (out) | \$ 8,206,648 | \$ 26,892,411 | \$ 19,682,327 | \$ 381,030 | \$ 13,531 | \$ 0 | \$ 16,417 | \$ 6,581 | \$ 250,000 | \$ 2,628,000 |
| Proceeds from Capital Lease | (9,199,626) | (27,208,195) | (20,361,636) | (1,802,862) | (1,905,960) | (615,315) | (1,468,634) | (1,562,775) | (2,536,241) | (3,685,651) |
| Sale of Capital Assets | 963,907 | 1,248,009 | 1,580,687 | 1,315,677 | 1,272,932 | 1,083,359 | 1,309,713 | 1,252,111 | 1,679,922 | 1,940,000 |
| Total Other Financing Sources (Uses) | \$ 650 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 176,150 | \$ 991 | \$ 8,554 |
| | \$ (28,421) | \$ 932,225 | \$ 901,378 | \$ (106,155) | \$ (619,497) | \$ 468,044 | \$ (142,504) | \$ (127,933) | \$ (605,328) | \$ 890,903 |
| Net Change in Fund Balance | \$ 5,637,248 | \$ (7,714,210) | \$ (11,408,000) | \$ (9,944,146) | \$ 1,287,414 | \$ (48,485) | \$ 4,209,152 | \$ 6,309,524 | \$ (293,817) | \$ 132,884 |
| Debt Service as a percentage of noncapital expenditures | 0.718% | 0.706% | 0.746% | 0.850% | 0.915% | 0.900% | 0.875% | 0.778% | 1.709% | 1.099% |

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)
(Unaudited)

TABLE 2

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities | | | | | | | | | | |
| Net Investments in capital assets | \$ 114,948,069 | \$ 131,030,921 | \$ 136,526,203 | \$ 157,758,844 | \$ 161,489,559 | \$ 179,795,431 | \$ 183,139,837 | \$ 209,683,810 | \$ 225,612,026 | \$ 233,060,872 |
| Restricted | 32,397,594 | 20,003,538 | 19,993,570 | 14,114,875 | 11,771,276 | 13,406,555 | 15,078,797 | 15,807,752 | 19,929,512 | 19,476,227 |
| Unrestricted | 31,024,353 | 36,411,404 | 21,680,356 | 19,570,706 | 24,254,530 | 21,945,942 | (42,059,275) | (46,925,435) | (48,707,859) | (63,568,874) |
| Total governmental activities net assets | \$ 178,370,016 | \$ 187,445,863 | \$ 178,200,129 | \$ 191,444,425 | \$ 197,515,365 | \$ 215,147,928 | \$ 156,159,359 | \$ 178,566,127 | \$ 196,833,679 | \$ 188,968,225 |
| Business-type Activities | | | | | | | | | | |
| Net Investments in capital assets | \$ 81,338 | \$ 77,543 | \$ 65,515 | \$ 144,616 | \$ 173,354 | \$ 166,639 | \$ 130,827 | \$ 110,245 | \$ 90,705 | \$ 80,063 |
| Restricted | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unrestricted | 203,108 | 264,565 | 124,407 | 31,942 | 127,208 | 125,043 | (146,351) | 120,961 | 383,098 | 528,222 |
| Total business-type activities net assets | \$ 284,446 | \$ 342,108 | \$ 189,922 | \$ 176,558 | \$ 300,562 | \$ 291,682 | \$ (15,524) | \$ 231,206 | \$ 473,803 | \$ 608,285 |
| Primary government | | | | | | | | | | |
| Net Investments in capital assets | \$ 115,029,407 | \$ 131,108,464 | \$ 136,591,718 | \$ 157,903,460 | \$ 161,662,913 | \$ 179,962,070 | \$ 183,270,664 | \$ 209,794,055 | \$ 225,702,731 | \$ 233,140,935 |
| Restricted | 32,397,594 | 20,003,538 | 19,993,570 | 14,114,875 | 11,771,276 | 13,406,555 | 15,078,797 | 15,807,752 | 19,929,512 | 19,476,227 |
| Unrestricted | 31,227,461 | 36,675,969 | 21,804,763 | 19,602,648 | 24,381,738 | 22,070,985 | (42,205,626) | (46,804,474) | (48,324,761) | (63,040,652) |
| Total primary government net assets | \$ 178,654,462 | \$ 187,787,971 | \$ 178,390,051 | \$ 191,620,983 | \$ 197,815,927 | \$ 215,439,610 | \$ 156,143,835 | \$ 178,797,333 | \$ 197,307,482 | \$ 189,576,510 |

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CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

(Unaudited)

TABLE 3

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | \$ 62,503,185 | \$ 72,969,956 | \$ 77,763,448 | \$ 78,211,197 | \$ 80,627,155 | \$ 81,988,660 | \$ 87,403,180 | \$ 98,226,113 | \$ 97,627,142 | \$ 96,164,684 |
| Pupil and Instructional Staff | 18,935,613 | 22,500,741 | 24,564,408 | 23,188,529 | 21,002,128 | 23,947,316 | 24,187,813 | 26,759,574 | 26,756,140 | 28,346,161 |
| General, School & Business Administration | 9,603,022 | 10,617,683 | 10,787,619 | 10,389,118 | 10,453,348 | 10,975,544 | 11,344,680 | 12,467,332 | 12,421,516 | 12,056,676 |
| Operation/Maintenance of Plant | 10,332,457 | 12,938,575 | 14,487,926 | 12,891,865 | 12,483,858 | 12,940,226 | 13,474,106 | 14,937,936 | 13,683,239 | 14,819,445 |
| Pupil Transportation | 6,006,617 | 7,401,304 | 7,888,565 | 8,029,636 | 8,321,248 | 9,062,484 | 9,028,903 | 10,130,171 | 10,453,618 | 9,538,591 |
| Central | 2,572,080 | 1,547,551 | 2,376,918 | 1,548,050 | 1,728,180 | 1,967,293 | 2,186,248 | 1,955,279 | 1,643,464 | 1,436,478 |
| Other Support Services | 448,652 | 252,464 | 356,611 | 426,575 | 505,293 | 356,569 | 354,493 | 327,766 | 282,843 | 246,393 |
| Community Support - Non Instructional | 7,666,966 | 7,247,504 | 8,551,304 | 7,130,590 | 6,660,130 | 4,533,158 | 3,928,665 | 3,926,886 | 4,072,102 | 3,425,166 |
| Debt Service - Interest Only | 92,342 | 103,995 | 114,587 | 114,855 | 103,614 | 85,956 | 72,597 | 64,113 | 68,818 | 68,232 |
| Total Governmental activities expenses | \$ 118,760,934 | \$ 135,579,773 | \$ 146,891,386 | \$ 141,930,415 | \$ 141,884,954 | \$ 145,837,206 | \$ 151,980,685 | \$ 168,795,170 | \$ 167,008,882 | \$ 166,101,826 |
| Business-type activities | | | | | | | | | | |
| Enterprise Fund - Food Service | 3,877,628 | 4,043,595 | 4,790,367 | 5,061,027 | 4,930,063 | 4,807,698 | 5,154,129 | 5,443,575 | 5,224,081 | 4,980,530 |
| Enterprise Fund - C/AT/Preschool | 0 | 0 | 197,582 | 185,237 | 113,785 | 98,013 | 75,874 | 41,858 | 26,884 | 29,864 |
| Total Business-type activities expenses | \$ 3,877,628 | \$ 4,043,595 | \$ 4,987,949 | \$ 5,246,264 | \$ 5,043,848 | \$ 4,905,711 | \$ 5,230,003 | \$ 5,485,433 | \$ 5,250,965 | \$ 5,010,394 |
| Total primary government expenses | \$ 122,638,562 | \$ 139,623,368 | \$ 151,879,335 | \$ 147,176,679 | \$ 146,928,802 | \$ 150,742,917 | \$ 157,210,688 | \$ 174,280,603 | \$ 172,259,847 | \$ 171,112,220 |
| Program Revenues | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| Instruction | \$ 645,679 | \$ 631,801 | \$ 1,783,280 | \$ 1,574,206 | \$ 1,451,912 | \$ 1,750,438 | \$ 1,719,777 | \$ 348,381 | \$ 209,162 | \$ 303,231 |
| Support Services | 331,857 | 205,130 | 214,432 | 143,722 | 171,353 | 165,070 | 188,845 | 356,631 | 428,202 | 378,795 |
| Operation of Non-Instructional Services | 192,001 | 182,961 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Grants & Contributions | 9,066,574 | 10,850,375 | 12,900,803 | 11,138,051 | 8,841,008 | 8,471,501 | 9,069,095 | 10,504,944 | 9,798,364 | 7,285,106 |
| Total Governmental activities program revenues | \$ 10,236,111 | \$ 11,870,267 | \$ 14,898,515 | \$ 12,853,979 | \$ 10,466,273 | \$ 10,387,009 | \$ 10,977,717 | \$ 11,209,956 | \$ 10,435,728 | \$ 7,967,132 |
| Business-type activities | | | | | | | | | | |
| Charges for Services | 2,459,907 | 2,349,775 | 2,731,836 | 2,724,666 | 2,440,825 | 2,239,596 | 2,080,274 | 2,079,752 | 1,865,951 | 1,774,599 |
| Operating Grants & Contributions | 1,431,659 | 1,435,328 | 1,424,314 | 1,546,359 | 1,874,541 | 2,041,714 | 2,053,384 | 2,349,122 | 2,397,371 | 2,309,646 |
| Total Business-type activities program revenues | \$ 3,891,566 | \$ 3,785,103 | \$ 4,156,150 | \$ 4,271,025 | \$ 4,315,366 | \$ 4,281,310 | \$ 4,133,658 | \$ 4,428,874 | \$ 4,263,322 | \$ 4,084,245 |
| Total primary governmental program revenues | \$ 14,127,677 | \$ 15,655,370 | \$ 19,054,665 | \$ 17,127,004 | \$ 14,779,639 | \$ 14,668,319 | \$ 15,111,375 | \$ 15,638,830 | \$ 14,699,050 | \$ 12,051,377 |
| Net (expense)/revenue | \$ (108,524,823) | \$ (123,709,506) | \$ (131,992,871) | \$ (129,074,436) | \$ (131,420,681) | \$ (135,450,197) | \$ (141,002,968) | \$ (157,585,214) | \$ (156,573,154) | \$ (158,134,694) |
| Governmental activities | 13,938 | (258,492) | (831,799) | (975,239) | (728,482) | (624,401) | (1,096,345) | (1,056,559) | (987,643) | (926,149) |
| Business-type activities | \$ (108,510,885) | \$ (123,967,998) | \$ (132,824,670) | \$ (130,049,675) | \$ (132,149,163) | \$ (136,074,598) | \$ (142,099,313) | \$ (158,641,773) | \$ (157,560,797) | \$ (159,060,843) |
| Total primary government net expenses | | | | | | | | | | |

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property Taxes, general purposes | \$ 102,039,741 | \$ 107,162,521 | \$ 107,568,137 | \$ 119,635,711 | \$ 122,499,068 | \$ 121,784,541 | \$ 126,349,635 | \$ 138,506,019 | \$ 142,818,527 | \$ 135,769,625 |
| Property Taxes, debt service | 110,810 | 90,243 | 2,749 | 4,610 | 6,848 | 2,104 | 2,647 | 3,325 | 3,578 | 0 |
| Property Taxes, public recreation | 5,028,894 | 6,138,300 | 5,346,431 | 5,682,758 | 6,087,251 | 5,812,832 | 5,943,919 | 6,470,013 | 5,432,218 | 4,285,879 |
| Grants & Contribution not restricted to specific programs | 33,326,838 | 19,208,350 | 9,699,083 | 17,438,448 | 9,660,699 | 25,895,441 | 14,345,380 | 37,545,192 | 27,271,085 | 10,420,935 |
| Capital Grant restricted for debt service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest | 1,025,201 | 225,014 | 123,969 | 88,627 | 57,635 | 43,872 | 49,046 | 127,335 | 322,310 | 614,075 |
| Miscellaneous | 767,153 | 276,709 | 686,077 | 430,244 | 99,868 | 138,678 | 156,908 | 207,295 | 222,988 | 236,377 |
| Gain(loss) on sale of capital assets | 36,250 | 0 | 0 | 0 | (67,532) | 20,607 | (383,700) | 161,194 | 0 | 0 |
| Transfers | (117,432) | (315,784) | (679,309) | (961,666) | (852,216) | (615,315) | (803,583) | (1,303,133) | (1,230,000) | (1,057,651) |
| Total Governmental activities | 142,217,455 | 132,785,353 | 122,747,137 | 142,318,732 | 137,491,621 | 153,082,760 | 145,660,252 | 181,171,240 | 174,840,706 | 150,269,240 |
| Business-type activities | | | | | | | | | | |
| Interest | 1,387 | 370 | 304 | 209 | 270 | 206 | 105 | 156 | 240 | 2,980 |
| Gain(loss) on sale of capital assets | (506) | 0 | 0 | 0 | 0 | 0 | (14,549) | 0 | 0 | 0 |
| Transfers | 117,432 | 315,784 | 679,309 | 961,666 | 852,216 | 615,315 | 803,583 | 1,303,133 | 1,230,000 | 1,057,651 |
| Total Business-type activities | 118,313 | 316,154 | 679,613 | 961,875 | 852,486 | 615,521 | 789,139 | 1,303,289 | 1,230,240 | 1,060,631 |
| Total primary government | 142,335,768 | 133,101,507 | 123,426,750 | 143,280,607 | 138,344,107 | 153,698,281 | 146,449,391 | 183,020,529 | 176,070,946 | 151,329,871 |
| Total Change in Net Position | | | | | | | | | | |
| Government activities | \$ 33,692,632 | \$ 9,075,847 | \$ (9,245,734) | \$ 13,244,296 | \$ 6,070,940 | \$ 17,632,563 | \$ 4,657,284 | \$ 24,132,026 | \$ 18,267,552 | \$ (7,865,454) |
| Business-type activities | 132,251 | 57,662 | (152,186) | (13,564) | 124,004 | (8,880) | (307,206) | 246,730 | 242,597 | 134,482 |
| Total primary government | 33,824,883 | 9,133,509 | (9,397,920) | 13,230,932 | 6,194,944 | 17,623,683 | 4,350,078 | 24,378,756 | 18,510,149 | (7,730,972) |

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

TABLE 4

| | Fiscal Year 2009 | Fiscal Year 2010 (1) | Fiscal Year 2011 (1) | Fiscal Year 2012 (1) | Fiscal Year 2013 (1) | Fiscal Year 2014 (1) | Fiscal Year 2015 (1) | Fiscal Year 2016 (1) | Fiscal Year 2017 (1) | Fiscal Year 2018 (1) |
|---|----------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| General Fund | | | | | | | | | | |
| Reserved | \$ 274,686 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Unreserved | 12,670,681 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nonspendable | 0 | 913,910 | 803,167 | 750,125 | 869,521 | 844,222 | 803,158 | 854,721 | 1,740,133 | 1,656,733 |
| Committed | 0 | 0 | 3,110,000 | 2,611,000 | 2,583,460 | 1,702,149 | 1,129,693 | 639,472 | 517,535 | 399,274 |
| Unassigned | 0 | 11,209,516 | 9,237,888 | 10,743,689 | 13,068,423 | 12,079,923 | 14,553,849 | 18,333,917 | 19,586,708 | 20,316,716 |
| Total General Fund | \$ 12,945,367 | \$ 12,123,426 | \$ 13,151,055 | \$ 14,104,814 | \$ 16,521,404 | \$ 14,626,294 | \$ 16,486,700 | \$ 19,828,110 | \$ 21,844,376 | \$ 22,372,723 |
| All other governmental funds | | | | | | | | | | |
| Reserved | \$ 32,729,619 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Unreserved | 2,851,987 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Designated for Capital Projects | | | | | | | | | | |
| Undesignated, Reported in: | | | | | | | | | | |
| Capital Construction | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Special Revenue Funds | 7,995,811 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Projects Funds | 2,486,615 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Nonspendable | 0 | 183 | 183 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Restricted | 0 | 38,718,067 | 26,735,951 | 15,838,229 | 14,709,053 | 16,555,678 | 18,904,424 | 21,872,538 | 19,562,455 | 19,166,992 |
| Committed | 0 | 453,513 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Unassigned | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total all other governmental funds | \$ 46,064,032 | \$ 39,171,763 | \$ 26,736,134 | \$ 15,838,229 | \$ 14,709,053 | \$ 16,555,678 | \$ 18,904,424 | \$ 21,872,538 | \$ 19,562,455 | \$ 19,166,992 |

(1) Starting with Fiscal Year 2010 Fund Balance is reported in GASB 54 categories.

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 5

| Fiscal Year | Tax Year | Total Tax Levied for Year | Collections during Levied Year | | Collections in Subsequent Years | Total Collections to Date | |
|-------------|----------|---------------------------|--------------------------------|--------------------|---------------------------------|---------------------------|--------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2009 | 2008 | \$ 152,002,298 | \$ 150,428,795 | 98.96% | \$ 962,838 | \$ 151,391,633 | 99.60% |
| 2010 | 2009 | 182,526,173 | 179,588,657 | 98.39% | 1,927,840 | 181,516,497 | 99.45% |
| 2011 | 2010 | 160,408,680 | 159,338,689 | 99.33% | 726,067 | 160,064,756 | 99.79% |
| 2012 | 2011 | 173,660,462 | 172,631,190 | 99.41% | 803,332 | 173,434,522 | 99.87% |
| 2013 | 2012 | 186,768,061 | 185,466,039 | 99.30% | 1,131,295 | 186,597,334 | 99.91% |
| 2014 | 2013 | 177,829,362 | 176,800,630 | 99.42% | 558,150 | 177,358,780 | 99.74% |
| 2015 | 2014 | 181,101,531 | 179,921,326 | 99.35% | 547,797 | 180,469,123 | 99.65% |
| 2016 | 2015 | 198,588,592 | 194,899,187 | 98.14% | 2,585,451 | 197,484,638 | 99.44% |
| 2017 | 2016 | 169,164,710 | 157,664,625 | 93.20% | 266,924 | 157,931,549 | 93.36% |
| 2018 | 2017 | 131,882,862 | 127,451,257 | 96.64% | 0 | 127,451,257 | 96.64% |

Source: Campbell County Treasurer

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

(Unaudited)

TABLE 6

| Fiscal Year | Tax Year | Real Property | | Personal Property | Public Utilities & Minerals | Total Taxable Assessed Value | Estimated Actual Value of Taxable Property | Assessed Value as a percentage of Actual Value |
|-------------|----------|----------------|---------------|-------------------|-----------------------------|------------------------------|--|--|
| | | Residential | Commercial | | | | | |
| 2009 | 2008 | \$ 165,467,474 | \$ 52,373,558 | \$ 419,621,743 | \$ 4,085,359,669 | \$ 4,722,822,444 | \$ 10,046,143,547 | 47.01% |
| 2010 | 2009 | 215,236,023 | 53,391,771 | 492,692,048 | 4,949,234,676 | 5,710,554,518 | 13,053,305,514 | 43.75% |
| 2011 | 2010 | 229,943,446 | 69,824,075 | 462,373,422 | 4,254,525,971 | 5,016,666,914 | 11,270,859,091 | 44.51% |
| 2012 | 2011 | 234,056,585 | 62,886,371 | 475,857,579 | 4,652,764,672 | 5,425,565,207 | 13,446,903,747 | 40.35% |
| 2013 | 2012 | 240,905,920 | 63,805,952 | 502,162,587 | 5,032,191,032 | 5,839,065,491 | 14,240,913,927 | 41.00% |
| 2014 | 2013 | 246,539,836 | 66,152,832 | 504,177,662 | 4,742,567,218 | 5,559,437,548 | 14,125,734,526 | 39.36% |
| 2015 | 2014 | 254,210,964 | 82,161,959 | 516,458,473 | 4,832,863,762 | 5,685,695,158 | 14,494,937,433 | 39.23% |
| 2016 | 2015 | 265,258,394 | 88,258,439 | 514,064,127 | 5,340,658,312 | 6,208,239,272 | 15,204,868,929 | 40.83% |
| 2017 | 2016 | 281,677,847 | 92,982,875 | 474,880,706 | 4,438,961,421 | 5,288,502,849 | 14,364,233,479 | 36.82% |
| 2018 | 2017 | 275,778,864 | 94,876,198 | 332,211,394 | 3,479,756,597 | 4,182,623,053 | 12,188,538,795 | 34.32% |

Source: Campbell County Assessor

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 7

| Fiscal Year | Tax Year | City of Gillette | | | County | | | Overlapping Rate | | | | Total Direct & Overlapping Rates | |
|-------------|----------|-------------------|----------------------|--------------------|-------------------|----------------------|----------------------|-------------------|----------------------|----------------------|----------------------|----------------------------------|-------------------|
| | | Operating Millage | Debt Service Millage | Total City Millage | Operating Millage | Debt Service Millage | Total County Millage | Operating Millage | Debt Service Millage | Total County Millage | State School Millage | | Special Districts |
| 2009 | 2008 | 8.000 | 0.000 | 8.000 | 12.000 | 0.000 | 12.000 | 32.000 | 0.000 | 32.000 | 12.000 | 4.163 | 68.163 |
| 2010 | 2009 | 8.000 | 0.000 | 8.000 | 11.088 | 0.000 | 11.088 | 32.000 | 0.000 | 32.000 | 12.000 | 3.711 | 66.799 |
| 2011 | 2010 | 8.000 | 0.000 | 8.000 | 11.051 | 0.000 | 11.051 | 32.000 | 0.000 | 32.000 | 12.000 | 4.720 | 67.771 |
| 2012 | 2011 | 8.000 | 0.000 | 8.000 | 11.051 | 0.000 | 11.051 | 32.000 | 0.000 | 32.000 | 12.000 | 4.370 | 67.421 |
| 2013 | 2012 | 8.000 | 0.000 | 8.000 | 11.051 | 0.000 | 11.051 | 32.000 | 0.000 | 32.000 | 12.000 | 4.461 | 67.512 |
| 2014 | 2013 | 8.000 | 0.000 | 8.000 | 11.051 | 0.000 | 11.051 | 32.000 | 0.000 | 32.000 | 12.000 | 4.693 | 67.744 |
| 2015 | 2014 | 8.000 | 0.000 | 8.000 | 11.051 | 0.000 | 11.051 | 32.000 | 0.000 | 32.000 | 12.000 | 4.686 | 67.737 |
| 2016 | 2015 | 8.000 | 0.000 | 8.000 | 11.051 | 0.000 | 11.051 | 32.000 | 0.000 | 32.000 | 12.000 | 4.537 | 67.588 |
| 2017 | 2016 | 8.000 | 0.000 | 8.000 | 11.140 | 0.000 | 11.140 | 32.000 | 0.000 | 32.000 | 12.000 | 4.412 | 67.552 |
| 2018 | 2017 | 8.000 | 0.000 | 8.000 | 11.140 | 0.000 | 11.140 | 32.000 | 0.000 | 32.000 | 12.000 | 4.412 | 67.552 |

Source: Campbell County Assessor

Note: Wyoming School District Millage rates are set by State Statute and are not changeable by local boards.

GENERAL GOVERNMENTAL FUNDS REVENUES BY SOURCE

LAST TEN FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

TABLE 8

| Fiscal Year | Local Sources | | | | County Sources | | | State Sources | | Federal Sources | | Total |
|--------------------------|---------------|------------|----------------|-----------|----------------------|---------------------------|---------------|---------------|-------------------|-------------------|-------------------|-------|
| | Taxes | Interest | Tuition & Fees | Rentals | Charges for Services | Contributions & Donations | Miscellaneous | Taxes | Intergovernmental | Intergovernmental | Intergovernmental | |
| 2009 | \$ 86,303,539 | \$ 998,796 | \$ 675,883 | \$ 43,002 | \$ 446,185 | \$ 262,591 | \$ 501,898 | \$ 20,389,644 | \$ 36,078,614 | \$ 6,056,673 | \$ 151,756,825 | |
| 2010 | 89,965,029 | 218,746 | 355,516 | 55,024 | 609,350 | 540,885 | 57,907 | 21,663,559 | 21,736,066 | 7,781,772 | 142,983,854 | |
| 2011 | 93,009,532 | 121,985 | 303,386 | 44,612 | 603,220 | 738,691 | 851,430 | 22,236,817 | 13,142,804 | 9,619,392 | 140,671,869 | |
| 2012 | 99,786,164 | 87,243 | 49,845 | 57,580 | 606,482 | 438,373 | 565,530 | 24,028,699 | 20,509,706 | 8,502,731 | 154,632,353 | |
| 2013 | 103,804,485 | 56,581 | 39,876 | 44,399 | 568,273 | 515,251 | 196,884 | 24,660,168 | 12,702,356 | 6,158,415 | 148,746,688 | |
| 2014 | 102,755,821 | 42,914 | 29,907 | 27,758 | 624,417 | 728,239 | 266,134 | 24,944,932 | 29,653,661 | 5,134,695 | 164,208,478 | |
| 2015 | 106,233,853 | 48,250 | 11,025 | 22,753 | 638,102 | 583,458 | 497,194 | 25,471,301 | 18,989,815 | 4,989,966 | 157,485,717 | |
| 2016 | 114,588,797 | 124,477 | 11,025 | 40,692 | 653,295 | 402,114 | 207,295 | 27,765,648 | 42,351,538 | 5,296,484 | 191,441,365 | |
| 2017 | 114,307,351 | 315,629 | 0 | 22,436 | 614,928 | 209,629 | 222,988 | 27,360,729 | 31,824,104 | 5,035,716 | 179,913,510 | |
| 2018 | 114,496,145 | 586,766 | 2,025 | 22,264 | 657,737 | 286,449 | 236,377 | 27,407,858 | 12,099,531 | 5,320,061 | 161,115,213 | |
| Percent Change 2009-2018 | 32.67% | -41.25% | -99.70% | -48.23% | 47.41% | 9.09% | -52.90% | 34.42% | -66.46% | -12.16% | 6.17% | |

**PRINCIPAL TAXPAYERS (Top 50%)
CURRENT AND NINE YEARS AGO**

(Unaudited)

TABLE 9

| TAXPAYER | TYPE OF BUSINESS | Tax Year 2017 | | | Tax Year 2008 | | |
|---|------------------|----------------------|------|-----------------------------------|----------------------|------|-----------------------------------|
| | | ASSESSED VALUE | RANK | % of Total Taxable Assessed Value | ASSESSED VALUE | RANK | % of Total Taxable Assessed Value |
| Peabody Energy / Powder River Coal Company / Caballo Coal Company | Coal | \$ 1,008,019,393 | 1 | 24.100% | 1,053,329,105 | 1 | 22.303% |
| Thunder Basin Coal Company LLC / Arch Coal Inc. / Jacobs Ranch Coal Company | Coal | 705,580,753 | 2 | 16.869% | 942,742,708 | 2 | 19.961% |
| Foundation Coal West / Alpha Coal West Inc / RAG Coal West Inc | Coal | 145,126,239 | 3 | 3.470% | 356,701,241 | 3 | 7.553% |
| Cloud Peak / Cordero Mining Company / Antelope Coal LLC | Coal | 150,258,824 | | 3.592% | 236,811,410 | 5 | 5.014% |
| Contura Coal West LLC / Blackjewel Mining LLC | Coal | 142,314,809 | | | | | |
| EOG Resources Inc | Oil & Gas | 120,724,227 | | | | | |
| Devon Energy Production Company LP | Oil & Gas | 104,737,753 | | | | | |
| Total | | <u>2,376,761,998</u> | | <u>56.825%</u> | <u>2,589,584,464</u> | | <u>54.831%</u> |
| Assessed Value | | 4,182,623,053 | | | 4,722,822,444 | | |

Source: Campbell County Assessor

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 10

| Fiscal Year | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Tax Year | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| Assessed Valuation | \$ 4,722,822,444 | \$ 5,710,554,518 | \$ 5,016,666,914 | \$ 5,425,565,207 | \$ 5,839,065,491 | \$ 5,559,437,548 | \$ 5,685,695,158 | \$ 6,208,239,272 | \$ 5,288,502,849 | \$ 4,182,623,053 |
| Debt Limit (1) | \$ 472,282,244 | \$ 571,055,452 | \$ 501,666,691 | \$ 542,556,521 | \$ 583,906,549 | \$ 555,943,754 | \$ 568,569,515 | \$ 620,823,927 | \$ 528,850,285 | \$ 418,262,305 |
| Total Net Debt Applicable to the Limit on June 30, fiscal year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Legal debt margin | \$ 472,282,244 | \$ 571,055,452 | \$ 501,666,691 | \$ 542,556,521 | \$ 583,906,549 | \$ 555,943,754 | \$ 568,569,515 | \$ 620,823,927 | \$ 528,850,285 | \$ 418,262,305 |
| Total net debt applicable to the limit as a percentage of debt limit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

(1) The debt limitation for unified school districts in Wyoming is 10% of the valuation of the taxable property in the district as certified by the county assessor. (W.S. 21-13-703)

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

TABLE 11

| Fiscal Year | Tax Year | Governmental Activities | | | Business-type | | Total Government Net Bonded Debt | Estimated Actual Taxable Value of Property (2) | Ratio of Net bonded Debt to Estimated Actual Taxable Value of Property | County Population (1) | Net Bonded Debt per Capita | Total Personal Income (3) ('000's) | Ratio of Net Bonded Debt to Total Personal Income |
|-------------|----------|--------------------------|---------------|------------------------|---------------|-------------|----------------------------------|--|--|-----------------------|----------------------------|---|---|
| | | General Obligation Bonds | Revenue Bonds | Less Debt Service Fund | Revenue Bonds | | | | | | | | |
| 2009 | 2008 | \$ 0 | \$ 0 | \$ 1,028,413 | \$ 0 | (1,028,413) | \$ 10,046,143,547 | -0.01% | 42,846 | -24 | \$ 2,125,610 | -0.048% | |
| 2010 | 2009 | 0 | 0 | 1,085,363 | 0 | (1,085,363) | 13,053,305,514 | -0.01% | 45,650 | -24 | 2,011,910 | -0.054% | |
| 2011 | 2010 | 0 | 0 | 1,010,077 | 0 | (1,010,077) | 11,270,859,091 | -0.01% | 46,244 | -22 | 2,282,340 | -0.044% | |
| 2012 | 2011 | 0 | 0 | 1,014,687 | 0 | (1,014,687) | 13,446,903,747 | -0.01% | 46,594 | -22 | 2,592,026 | -0.039% | |
| 2013 | 2012 | 0 | 0 | 1,016,894 | 0 | (1,016,894) | 14,240,913,927 | -0.01% | 47,872 | -21 | 2,621,362 | -0.039% | |
| 2014 | 2013 | 0 | 0 | 1,018,998 | 0 | (1,018,998) | 14,125,734,526 | -0.01% | 48,116 | -21 | 2,476,963 | -0.041% | |
| 2015 | 2014 | 0 | 0 | 1,021,645 | 0 | (1,021,645) | 14,494,937,433 | -0.01% | 48,241 | -21 | 2,661,825 | -0.038% | |
| 2016 | 2015 | 0 | 0 | 1,024,970 | 0 | (1,024,970) | 15,204,868,929 | -0.01% | 49,333 | -21 | 2,623,721 | -0.039% | |
| 2017 | 2016 | 0 | 0 | 578 | 0 | (578) | 14,364,233,479 | 0.00% | 48,803 | 0 | 2,367,290 | 0.000% | |
| 2018 | 2017 | 0 | 0 | 0 | 0 | 0 | 12,188,538,795 | 0.00% | 48,400 | 0 | N/A | N/A | |

(1) State Agency - Wyoming, Department of Administration & Information Economic Analysis Division & U.S. Bureau of Economic Analysis (BES) 2017 estimated.

(2) Campbell County Assessor

(3) U.S. Bureau of Economic Analysis (BES) - Total Personal income estimates are in thousands of dollars, not adjusted for inflation

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

June 30, 2018

(Unaudited)

TABLE 12

| | Net General Obligation Bonded Debt Outstanding | Percent of Debt Applicable to Campbell County School District | Amount Applicable to Campbell County School District |
|--------------------------------------|---|--|---|
| Direct Debt: | | | |
| Campbell County School District No.1 | \$ 0 | 0 | \$ 0 |
| Overlapping Debt: | | | |
| Campbell County | 0 | 0 | 0 |
| Campbell County Memorial Hospital | 0 | 0 | 0 |
| Total Direct and Overlapping Debt | \$ 0 | 0 | \$ 0 |

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 13

| Fiscal Year | County Population (1)(2) | Total Personal Income (2) | Per Capita Personal Income | Median Age (2) | Average Daily Membership | Students as % of Population | County Unemployment Rate (1) |
|-------------|-----------------------------|------------------------------|----------------------------|-------------------|--------------------------|-----------------------------|---------------------------------|
| 2009 | 42,846 | \$ 2,125,610 | \$ 49,610 | 31.7 | 8,007 | 18.69% | 4.1% |
| 2010 | 45,650 | \$ 2,011,910 | \$ 44,073 | 32.0 | 8,145 | 17.84% | 5.3% |
| 2011 | 46,244 | \$ 2,282,340 | \$ 49,354 | 32.2 | 8,248 | 17.84% | 4.1% |
| 2012 | 46,594 | \$ 2,592,026 | \$ 55,630 | 32.3 | 8,368 | 17.96% | 4.6% |
| 2013 | 47,872 | \$ 2,621,362 | \$ 54,758 | 32.4 | 8,524 | 17.81% | 3.9% |
| 2014 | 48,116 | \$ 2,476,963 | \$ 51,479 | 32.7 | 8,714 | 18.11% | 3.4% |
| 2015 | 48,241 | \$ 2,661,825 | \$ 55,178 | 31.0 | 8,986 | 18.63% | 3.8% |
| 2016 | 49,333 | \$ 2,623,721 | \$ 53,184 | N/A | 9,038 | 18.32% | 7.9% |
| 2017 | 48,803 | \$ 2,367,290 | \$ 48,507 | N/A | 8,567 | 17.55% | 4.7% |
| 2018 | 48,400 | N/A | N/A | N/A | 8,603 | 17.77% | 4.1% |

(1) State Agency - Wyoming Department of Administration & Information Economic Analysis Division, County Population 2018 estimated

(2) U.S. Bureau of Economic Analysis (BES) - Total personal income estimates are in thousands of dollars, not adjusted for inflation

PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO

(Unaudited)

TABLE 14

| Fiscal Year | 2018 | | | 2009 | | |
|--|-----------|------|---|-----------|------|---|
| | Employers | Rank | Percentage of Total County Labor Force as of 6/2018 | Employees | Rank | Percentage of Total County Labor Force as of 6/2009 |
| Campbell County School District | 1,598 | 1 | 7.03% | 1,771 | 2 | 6.30% |
| Peabody Energy / Peabody Caballo Mining, LLC / Powder River Coal Company | 1,497 | 2 | 6.59% | 1,084 | 4 | 3.86% |
| ARCH Coal, Inc. / Thunder Basin Coal Company / Triton Coal | 1,344 | 3 | 5.91% | 1,100 | 3 | 3.92% |
| Campbell County Health | 1,130 | 4 | 4.97% | 850 | 5 | 3.03% |
| Campbell County Government | 591 | 5 | 2.60% | 553 | 6 | 1.97% |
| Blackjewel LLC / Foundation Coal West | 558 | 6 | 2.45% | 480 | 7 | 1.71% |
| Cloud Peak Energy / Rio Tinto America Inc / Cordero Mining LLC | 296 | 7 | 1.30% | 1,795 | 1 | 6.39% |
| City of Gillette | 291 | 8 | 1.28% | 219 | 10 | 0.78% |
| Wal-mart | 211 | 9 | 0.93% | 230 | 9 | 0.82% |
| L&H Industrial | 147 | 10 | 0.65% | | | |
| Hettinger Welding (no longer in business) | | | | 300 | 8 | 1.07% |

Sources: Campbell County Economic Development Corp and State of Wyoming Department of Employment, Research and Planning
Note: County labor force statistics from Wyoming Department of Employment, Research & Planning 6/2009 28,090 Gillette News Record 6/2018 22,730

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OPERATING INFORMATION FOR CAMPBELL COUNTY SCHOOL DISTRICT NO.1
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 15

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Number of Schools | | | | | | | | | | |
| Elementary (5 rural) | 13 | 13 | 13 | 13 | 14 | 14 | 14 | 14 | 15 | 15 |
| Middle Schools (rural) | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Junior High Schools | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Jr/Sr High School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Senior High School | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 |
| Alternative Transitional Center (specializing in at-risk students) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Schools | 20 | 20 | 20 | 20 | 21 | 21 | 21 | 21 | 22 | 23 |
| High School Graduates | | | | | | | | | | |
| Campbell County School District | 364 | 380 | 404 | 382 | 347 | 400 | 377 | 400 | 386 | 237 |
| Thunder Basin High School | - | - | - | - | - | - | - | - | - | 174 |
| Wright Jr/Sr High | 33 | 20 | 37 | 32 | 22 | 30 | 29 | 30 | 24 | 23 |
| Westwood High School | 114 | 126 | 102 | 102 | 104 | 81 | 90 | 114 | 127 | 114 |
| Total Graduates | 511 | 526 | 543 | 516 | 473 | 511 | 496 | 544 | 537 | 548 |
| Student / Teacher Ratios | | | | | | | | | | |
| Elementary | 18.17:1 | 17.67:1 | 19.08:1 | 19.00:1 | 19.18:1 | 18.90:1 | 19.60:1 | 18.80:1 | 18.22:1 | 18.82:1 |
| Secondary | 14.12:1 | 14.44:1 | 14.91:1 | 15.33:1 | 15.46:1 | 15.06:1 | 16.29:1 | 16.23:1 | 15.76:1 | 15.23:1 |
| Student Membership/Attendance | | | | | | | | | | |
| Average Daily Membership | 8,007 | 8,145 | 8,248 | 8,368 | 8,524 | 8,714 | 8,986 | 9,038 | 8,567 | 8,603 |
| Average Daily Attendance | 7,547 | 7,626 | 7,729 | 7,881 | 7,978 | 8,130 | 8,400 | 8,499 | 8,055 | 8,028 |
| Percent of Attendance | 94.26% | 93.63% | 93.71% | 94.18% | 93.59% | 93.30% | 93.48% | 94.04% | 94.02% | 93.32% |
| General Fund Cost per Pupil based on ADM | \$ 12,463 | \$ 14,192 | \$ 14,934 | \$ 14,633 | \$ 14,539 | \$ 14,894 | \$ 14,522 | \$ 15,384 | \$ 16,307 | \$ 16,131 |
| Free/Reduced Food Program Eligibility | | | | | | | | | | |
| Percent of Total Students Enrolled in Fall of calendar year | 27.58% | 31.03% | 32.85% | 32.48% | 32.80% | 34.56% | 36.16% | 35.76% | 38.53% | 36.24% |

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| School District Employees | | | | | | | | | | |
| Instructional Services | | | | | | | | | | |
| Central Office Administrators | 10 | 7 | 7 | 7 | 7 | 7 | 7 | 6 | 5 | 5 |
| Principals & Assistant Principals | 27 | 28 | 28 | 25 | 25 | 26 | 26 | 27 | 28 | 29 |
| Teaching Staff | 638 | 657 | 669 | 671 | 682 | 688 | 714 | 727 | 718 | 691 |
| Substitute Teachers | 225 | 246 | 229 | 251 | 254 | 256 | 247 | 243 | 241 | 290 |
| Guidance Counselors | 18 | 17 | 17 | 18 | 19 | 20 | 21 | 22 | 25 | 26 |
| Media Specialists | 13 | 16 | 15 | 16 | 17 | 17 | 17 | 17 | 17 | 12 |
| Support Services | | | | | | | | | | |
| Central Office Administrators | 4 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 5 |
| Specialists/Coordinators/Directors | 9 | 13 | 14 | 15 | 15 | 15 | 19 | 19 | 37 | 32 |
| Nurses, Psychologists, and Social Workers | 45 | 39 | 32 | 34 | 34 | 33 | 29 | 33 | 40 | 41 |
| Pupil Transportation | 136 | 151 | 154 | 144 | 150 | 153 | 153 | 172 | 140 | 138 |
| Personnel Services | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 6 | 7 |
| Operation and Maintenance | 122 | 131 | 136 | 137 | 139 | 140 | 143 | 134 | 120 | 111 |
| Finance, Fiscal Services and Data Processing | 16 | 16 | 16 | 16 | 16 | 16 | 17 | 15 | 39 | 32 |
| School Bldg Clerical & Aides Support | 432 | 443 | 454 | 435 | 439 | 444 | 433 | 465 | 405 | 402 |
| General Laborer / Science Center | 2 | 2 | 2 | 4 | 4 | 4 | 4 | 4 | 2 | 2 |
| Print Shop | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Purchasing/Warehouse/Mail Services | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 4 | 4 |
| Food Service | 57 | 59 | 64 | 65 | 66 | 66 | 64 | 66 | 63 | 57 |
| Total School District Employees | 1,771 | 1,845 | 1,857 | 1,858 | 1,887 | 1,905 | 1,915 | 1,971 | 1,898 | 1,888 |
| Teacher Salaries | | | | | | | | | | |
| Minimum | \$ 43,000 | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ 46,000 | \$ 47,500 | \$ 47,500 | \$ 47,500 |
| Maximum | \$ 77,900 | \$ 80,900 | \$ 80,900 | \$ 80,900 | \$ 80,900 | \$ 80,900 | \$ 80,900 | \$ 82,400 | \$ 82,400 | \$ 82,400 |
| Average | \$ 58,023 | \$ 61,199 | \$ 61,511 | \$ 61,564 | \$ 61,017 | \$ 60,734 | \$ 60,288 | \$ 61,667 | \$ 61,205 | \$ 60,670 |

SCHOOL BUILDING INFORMATION - OWNED BUILDINGS
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 16

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SCHOOLS | | | | | | | | | | |
| ELEMENTARY (K-6) | | | | | | | | | | |
| BUFFALO RIDGE (2013) | | | | | | | | | | |
| Square Feet | N/A | N/A | N/A | N/A | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 |
| Acres | N/A | N/A | N/A | N/A | 16 | 15.81 | 15.81 | 15.81 | 15.81 | 15.81 |
| Capacity | N/A | N/A | N/A | N/A | 517 | 517 | 517 | 517 | 517 | 517 |
| Average Daily Membership | N/A | N/A | N/A | N/A | 365 | 453 | 496 | 471 | 430 | 441 |
| CONESTOGA (1982) | | | | | | | | | | |
| Square Feet | 56,108 | 56,108 | 56,108 | 56,108 | 56,108 | 56,108 | 56,108 | 56,108 | 56,108 | 56,108 |
| Acres | 9.77 | 9.77 | 9.77 | 9.77 | 9.77 | 9.77 | 9.77 | 9.77 | 9.77 | 9.77 |
| Capacity | 545 | 545 | 545 | 545 | 545 | 545 | 545 | 545 | 545 | 545 |
| Average Daily Membership | 435 | 440 | 420 | 443 | 413 | 431 | 432 | 414 | 407 | 401 |
| COTTONWOOD (1979) | | | | | | | | | | |
| Square Feet | 58,200 | 58,200 | 58,200 | 58,200 | 58,200 | 58,200 | 58,200 | 58,200 | 58,200 | 58,200 |
| Acres | 13.32 | 13.32 | 13.32 | 13.32 | 13.32 | 13.32 | 13.32 | 13.32 | 13.32 | 13.32 |
| Capacity | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 | 574 |
| Average Daily Membership | 287 | 281 | 270 | 284 | 294 | 270 | 278 | 252 | 220 | 228 |
| FOUR - J (1986) | | | | | | | | | | |
| Square Feet | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 | 17,000 |
| Acres | 15.10 | 15.10 | 15.10 | 15.10 | 15.10 | 15.10 | 15.10 | 15.10 | 15.10 | 15.10 |
| Capacity | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 | 83 |
| Average Daily Membership | 36 | 37 | 39 | 37 | 38 | 40 | 37 | 35 | 42 | 43 |
| HILLCREST (Old Building & Location 1972/1975/1984) New Building and Location 2009 | | | | | | | | | | |
| Square Feet | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 | 68,620 |
| Acres | 10.89 | 10.89 | 10.89 | 10.89 | 10.89 | 10.89 | 10.89 | 10.89 | 10.89 | 10.89 |
| Capacity | 519 | 519 | 519 | 519 | 519 | 519 | 519 | 519 | 519 | 519 |
| Average Daily Membership | 348 | 408 | 409 | 412 | 410 | 415 | 439 | 450 | 415 | 434 |
| LAKEVIEW (Old Building & Location 1968/1973/1976) New Building and Location 2015 | | | | | | | | | | |
| Square Feet | 35,057 | 35,057 | 35,057 | 35,057 | 35,057 | 35,057 | 35,057 | 35,057 | 35,057 | 35,057 |
| Acres | 4.19 | 4.19 | 4.19 | 4.19 | 4.19 | 4.19 | 4.19 | 4.19 | 4.19 | 4.19 |
| Capacity | 378 | 378 | 378 | 378 | 378 | 378 | 378 | 378 | 378 | 378 |
| Average Daily Membership | 350 | 348 | 381 | 379 | 376 | 454 | 387 | 499 | 479 | 436 |
| LITTLE POWDER (1976) | | | | | | | | | | |
| Square Feet | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 | 10,600 |
| Acres | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Capacity | 88 | 88 | 88 | 88 | 88 | 88 | 88 | 88 | 88 | 88 |
| Average Daily Membership | 22 | 19 | 24 | 22 | 25 | 30 | 29 | 27 | 26 | 25 |
| MEADOWLARK (1975) | | | | | | | | | | |
| Square Feet | 37,832 | 37,832 | 37,832 | 37,832 | 37,832 | 37,832 | 37,832 | 37,832 | 37,832 | 37,832 |
| Acres | 2.88 | 2.88 | 2.88 | 2.88 | 2.88 | 2.88 | 2.88 | 2.88 | 2.88 | 2.88 |
| Capacity | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 | 338 |
| Average Daily Membership | 322 | 290 | 331 | 340 | 308 | 278 | 266 | 284 | 257 | 248 |

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| PAINTBRUSH (1980) | | | | | | | | | | |
| Square Feet | 63,450 | 63,450 | 63,450 | 63,450 | 63,450 | 63,450 | 63,450 | 63,450 | 63,450 | 63,450 |
| Acres | 5.69 | 5.69 | 5.69 | 5.69 | 5.69 | 5.69 | 5.69 | 5.69 | 5.69 | 5.69 |
| Capacity | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 | 595 |
| Average Daily Membership | 460 | 458 | 473 | 491 | 453 | 436 | 439 | 441 | 379 | 351 |
| PRAIRIE WIND ELEMENTARY (2011) | | | | | | | | | | |
| Square Feet | 68,414 | 68,414 | 68,414 | 68,414 | 68,414 | 68,414 | 68,414 | 68,414 | 68,414 | 68,414 |
| Acres | 10 | 10.18 | 10.18 | 10.18 | 10.18 | 10.18 | 10.18 | 10.18 | 10.18 | 10.18 |
| Capacity | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 | 518 |
| Average Daily Membership | 415 | 445 | 445 | 445 | 435 | 463 | 491 | 494 | 392 | 380 |
| PRONGHORN (1993) | | | | | | | | | | |
| Square Feet | 66,415 | 66,415 | 66,415 | 66,415 | 66,415 | 66,415 | 66,415 | 66,415 | 66,415 | 66,415 |
| Acres | 13.15 | 13.15 | 13.15 | 13.15 | 13.15 | 13.15 | 13.15 | 13.15 | 13.15 | 13.15 |
| Capacity | 577 | 577 | 577 | 577 | 577 | 577 | 577 | 577 | 577 | 577 |
| Average Daily Membership | 489 | 476 | 440 | 453 | 434 | 430 | 458 | 455 | 425 | 441 |
| RAWHIDE (1980) | | | | | | | | | | |
| Square Feet | 60,725 | 60,725 | 60,725 | 60,725 | 60,725 | 60,725 | 60,725 | 60,725 | 60,725 | 60,725 |
| Acres | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Capacity | 549 | 549 | 549 | 549 | 549 | 549 | 549 | 549 | 549 | 549 |
| Average Daily Membership | 273 | 325 | 291 | 281 | 254 | 256 | 229 | 258 | 216 | 237 |
| RECLUSE (Old Building & Location 1964/1973) New Building & New Location 2007 | | | | | | | | | | |
| Square Feet | 17,509 | 17,509 | 17,509 | 17,509 | 17,509 | 17,509 | 17,509 | 17,509 | 17,509 | 17,509 |
| Acres | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 |
| Capacity | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Average Daily Membership | 34 | 39 | 31 | 28 | 25 | 29 | 30 | 29 | 23 | 17 |
| ROZET (1939/1973/1976/1983) | | | | | | | | | | |
| Square Feet | 83,221 | 83,221 | 83,221 | 83,221 | 83,221 | 83,221 | 83,221 | 83,221 | 83,221 | 83,221 |
| Acres | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Capacity | 723 | 723 | 723 | 723 | 723 | 723 | 723 | 723 | 723 | 723 |
| Average Daily Membership | 362 | 351 | 346 | 350 | 343 | 337 | 350 | 353 | 327 | 311 |
| STOCKTRAIL (2016) | | | | | | | | | | |
| Square Feet | 68,899 | 68,899 | 68,899 | 68,899 | 68,899 | 68,899 | 68,899 | 68,899 | 68,899 | 68,899 |
| Acres | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Capacity | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Average Daily Membership | 234 | 234 | 234 | 234 | 234 | 234 | 234 | 234 | 234 | 234 |
| SUNFLOWER (1983) | | | | | | | | | | |
| Square Feet | 57,500 | 57,500 | 57,500 | 57,500 | 57,500 | 57,500 | 57,500 | 57,500 | 57,500 | 57,500 |
| Acres | 5.53 | 5.53 | 5.53 | 5.53 | 5.53 | 5.53 | 5.53 | 5.53 | 5.53 | 5.53 |
| Capacity | 553 | 553 | 553 | 553 | 553 | 553 | 553 | 553 | 553 | 553 |
| Average Daily Membership | 474 | 462 | 456 | 453 | 382 | 411 | 433 | 430 | 388 | 359 |
| WAGONWHEEL (1976) | | | | | | | | | | |
| Square Feet | 52,314 | 52,314 | 52,314 | 52,314 | 52,314 | 52,314 | 52,314 | 52,314 | 52,314 | 52,314 |
| Acres | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 | 7.02 |
| Capacity | 547 | 547 | 547 | 547 | 547 | 547 | 547 | 547 | 547 | 547 |
| Average Daily Membership | 434 | 427 | 442 | 427 | 404 | 411 | 410 | 397 | 329 | 314 |

SCHOOL BUILDING INFORMATION - OWNED BUILDINGS (CONTINUED)
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 16 (CONTINUED)

| | Fiscal Year 2009 | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 | Fiscal Year 2015 | Fiscal Year 2016 | Fiscal Year 2017 | Fiscal Year 2018 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| JUNIOR HIGH | | | | | | | | | | |
| SAGE VALLEY (1981) | | | | | | | | | | |
| Square Feet | 188,630 | 188,630 | 188,630 | 188,630 | 188,630 | 188,630 | 188,630 | 188,630 | 188,630 | 188,630 |
| Acres | 21.04 | 21.04 | 21.04 | 21.04 | 21.04 | 21.04 | 21.04 | 21.04 | 21.04 | 21.04 |
| Capacity | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| Average Daily Membership | 816 | 834 | 902 | 938 | 978 | 1,002 | 1,010 | 1,027 | 931 | 620 |
| TWIN SPRUCE (1925/1964/1976) | | | | | | | | | | |
| Square Feet | 167,000 | 167,000 | 167,000 | 167,000 | 167,000 | 167,000 | 167,000 | 167,000 | 167,000 | 167,000 |
| Acres | 12.90 | 12.90 | 12.90 | 12.90 | 12.90 | 12.90 | 12.90 | 12.90 | 12.90 | 12.90 |
| Capacity | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| Average Daily Membership | 782 | 787 | 805 | 836 | 879 | 857 | 862 | 836 | 849 | 619 |
| JUNIOR/SENIOR HIGH | | | | | | | | | | |
| WRIGHT JR/SR HIGH (1983) | | | | | | | | | | |
| Square Feet | 109,741 | 109,741 | 109,741 | 109,741 | 109,741 | 109,741 | 109,741 | 109,741 | 109,741 | 109,741 |
| Acres | 23.24 | 23.24 | 23.24 | 23.24 | 23.24 | 23.24 | 23.24 | 23.24 | 23.24 | 23.24 |
| Capacity | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 | 650 |
| Average Daily Membership | 228 | 249 | 254 | 232 | 220 | 214 | 211 | 202 | 182 | 190 |
| HIGH SCHOOL | | | | | | | | | | |
| WESTWOOD (Old Building & Location 1962/1975) New Building and Location 2015 | | | | | | | | | | |
| Square Feet | 21,429 | 21,429 | 21,429 | 21,429 | 21,429 | 21,429 | 21,429 | 21,429 | 21,429 | 21,429 |
| Acres | 2.48 | 2.48 | 2.48 | 2.48 | 2.48 | 2.48 | 2.48 | 2.48 | 2.48 | 2.48 |
| Capacity | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 | 135 |
| Average Daily Membership | 156 | 160 | 86 | 140 | 99 | 115 | 84 | 138 | 135 | 124 |
| CAMPBELL COUNTY HIGH SCHOOL (2 SITES through 2017) | | | | | | | | | | |
| CAMPBELL COUNTY - NORTH CAMPUS(1972/1977/1978/1982/1988) | | | | | | | | | | |
| Square Feet | 337,557 | 337,557 | 337,557 | 337,557 | 337,557 | 337,557 | 337,557 | 337,557 | 337,557 | 337,557 |
| Acres | 42.95 | 42.95 | 42.95 | 42.95 | 42.95 | 42.95 | 42.95 | 42.95 | 42.95 | 42.95 |
| Capacity | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 | 1,800 |
| Average Daily Membership | 1,429 | 1,446 | 1,433 | 1,377 | 1,389 | 1,480 | 1,517 | 1,546 | 1,481 | 1,048 |
| THUNDER BASIN HIGH SCHOOL (CCHS South Campus through 2017) (1998/2018) | | | | | | | | | | |
| Square Feet | 214,398 | 214,398 | 214,398 | 214,398 | 214,398 | 214,398 | 214,398 | 214,398 | 214,398 | 214,398 |
| Acres | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| Capacity | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 | 1,429 |
| Average Daily Membership | | | | | | | | | | 1,053 |

SINGLE AUDIT
SECTION



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BENNETT, WEBER & HERMSTAD, LLP

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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*

Governing Board
Campbell County School District No. 1
Gillette, Wyoming

We have audited, in accordance with the 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1, (District)** as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise **Campbell County School District No. 1's** basic financial statements, and have issued our report thereon dated November 6, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **Campbell County School District No. 1'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 the **District's** internal control. Accordingly, we do not express an opinion on the effectiveness of the **District'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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Campbell County School District No. 1's** financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Bennett, Weber & Hermstad, LLP

Gillette, Wyoming
November 6, 2018

BENNETT, WEBER & HERMSTAD, LLP

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

Governing Board
Campbell County School District No. 1
Gillette, Wyoming

Report on Compliance for Each Major Federal Program

We have audited **Campbell County School District No. 1's (District)** compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the **District's** major federal programs for the year ended June 30, 2018. The **District'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the **District'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the **District'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 the **District's** compliance.

Opinion on Each Major Federal Program

In our opinion, the **District** 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, 2018.

Report on Internal Control over Compliance

Management of the **District** 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 the **District'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 on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the **District's** internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bennett, Weber & Hermstad, LLP

Gillette, Wyoming
November 6, 2018

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2018

(Page 1 of 2)

| Federal Grantor Pass Through Grantor Program or Cluster Title | Federal CFDA Number | Pass- Through Grantor's Number | Expenditures |
|---|---------------------------|---|--------------|
| <u>Department of Education</u> | | | |
| Direct Awards: | | | |
| Impact Aid | 84.041 | 60-WY-4001 | \$ 85,950 |
| Passed Through State of Wyoming Department of Education | | | |
| Career and Technical Education-Basic Grants To States, FY17 | 84.048 | VO48A160050 | \$ 16,271 |
| Career and Technical Education-Basic Grants To States, FY18 | 84.048 | VO48A170050 | 167,617 |
| Total Career and Technical Education-Basic Grants to States | | | \$ 183,888 |
| Title I Basic, FY16 | 84.010 | S010A150050 | \$ 7,127 |
| Title I Basic, FY17 | 84.010 | S010A160050 | 645,936 |
| Title I Basic, FY18 | 84.010 | S010A170050 | 1,350,899 |
| Title I, Neglected and Delinquent, FY17 | 84.010 | S010A160050 | 88,640 |
| Title I, Neglected and Delinquent, FY18 | 84.010 | S010A170050 | 7,300 |
| Title I, School Improvement, FY16 | 84.010 | 16030163A1A0 | 14,549 |
| Title I, School Improvement, FY17 | 84.010 | S010A160050 | 17,534 |
| Title I, School Improvement, FY16 | 84.010 | 16030163A1A1 | 14,002 |
| Title I, School Improvement, FY17 | 84.010 | S010A160050 | 77,761 |
| Total Title I, Grants to Local Educational Agencies | | | \$ 2,223,748 |
| Mathematics & Science Partnerships, FY16 | 84.366 | S366B150050 | \$ 157,959 |
| Supporting Effective Instruction State Grants, FY17 | 84.367 | S367A160048 | \$ 265,731 |
| Supporting Effective Instruction State Grants, FY18 | 84.367 | S367A170048 | 254,917 |
| Total Supporting Effective Instruction State Grants | | | \$ 520,648 |
| Special Education Cluster (IDEA): | | | |
| Special Education-Grants to States, FY17 | 84.027 | H027A160014 | \$ 591,731 |
| Special Education-Grants to States, FY18 | 84.027 | H027A170014 | 1,336,295 |
| Total Special Education Grants to States | | | \$ 1,928,026 |
| Special Education-Preschool Grants, FY17 | 84.173 | H173A160076 | \$ 1,335 |
| Special Education-Preschool Grants, FY18 | 84.173 | H173A170076 | 7,292 |
| Total Special Education Preschool Grants | | | \$ 8,627 |
| Total Special Education Cluster (IDEA) | | | \$ 1,936,653 |

(Continued)

The accompanying notes are an integral part of this schedule.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2018

(Page 2 of 2)

| Federal Grantor Pass Through Grantor Program or Cluster Title | Federal CFDA Number | Pass- Through Grantor's Number | Expenditures |
|--|---------------------------|---|---------------------|
| English Language Acquisition State Grants, FY16 | 84.365 | S365A150050 | \$ 14,092 |
| English Language Acquisition State Grants, FY17 | 84.365 | S365A160050 | 44,733 |
| English Language Acquisition State Grants, FY16 | 84.365 | 1603016T3100 | 6,265 |
| English Language Acquisition State Grants, FY17 | 84.365 | S365A160050 | 2,925 |
| Total English Language Acquisition State Grants | | | \$ 68,015 |
| Education for Homeless Children and Youth, FY16 | 84.196 | S196A150052 | \$ 6,059 |
| Education for Homeless Children and Youth, FY17 | 84.196 | S196A160052 | 14,402 |
| Total Education for Homeless Children and Youth | | | \$ 20,461 |
| Student Support and Academic Enrichment Program, FY18 | 84.424 | S424A170052 | \$ 77,431 |
| Total Passed Through State of Wyoming Department of Education | | | \$ 5,188,803 |
| Total U.S. Department of Education | | | \$ 5,274,753 |
| Department of Homeland Security | | | |
| Passed through Wyoming Office of Homeland Security | | | |
| Homeland Security Grant Program | 97.067 | 17-GPD-CAM- SD-HSD17 | \$ 6,200 |
| Department of Agriculture | | | |
| Passed Through the State of Wyoming Department of Education | | | |
| Child Nutrition Cluster: | | | |
| School Breakfast Program | 10.553 | - | \$ 321,387 |
| National School Lunch Program | 10.555 | - | \$ 1,362,655 |
| National School Lunch Program - Commodities | 10.555 | - | 445,658 |
| Total National School Lunch Program | | | \$ 1,808,313 |
| Summer Food Service Program for Children - Commodities | 10.559 | - | \$ 186 |
| Total Child Nutrition Cluster | | | \$ 2,129,886 |
| Child Nutrition Discretionary Grants Limited Availability | 10.579 | - | \$ 5,009 |
| Fresh Fruit and Vegetable Program | 10.582 | - | \$ 174,751 |
| Total U.S. Department of Agriculture | | | \$ 2,309,646 |
| Department of Interior | | | |
| Passed Through Campbell County, Wyoming | | | |
| Treasurer's Office | | | |
| Distribution of Receipts to State and Local Governments | 15.227 | - | \$ 39,808 |
| Total Expenditures of Federal Awards | | | \$ 7,630,407 |

The accompanying notes are an integral part of this schedule.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Campbell County School District No. 1 under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Campbell County School District No. 1, it is not intended to and does not present the financial position or changes in net assets, or cash flows of Campbell County School District No. 1.

Note 2. Summary of Significant Accounting Policies

- (A) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (B) Pass through identifying numbers are presented where available.
- (C) Campbell County School District No. 1 did not elect to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

Note 3. Food Commodities

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.

Note 4. Amounts Passed Through to Subrecipients

The accompanying Schedule does not reflect any amounts as *Passed Through to Subrecipients*, as Campbell County School District No. 1 did not subgrant (pass through) any federal awards to subrecipients.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended **June 30, 2018**

(Page 1 of 2)

Section I. Summary of Independent Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: unmodified

Internal control over financial reporting:

- Material weaknesses(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? _____ yes X no
- Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report issued on compliance for major federal programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2CFR200.516(a)? _____ yes X no

Identification of major federal programs:

| <i>CFDA Numbers</i> | <i>Name of Federal Program or Cluster</i> | <i>Amount Expended</i> |
|---------------------|---|---------------------------|
| 10.553 | School Breakfast Program | \$ 321,387 |
| 10.555 | National School Lunch Program | 1,808,313 |
| 10.559 | Summer Food Service Program for Children | <u>186</u> |
| | Total Child Nutrition Cluster | <u><u>\$2,129,886</u></u> |
| 84.367 | Supporting Effective Instruction State Grants | <u>\$ 520,648</u> |

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

Auditee qualified as low-risk auditee? X yes _____ no

(Continued)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended **June 30, 2018**

(Page 2 of 2)

Section II. Financial Statement Findings

A. Internal Control Findings

There were no internal control findings.

B. Compliance Findings

There were no compliance findings.

Section III. Federal Award Findings and Questioned Costs

There are no finding and questioned costs in 2018.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, **2018**

Prior Year Findings:

There were no prior year findings.

Our appreciation is extended to the
following for all their assistance and support:

Thank You

Bennett, Weber & Hermstad, LLP. Certified Public Accountants and Consultants

Paula Steiger, Erica Mund, Meaghan Pauley, Norma Miller & Staff

Campbell County Treasurer

Rachael Knust, Jackie Blikre & Staff

Campbell County Assessor

Troy Clements & Staff