

Campbell County
School District No.1
Gillette, Wyoming



"Teaching Effectively - Learning Successfully"

Fiscal Year Ended
June 30, 2007

Prepared by the:

***Instructional Support Division,
Accounting Department***

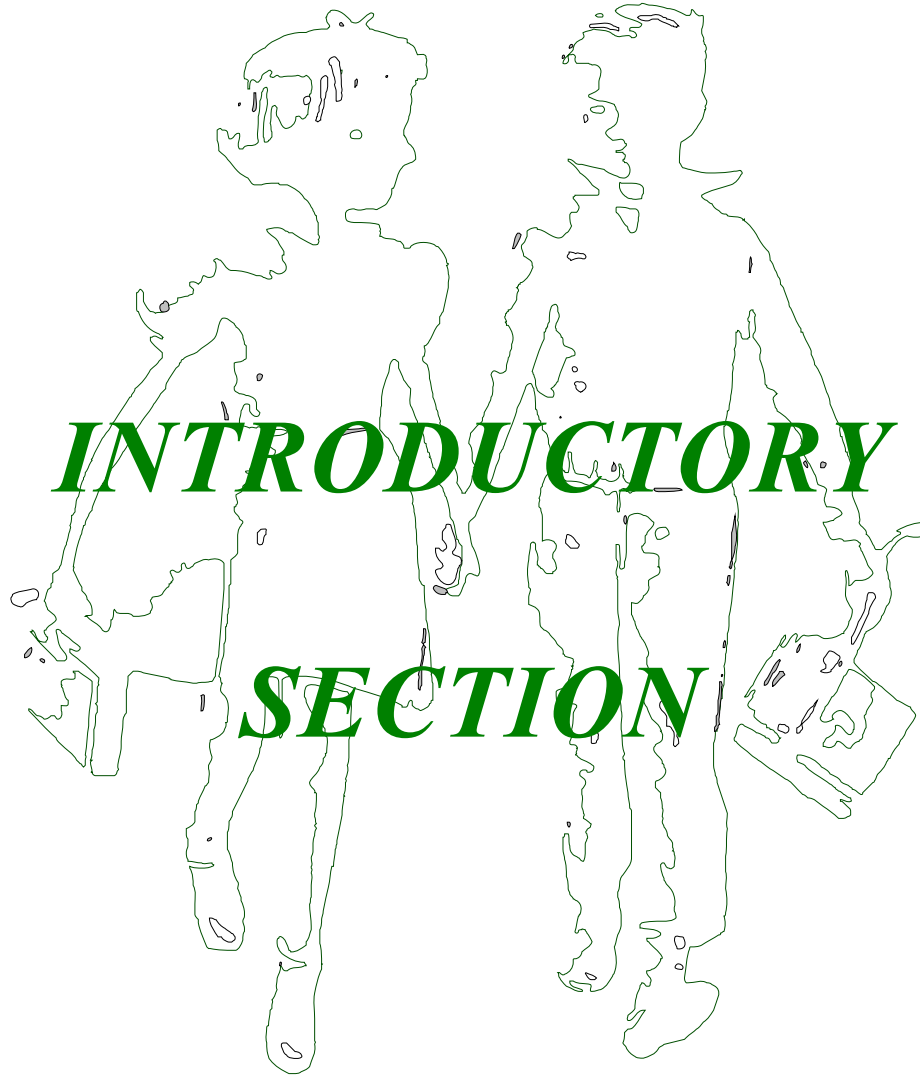
Rhea J. Betts, MBA
Accounting Manager

**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT
OF
CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
GILLETTE, WYOMING
FOR THE FISCAL YEAR ENDED
JUNE 30, 2007**

RICHARD STRAHORN, Ed.D., Superintendent of Schools
BOYD BROWN, Associate Superintendent for Instructional Support

Prepared By Instructional Support Division, Accounting Department

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CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

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**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
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" Teaching Effectively - Learning Successfully "

November 1, 2007

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 2007 Comprehensive Annual Financial Report (CAFR) of Campbell County School District No. 1, for the fiscal year ended June 30, 2007. 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 and account group used in the accounting for the District's financial transactions. With the technical assistance of Shuck, Bennett & Weber, 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, are 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 2006.
- The **financial section** includes the government-wide financial statements; the fund financial statements; the combining statements and individual fund schedules; the independent auditor's opinion of 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 Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," 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 Campbell County Board of Cooperative Higher Education Services (BOCHES) and the Blended Component Unit, Campbell County Community Public Recreation District (CCCPRD). The Campbell County 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 Campbell County 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 their financial position, results of operations, and cash flows from those of the District.

GOVERNMENTAL STRUCTURE, LOCAL ECONOMIC CONDITION AND OUTLOOK

Campbell County School District No. 1 encompasses 4,755 square miles and includes the towns of Gillette, Recluse, Rozet, and Wright. Approximately 7,565 students are taught in one senior high school, one alternative high school, one junior/senior high school, two junior high schools and fifteen elementary schools (five of which are rural).

School staff, including part time, totaled 1,673 in 2006-2007. Of the total, 856 were certified staff including teachers, specialists, and administrators. Non certified staff including clerical, custodial, food services, aides, maintenance, and bus drivers totaled 604. 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.

In the last several years the economy of the State of Wyoming fluctuated due to the volatility in the energy related industries. The major effect on Campbell County School District No.1 has been significant fluctuations in county property values. (See Table 6 in the Statistical Section, Assessed Value and Estimated Actual Value of Taxable Property).

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 Proficiency Assessments for Wyoming Students (PAWS) program. Tests in reading, writing, and mathematics were administered to students in grades three through eight and also grade eleven. Two test administrations, winter and spring, were given with the best score counting toward proficiency. Also, students in grades nine and ten were allowed to take the eleventh grade assessments and “bank” scores for future eleventh grade proficiency. These scores were not formally reported by the Wyoming Department of Education.

The portion of Campbell County students at each performance level compared to all Wyoming students can be seen in Figure One.

Figure One

Grade	Third		Fourth		Fifth		Sixth		Seventh		Eighth		Eleventh	
	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming
Reading														
Not Tested	3.0%	1.8%	0.9%	1.6%	1.0%	2.0%	1.7%	1.9%	2.2%	2.3%	2.2%	2.7%	3.5%	4.2%
Below Basic	3.4%	3.2%	1.9%	4.8%	4.9%	6.2%	3.3%	5.7%	4.3%	6.3%	6.9%	8.2%	12.6%	9.0%
Basic	22.5%	21.9%	17.6%	18.9%	18.6%	20.3%	18.7%	20.1%	22.7%	23.7%	19.1%	21.1%	20.4%	19.1%
Proficient	48.6%	55.5%	53.0%	53.8%	48.8%	51.8%	58.3%	57.9%	67.4%	59.8%	62.8%	56.5%	55.1%	54.0%
Advanced	25.4%	19.3%	21.8%	27.5%	27.7%	21.8%	19.7%	16.2%	5.5%	10.2%	11.1%	14.2%	12.0%	18.0%
Writing														
Not Tested	2.7%	1.9%	1.0%	1.7%	1.2%	2.0%	1.9%	2.0%	2.7%	2.1%	2.5%	2.5%	4.4%	4.8%
Below Basic	7.3%	7.4%	4.7%	5.8%	8.2%	12.5%	4.3%	5.7%	4.9%	8.2%	3.1%	4.1%	7.5%	8.5%
Basic	27.2%	27.9%	20.8%	30.7%	29.0%	33.6%	28.9%	30.0%	22.6%	26.9%	22.0%	17.4%	17.7%	19.7%
Proficient	48.5%	49.1%	55.5%	50.4%	48.5%	44.6%	53.7%	50.3%	65.7%	56.0%	69.0%	66.3%	55.2%	50.2%
Advanced	17.1%	15.6%	19.0%	13.1%	14.3%	9.4%	13.1%	14.0%	6.8%	8.9%	5.8%	12.2%	19.6%	21.6%
Math														
Not Tested	3.3%	2.0%	0.9%	1.8%	1.4%	2.0%	1.9%	2.1%	2.4%	2.1%	1.3%	2.3%	5.0%	4.3%
Below Basic	1.6%	1.5%	3.1%	4.0%	5.2%	5.7%	3.5%	6.4%	5.9%	9.5%	15.7%	19.7%	9.9%	9.6%
Basic	6.4%	7.5%	6.9%	9.6%	12.9%	17.5%	10.5%	13.7%	13.7%	19.7%	20.5%	20.0%	29.8%	27.7%
Proficient	48.1%	55.6%	53.5%	57.4%	63.6%	60.4%	58.8%	59.4%	67.2%	56.0%	56.0%	49.2%	53.1%	51.8%
Advanced	43.9%	35.5%	36.4%	29.0%	18.2%	16.4%	27.1%	20.5%	13.2%	14.8%	7.8%	11.2%	7.1%	10.9%

The average American College Testing (ACT) scores for Campbell County School District No.1 during the 2006-2007 school year was 21.1; 21.3 for the Campbell County High School, 20.9 for Wright Junior/Senior High School and 17.9 for Westwood High School. State and national averages were 21.5 and 21.2, respectively.

During 2006-2007, an average of 93.55% of Campbell County School District No. 1 students attended class each day, compared to 93.08% in 2005-2006; 93.85% in 2004-2005; 94.26% in 2003-2004; 94.48% in 2002-2003; 94.2% in 2001-2002; and 94.19% in 2000-2001. Students absent for school-sponsored academic or athletic activities were not considered absent for attendance purposes.

The total dropout count for the 2006-2007 school year was 130 students, 3.81% of the secondary enrollment of the district. This percentage compares to 3.55% in the 2005-2006 school year; 3.13% in 2004-2005; 3.13% in 2003-2004; 3.18% in the 2002-2003; 3.4% in 2001-2002; 3.51% in 2000-2001; 2.18% in 1999-2000; 2.76% in 1998-1999; 3.48% in 1997-1998 and 3.3% in 1996-1997.

Several interventions contribute to this relatively low dropout rate. The District’s alternative high school, Westwood High School and 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, 484 students have graduated with regular diplomas from this school.

A revised discipline policy, has increased administrator/student interaction, has provided additional counseling for students in the In-school Discipline and Supervision Program (IDSP), and has required personal contracts to put students at risk of dropping out of school back on track.

GASB 34 Reporting Model

The Governmental Accounting Standards Board (GASB) established a new financial reporting model for state and local governments in GASB No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Campbell County School District No.1 was required to adopt this new reporting model for its fiscal year 2003 annual report. The District chose early implementation of this pronouncement for its fiscal year 2002 annual report.

GASB Statement No. 34 basically established new requirements for school districts' annual financial reports. Following are the main financial report changes:

- *Management's Discussion and & Analysis (MD&A)*, is primarily a narrative introduction, overview and analysis to the basic financial statements, and can be found starting on page 3 in the Financial Section after the Independent Auditors Report. The MD&A is a complement to this letter and should be read in conjunction with it.
- *District-wide Financial Statements*, also known as the Government-wide statements, which reports a clearer picture of the organization as a single unified entity. These new financial statements, the *Statement of Net Assets* and the *Statement of Activities* complement rather than replace traditional fund-based financial statements and must distinguish between governmental and business-type activities of the primary governments and its discretely presented component units by reporting each in separate columns. Fiduciary activities, whose resources are not available to finance school programs, are excluded from these reports.
- *Fund Financial Statements* which require districts to report information about their most important or major funds separately and with their non major funds combined. Campbell County School District No. 1 has two major funds meeting the major fund criteria for these reports, General Fund and "Q"-Special Revenue Fund.
- *Required Supplementary Information (RSI)* other than the MD&A includes the Funding Progress for Retiree Health Plan, Combining Statement & Individual Fund Schedules.

To further enhance the new financial report information, the Wyoming Department of Education has expanded the minimum Function/Program category groups required from nine to fifteen. With this change the ten previous fiscal year comparative information is no longer easily attainable. Without having the previous fiscal year numbers restated the comparative data needed for tables in the Statistical Section have an "N/A" where restated numbers would be needed. We apologize for any inconvenience this decision may cause.

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.

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

To help meet the requirements of the *No Child Left Behind Act* the District is providing additional resources to each school based on their individual improvement plan. Each school has developed an improvement plan based on examination data of student assessments.

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. Open encumbrances are reported as a reservation of fund equity at June 30, 2007, on the Balance Sheet of the Annual Financial Report.

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

CASH MANAGEMENT

The Wyoming Education Code of 1969 (as amended - 1999) outlines the instruments which may be used for the investment of public funds (W.S. 9-4-831).

Interest earnings on investments during the 2006-2007 school year for all governmental funds of \$3,665,603 represented 2.93 percent of the District's total governmental revenues. All cash and certificates of deposit of the District were at all times either insured by the Federal Deposit Insurance Corporation (FDIC), or were secured by collateral of at least 102 percent.

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. Coverage and related deductibles for commercial insurance for claims and risks of loss are listed in Figure Two.

Figure Two

Summary of Insurance Coverage		
Type of Claim	Coverage	Deductible
Claims governed by the Wyoming Governmental Claims Act:		
Each general liability claim to any claimant for any number of claims arising out of single transaction/occurrence	\$ 250,000	----
For all claims for all claimants arising out of a single transaction/occurrence	\$ 500,000	----
Claims not governed by the Wyoming Governmental Claims Act:		
Each general liability claim	\$ 2,000,000	----
Buildings and contents	\$250,000,000	\$ 5,000

Campbell County District No. 1 carries faithful performance/honesty bond coverage on all employees in the amount of \$100,000. The bond covers losses to the District through dishonesty of an employee acting alone or in collusion with others. In addition, the District's Board Treasurer is properly bonded.

The District has elected to provide medical, dental and prescription insurance benefits through a self-funded group program. The medical insurance is administered by Blue Cross-Blue Shield; dental by Delta Dental and prescription by Innoviant. Stop-loss coverage of \$135,000 per insured is purchased by the District to limit the risk of loss in this program. Employees working 20 or more hours per week are eligible. Employee contributions are required and based on an employee's full time equivalency and type of coverage (Single, Employee + Spouse, Employee + Dependent(s), or Family).

Non voluntary plans paid totally by the District for all regular employees working 20 or more hours per week include, an accidental death policy for all employees of \$50,000; a life insurance, based on annual salary with a minimum of \$10,000 and a maximum of \$50,000; short and long term disability coverage providing 60 percent of an employee's monthly salary, with a maximum of \$5,000 per month.

In addition, voluntary plans with premiums paid entirely by the employee include a vision service plan, term life insurance plans, supplemental health insurance plans, and tax sheltered annuities.

INDEPENDENT AUDIT

The financial statements of the District are audited annually by independent certified public accountants selected by the Board of Education. The independent auditors' report has been included in 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 Reports for all fiscal years ended June 30, 1991 through June 30, 2006 consecutively.

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,



Boyd Brown
Associate Superintendent for
Instructional Support



Richard Strahorn, Ed.D.
Superintendent of Schools

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
FISCAL YEAR ENDED JUNE 30, 2006
LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS - BOARD OF TRUSTEES



Chairman
David Fall
(2004-2008)



Vice-Chairman
Susan Shippy
(2006-2010)



Treasurer
Barbra Dilts
(2004-2008)



Clerk/Asst. Treasurer
Kathy Swartz
(2004-2008)



Trustee
Gregg Blikre
(2006-2010)



Trustee
Linda Jennings
(2006-2008)



Trustee
Steve Pecha
(2006-2010)

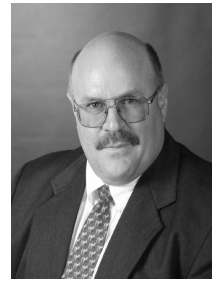
APPOINTED OFFICIALS



Associate Superintendent for
Instruction
Larry J. Heslep, Ed.D.



Superintendent
Richard Strahorn Ed.D.



Associate Superintendent for
Instructional Support
Boyd A. Brown



Assistant Superintendent for
Curriculum & Assessment
Edward L. Weber, Ed.D.



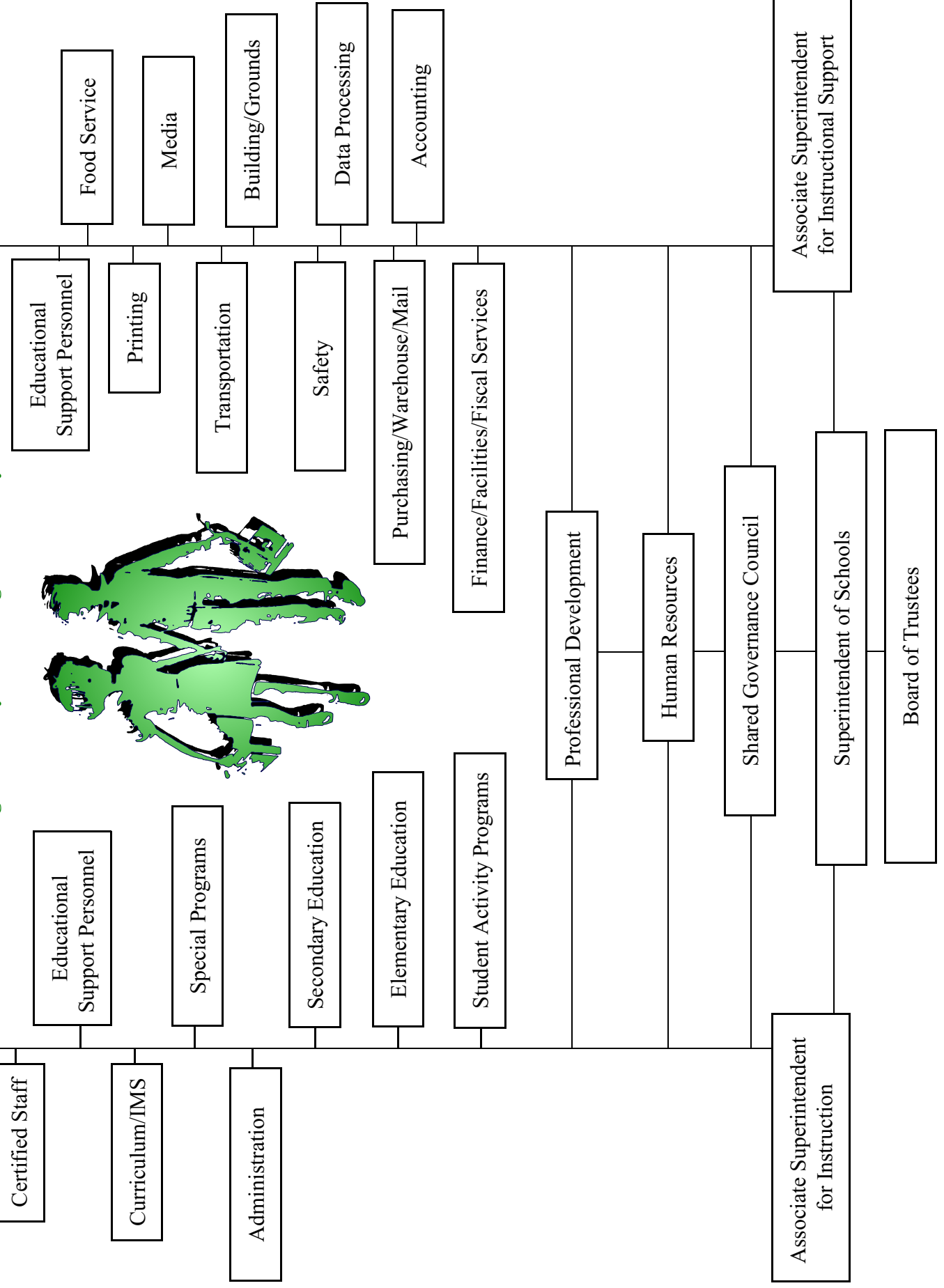
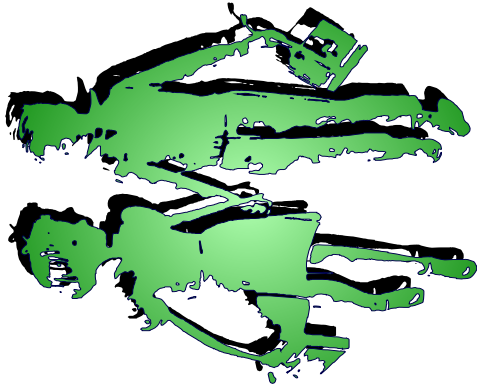
Assistant Superintendent for
Special Programs
Beth A. Norton



Assistant Superintendent for
Technology Education
Lyla R. Downey

Students of Campbell County School District No.1

“Teaching Effectively - Learning Successfully”



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting

is presented to

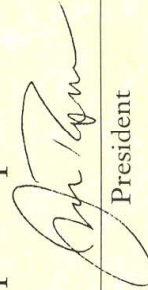
Campbell County School District

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2006

upon recommendation of the Association's Panel of Review
which has judged that the Report substantially conforms

to principles and standards of ASBO's Certificate of Excellence Program

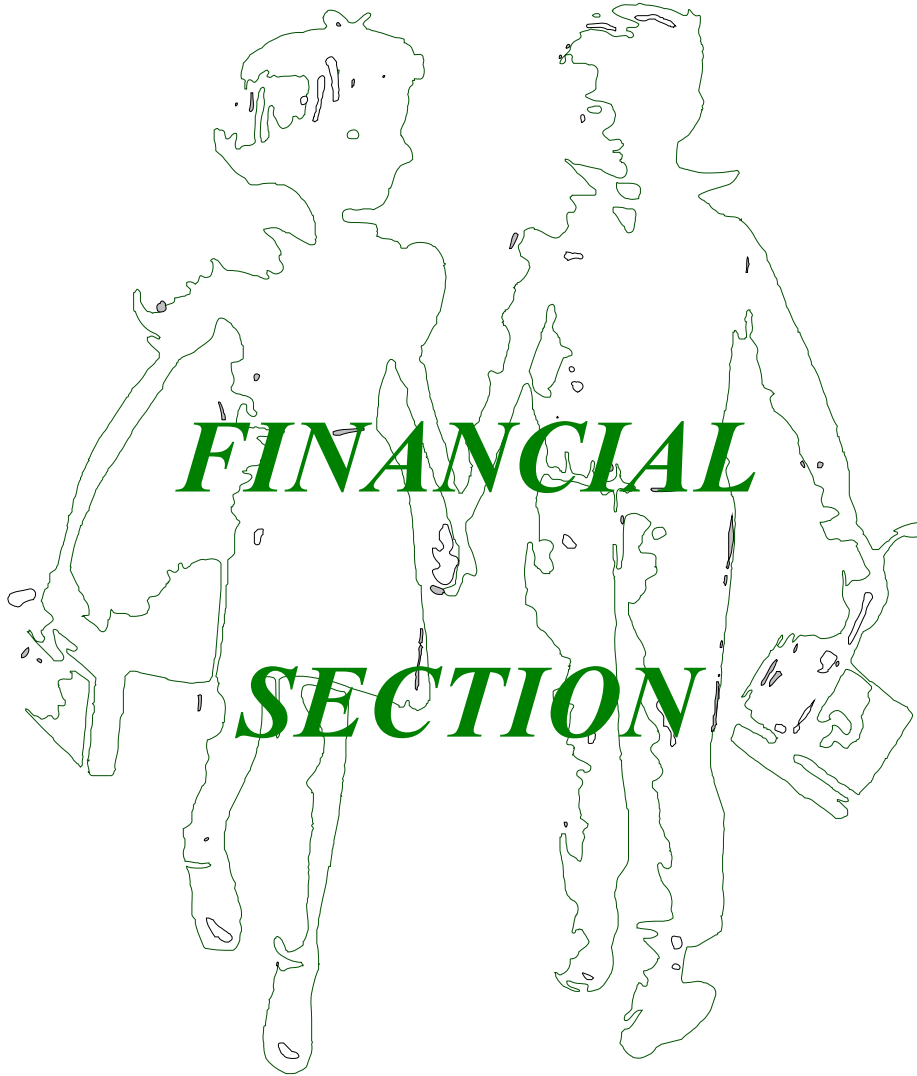


President



Executive Director

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FINANCIAL

SECTION

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sbw@sbwcpas.com

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1** as of and for the year ended June 30, 2007, which collectively comprise the **District's** basic financial statements as listed in the table of contents. These financial statements are the responsibility of the **District's** management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1**, as of June 30, 2007, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2007, on our consideration of **Campbell County School District No. 1's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management discussion and analysis and the schedule of funding progress for the Retiree Health Plan on pages 3 through 12 and page 51, respectively is not a required part of the basic financial statements but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **Campbell County School District No. 1's** basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of **Campbell County School District No. 1**. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Gillette, Wyoming
October 30, 2007

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2007

(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, 2007. 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. Readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2007 are as follows:

- The district's financial status improved. In total, net assets increased \$22,152,863 which represents an 20.100 percent increase from fiscal year 2006
- Overall revenues were \$128,956,692, exceeding expenses by \$22,152,863.
- General Revenues accounted for \$118,416,084 in revenue or 91.826 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$10,540,608 or 8.174 percent of total revenues of \$128,956,692.
- The district reduced its outstanding long-term debt by \$3,551,640 or 63.842 percent.
- The District had \$106,803,829 in expenses; only \$10,540,608 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$118,416,084 were adequate to provide for these programs.
- Among major funds, the General fund had \$102,652,608 in revenues and \$89,091,837 in expenditures. The General Fund's balance decreased \$2,982,384 over 2006.
- The net assets of governmental activities increased by 20.230 percent or \$22,222,452 and the net assets of the business-type activity decreased 19.044 percent or \$69,589.

Overview of the Financial Statements

This annual report consists of a series of financial statements, and notes to those financial statements, and is followed by a section of required supplementary information that further explains and supports 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 *district-wide financial statements* and the *governmental funds statements* are the two basic kinds of financial statements presented.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2007

(Unaudited - Continued)

Reporting the District as a Whole

District-wide financial statements

The Statement of Net Assets and the Statement of Activities are the two district-wide financial statements presented. The district-wide financial statements are separated into two categories (Governmental activities and 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 readers question, "How did Campbell County School District No.1 do financially during fiscal year 2007?" 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; one business-type activity, the Enterprise Fund-Food Service and one Internal Service Fund for the District's Self-Insurance Health Plan. 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 assets and changes in those assets. This change in net assets 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 district-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 District's major governmental funds are the General Fund and the "Q"-Special Revenue Fund.

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 the 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 (or differences) between governmental activities (reported in the Statement of Net Assets 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 district-wide statements which offer short and long-term financial information about the activities the district operates like a business. The Enterprise Fund - Food Service is the only fund in this category for the District. 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 self-funded insurance health plan.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

(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 has two funds in this category; the Agency Funds of Student Activities and Early Retirement. The District is responsible for ensuring that 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 district-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 Assets provides the perspective of the District as whole. Figure A provides a summary of the District's net assets for 2007 compared to 2006:

Figure A

Condensed Statement of Net Assets							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2006	2007	2006	2007	2006	2007	2006-2007
Current and other assets	\$ 46,036,389	\$ 208,459,775	\$ 331,568	\$ 264,211	\$ 46,367,957	\$ 208,723,986	350.147 %
Capital assets	81,077,567	84,968,144	59,588	62,165	81,137,155	85,030,309	4.798 %
Total Assets	127,113,956	293,427,919	391,156	326,376	127,505,112	293,754,295	130.386 %
Long-Term Liabilities	1,451,470	1,346,878	0	0	1,451,470	1,346,878	(7.206)%
Other Liabilities	15,812,781	160,008,884	25,743	30,552	15,838,524	160,039,436	910.444 %
Total Liabilities	17,264,251	161,355,762	25,743	30,552	17,289,994	161,386,314	833.409 %
Net Assets							
Invested in capital assets, Net of related debt	75,908,464	83,358,145	59,588	62,165	75,968,052	83,420,310	9.810 %
Restricted	8,464,190	17,268,466	0	0	8,464,190	17,268,466	104.018 %
Unrestricted	25,477,051	31,445,546	305,825	233,659	25,782,876	31,445,546	22. 869 %
Total Net Assets	\$ 109,849,705	\$ 132,072,157	\$ 365,413	\$ 295,824	\$ 110,215,118	\$132,367,981	20. 100 %

The District's combined net assets were higher on June 30, 2007, than they were on June 30, 2006, increasing by 20.100 percent to \$132,367,981 (See Figure Table A). This improvement in the district's financial position came from its governmental activities, with its net assets increasing \$22,222,452 to \$132,072,157. The net assets of the District's business-type activities had a decrease totaling \$69,589 to \$295,824.

Changes in net assets

The District's total revenues were \$128,956,692. (See Figure B)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

(Unaudited - Continued)

Figure B

Changes in Net Assets from Operating Results							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2006	2007	2006	2007	2006	2007	2006-2007
Revenues							
Program revenues:							
Charges for Services	\$ 1,056,858	\$990,557	\$ 1,887,160	\$2,081,475	\$ 2,944,018	\$ 3,072,032	4.348 %
Operating Grants and Contributions	6,764,857	6,723,873	771,855	744,703	7,536,712	7,468,576	(.904)%
General Revenues:							
Taxes: Property levied - specific	82,308,672	101,877,912	-	-	82,308,672	101,877,912	23.775 %
Grants and Contributions not restricted	2,854,751	9,132,437	-	-	2,854,751	9,132,437	219.903 %
Capital Grants restricted for debt service	1,500,000	1,870,000	-	-	1,500,000	1,870,000	24.667 %
Interest	2,546,754	3,919,975	11,604	15,759	2,558,358	3,935,734	53.838 %
Miscellaneous	1,184,306	1,581,033	-	-	1,184,306	1,581,033	33.499 %
Gain (loss) on Sale of Capital Assets	27,605	19,488	-	(520)	27,605	18,968	(31.288)%
Total Revenues	98,243,803	126,115,275	2,670,619	2,841,417	100,914,422	128,956,692	27.788 %
Expenses							
Governmental Activities							
Instruction	47,854,598	56,300,657	-	-	47,854,598	56,300,657	17.649 %
Pupil and Instructional Staff	13,296,142	16,772,998	-	-	13,296,142	16,772,998	26.149 %
General, School & Business Administration	7,631,520	8,764,073	-	-	7,631,520	8,764,073	14.840 %
Operation and Maintenance of Plant	9,972,691	11,363,114	-	-	9,972,691	11,363,114	13.942 %
Pupil Transportation	4,628,698	5,468,797	-	-	4,628,698	5,468,797	18.150 %
Central	1,353,835	1,939,733	-	-	1,353,835	1,939,733	43.277 %
Other Support Services	320,904	305,251	-	-	320,904	305,251	(4.878)%
Community Support - Non Instruct. Services	3,401,251	2,639,060	-	-	3,401,251	2,639,060	(22.409)%
Debt Service	444,791	277,765	-	-	444,791	277,765	(37.552)%
Other - Food Service	0	0	2,815,794	2,972,381	2,815,794	2,972,381	5.561 %
Total Expenses	88,904,430	103,831,448	2,815,794	2,972,381	91,720,224	106,803,829	16.445 %
Excess (deficiency) before transfers	9,339,373	22,283,827	(145,175)	(130,964)	9,194,198	22,152,863	140.944 %
Transfers	(191,782)	(61,375)	191,782	61,375	0	0	-
Increase (decrease) in Net Asset:	9,147,591	22,222,452	46,607	(69,589)	9,194,198	22,152,863	140.944 %
Net Assets - Beginning Fiscal Year	100,702,114	109,849,705	318,806	365,413	101,020,920	110,215,118	9.101 %
Net Assets - Ending Fiscal Year	\$109,849,705	\$132,072,157	\$ 365,413	\$ 295,824	\$110,215,118	\$132,367,981	20.100 %

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

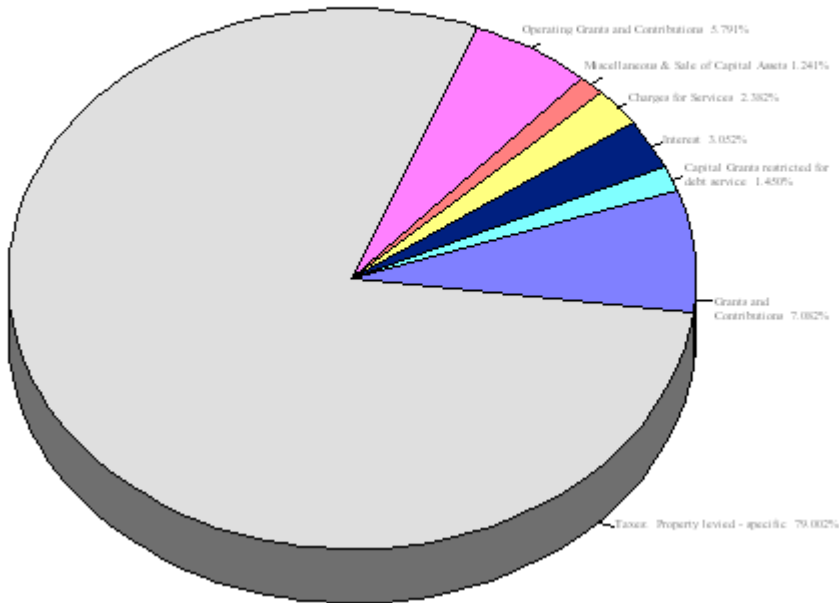
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

(Unaudited - Continued)

Of total revenues, property taxes of \$101,877,912 accounted for most of the District's revenue or 79.002 percent. Local, state and federal aid for specific programs contributed \$7,468,576 or 5.791 percent, with charges for service of \$3,072,032 or 2.382 percent, capital grants restricted for debt service of \$1,870,000 or 1.450 percent, grants and contributions not restricted of \$9,132,437 or 7.082 percent. The remainder, \$5,535,735 or 4.293 percent, resulted from interest earnings, other local revenue, and miscellaneous sources.

Sources of Revenues for Fiscal Year 2007

Fund types presented: General, Special Revenue, Capital Projects, Debt Service and Proprietary-Enterprise



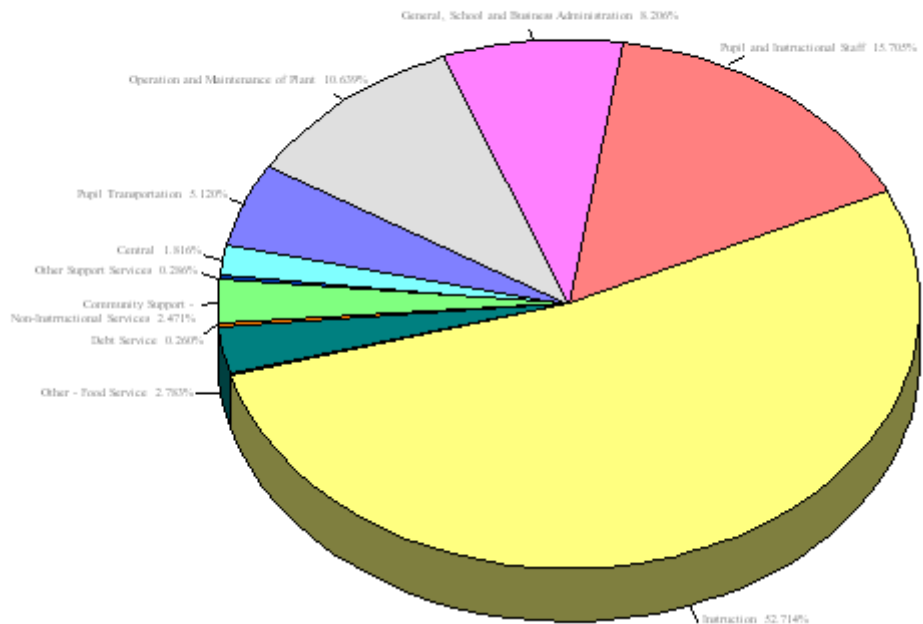
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The total cost of all programs and services were \$106,803,829. Of the District's expenses, \$73,073,655 or 68.419 percent are directly related to the areas of instruction, and pupil and instructional staff. Pupil transportation with costs of \$5,468,797 represents 5.120 percent, operational and maintenance of plant services costs totaled \$11,363,114 or 10.639 percent of total expenses. The areas of administration: general, school and business, had expenses totaling \$8,764,073 or 8.206 percent. Central, which is the office of human resources and the costs associated with the self-funded health insurance program, totaled \$1,939,733 or 1.816 percent of total expenses, debt service expenses totaled \$277,765 or .260 percent. Other support services and community support expenses totaling \$2,944,311 represent 2.757 percent while the enterprise fund-food service totaled \$2,972,381 or 2.783 percent of total District expenses.

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Expenses for Fiscal Year 2007

Fund types presented: General, Special Revenue, Capital Projects, Debt Service and Proprietary-Enterprise



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CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

(Unaudited - Continued)

Total revenues surpassed expenses, increasing net assets by \$22,152,863. The governmental activities contributed to the District’s financial health this fiscal year while the business-type activities of the Enterprise Fund-Food Service ended with a reduction of \$130,964 to its net assets

Governmental Activities

Revenues

Specific revenue source changes for 2006-2007 compared to 2005-2006 were:

- From local and county sources, an additional \$18,332,306 was received in 2006-2007 over 2005-2006. Increases of \$18,834,863 came from an increased assessed valuation; \$1,261,746 in interest revenue; 95,945 from Rentals, Charges for Services and the Contribution & Donations; a \$1,762,906 decrease in Miscellaneous Revenue and was due to the insurance proceeds received for hail damage at numerous District locations in Gillette and tornado damage in Wright during in 2005-2006; a \$97,342 decrease in the Tuition and Fees area was due to the reduction of numerous fees students are no longer required to pay for specific classes and athletic activities.
- A total increase from the State of Wyoming of \$7,053,504; a decrease of \$1,155,989 in the General Fund funding, combined with increases in Capital Projects of \$5,170,947, and Special Revenue Major Maintenance and “K” Funds of \$3,038,546.
- From federal sources, a decrease of \$511,706; increases of \$44,784 in the General Fund and \$370,000 in the Debt Service Fund was offset by the decreases in the Grant - Special Revenue Funds of \$926,490.

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 service-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 function.

Figure C

Net Cost of Governmental Activities						
	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2006	2007		2006	2007	
Instruction	\$ 47,854,598	\$ 56,300,657	17.649 %	\$ 43,215,887	\$52,788,954	22.152 %
Pupil and Instructional Staff	13,296,142	16,772,998	26.149 %	11,495,437	14,149,550	23.088 %
General, School and Business Administration	7,631,520	8,764,073	14.840%	7,359,706	8,134,357	10.526 %
Operation and Maintenance of Plant	9,972,691	11,363,114	13.942 %	9,945,260	11,353,283	14.158 %
Pupil Transportation	4,628,698	5,468,797	18.150 %	4,623,284	5,465,151	18.209 %
Central	1,353,835	1,939,733	43.277 %	1,300,162	1,934,205	48.766 %
Other Support Services	320,904	305,251	(4.878)%	134,256	140,352	4.541 %
Operation on Non- Instructional Service - Community	3,401,251	2,639,060	(22.409)%	2,563,932	1,873,401	(26.932)%
Debt Service	444,791	277,765	(37.552)%	444,791	277,765	(37.552)%
Total	\$ 88,904,430	\$ 103,831,448	16.790 %	\$ 81,082,715	\$ 96,117,018	18.542 %

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2007 (Unaudited - Continued)

Governmental Activities - Expenses (continued)

Total cost of governmental activities for 2006-2007 totaled \$103,831,448. 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 \$6,723,873 and Charges for Services of \$990,557 are deducted bringing the total net cost of services to \$96,117,018.

Specific fund expenditure changes before GASB 34 adjustments for 2006-2007 compared to 2005-2006 showed:

- Special Revenue Fund expenditures in total decreased by \$1,284,520. Five of the eight Special Revenue Fund groupings had increased spending; "Q" Fund \$15,379, "K" Fund \$42,201, Technology \$138,619, Building Funds \$93,789 and \$254,678 in Major Maintenance Project Expenditures. Decreased spending was seen in the remaining; "U" Fund \$467,560, Sick Buy Back Fund \$299,271, Campbell County Community Public Recreation District \$132,425 and a overall reduction of \$929,930 was due to decreased award funding from federal and state sources.
- The general fund expenditures increased by \$14,445,513. Spending in areas directly in contact with students increased \$11,509,346; instruction by \$7,797,983 and pupil and instructional staff by \$3,711,363. Administrative and Business areas increased \$1,060,365, Maintenance \$1,025,112, Transportation Services \$776,050, Central \$363,433, with Other Support increasing by \$36,691. Spending areas where decreases were found were in the Debt Service of \$67,390, in the Community Services area \$83,504 and Capital Outlay of \$174,590.
- An overall increase in Capital Construction Fund spending of \$109,857.

Business-Type Activities

Revenues of the District's business-type activities increased 6.395 percent to \$2,841,417 and expenses rose 5.561 percent to \$2,972,381. (refer to Figure B) Food Service expenses exceeded revenues by \$130,964, before transfers. When including transfers net assets of the business-type activities decreased \$69,589 or 19.044 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 three times. 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 county, state and federal sources and to prevent budget over runs.

Although the District's final budget for the general fund anticipated that revenues and expenditures would result with a deficit of \$12,958,326 which were to be covered by contingency funding, the actual results for the year show a \$2,615,284 deficit. The actual revenues were \$103,019,708 or \$308,173 higher than expected. Local and County sources brought in an additional \$1,844,243 while State and Federal sources brought in \$1,536,070 less than budgeted.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(Unaudited - Continued)**

The actual General Fund expenditures were \$89,091,837 or \$8,015,007 below budget. With the anticipated budget containing a \$612,059 contingency actual expenditures show an additional savings \$7,402,948. The General Fund expenditures had no areas, which exceed its budget appropriations for fiscal year 2006 - 2007.

Capital Asset and Debt Administration

Capital Assets

By the end of June 30, 2007 the District’s governmental activities had invested \$160,773,222 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 a net increase of \$7,484,941 or 4.883% from fiscal year 2005-2006. Total depreciation expense for the year was \$4,321,106 which brings total accumulated depreciation to \$75,805,078 for fiscal year ending June 30, 2007. (See Figure D)

Governmental Activities in Capital Assets had no increase in land holdings; a net increase totaling \$1,151,485 in the areas of Buildings and Buildings Improvements, and Improvements other than Buildings; net increase of \$440,788 for new vehicles and new capital asset equipment.

At fiscal year end, the District had contractual purchase commitments approximately totaling \$10,600,000, which will be funded by the Special Revenue Fund - Major Maintenance, the “U” Special Revenue Fund, the Capital Construction Fund, the Major Capital Projects Fund and the Minor Capital 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
	2006	2007	2006	2007	2006	2007	2006-2007
Land	\$4,032,454	\$4,032,454	-	-	\$4,032,454	\$4,032,454	0 %
Buildings and Building Improvements	69,800,377	67,691,308	-	-	69,800,377	67,691,308	(3.022)%
Improvements other than Buildings	1,891,037	2,032,919	-	-	1,891,037	2,032,919	7.503 %
Equipment and Vehicles	4,971,455	4,936,551	59,588	62,165	5,031,043	4,998,716	(0.643)%
Construction in Progress	382,244	6,274,912	-	-	382,244	6,274,912	1,541.600 %
Total	\$81,077,567	\$84,968,144	\$ 59,588	\$ 62,165	\$81,137,155	\$85,030,309	4.798 %

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(Unaudited - Continued)**

Debt Administration / Long Term Debt

On June 30, 2007, the District had \$2,011,535 in general obligation bonds and other long-term debt outstanding or a reduction of 63.842 % from June 30, 2006 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, 2007, the District’s overall legal debt limit was \$426,356,195 leaving a legal debt margin of \$426,356,195 available.

Figure E

Outstanding Long Term Debt			
	Total School District		Total Percentage Change
	2006	2007	2006-2007
General obligation bonds & note	\$ 3,395,000	-	(100.000) %
Other general obligation debt - Capital leases	1,774,103	1,609,999	(9.250) %
Other general obligation debt - Sick Leave Payable	394,072 anticipated	401,536 anticipated	1.894 %
Total	\$5,563,175	\$2,011,535	(63.842) %

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:

- Campbell County is incurring an economic boom in its energy industry businesses. The increase of new workers with their families to the area has given the School District an influx of students reversing a ten-year decline in student enrollment. The District’s Average Daily Membership increased by 216 students for Fiscal Year 2007 from Fiscal Year 2006. It is anticipated the increased student population trend will continue for at least the next five years, maybe longer. Some of the District’s elementary schools have reached their maximum number of students in certain grade levels causing some students to be bused out of their normal attendance areas to other elementary schools capable of handling the additional numbers. With the District’s elementary schools quickly reaching their capacity, the Administration is working on a capital facility plan to address current and anticipated future enrollment increases. Short term plans include the expansion of Rawhide elementary to hold more students. The District has also been given approval through the State of Wyoming’s School Facilities Commission to replace two of its current elementary schools.
- Wyoming Constitutional Amendment B passed November 2006 during the general election. The passing of the amendment could eliminate the rebate of maximum recapture. The 2007 Wyoming State Legislature failed to amend or repeal statute 21-13-102(c). Campbell County School District No.1, along with four other school districts, have interpreted this action differently than the Wyoming Department of Education. The five districts and Wyoming Department of Education are currently beginning to litigate the issue. A Wyoming district court judge has ruled that the District and the Wyoming Department of Education abide by the terms of a stipulation regarding the retention of funds, which requires the District, as the Respondent in this matter, to retain the disputed funds in “Special Reserve Accounts” within the District for the Fiscal Years 2006-2007 and 2007-2008; and the “.....Respondent shall retain said funds as well as accrued and accruing interest until such time as final judicial determination of the dispute has occurred.” The outcome of the litigation could mean an additional \$9,505,035 for the current Fiscal Year and more if the statute remains unchanged in future years.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2007 (Unaudited - Continued)

- In 1986 the Wyoming Legislature implemented a new school finance system which brings money into the state from two areas for redistribution to Wyoming school districts based on a cost-based formula. The first area where the State of Wyoming receives funding, to finance this new school finance system is through a 12-mill county assessment and the second is from school districts which receive monies from their standard mill assessment over the established guaranteed funding amount. Since 1987, the State of Wyoming's School Foundation Program has received more than \$842,317,534; \$490,216,672 from the 12 mill county assessment and \$352,100,862 in recapture payments from Campbell County School District No.1. The State's funding formula is and has been a major issue facing all Wyoming school districts. During the 2006 legislative session the Wyoming school foundation funding formula was re-calibrated and the new formula provided Campbell County School District No. 1 with an increase for its general fund of approximately 19 million dollars in Fiscal Year 2007 compared to Fiscal Year 2006.
- Since the new school finance system's inception numerous lawsuits have been filed over equity and adequately funding small schools. On February 23, 2001, the Wyoming Supreme Court handed down its ruling in Campbell County v State of Wyoming, the fourth school finance decision since 1971. The Court found certain provisions of the Cost-based Block Grant model unconstitutional and ruled that the Legislature must remedy them on or before July 1, 2002. Although the methodology for computing teacher salaries was found to be constitutional with the exception that a revision to reflect cost changes since 1996-1997, the Cost-based Block Grant for the following was found to be unconstitutional: Administrative salaries, Classified wages, Vocational education, at-risk students, regional cost, small schools, small district and maintenance and operations. As of June 30, 2007, litigation is still pending and the Wyoming supreme court heard the case October 18, 2006. As of November 1, 2007, the District has yet to hear the outcome of the case.
- In June of 2004, the Governmental Accounting Standards Board (GASB) issued a new standard requiring governments to place other post employment benefits on their books. Before this, these obligations were reported on a cash basis. Under GASB Statement Number 45, Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions, all expenses and liabilities will need to be accrued over the life of an employee's service. The District's Net OPEB obligation was \$236,000 and the Unfunded Accrued liability was estimated at \$7,234,000 at June 30, 2007. (See Note 4F or the Notes to the Basic Financial Statements).

Contacting the District's Financial Management

This financial report is designed to provide the district's citizens, taxpayer, 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 you have questions about this report or need additional financial information, contact the Finance Office, Campbell County School District No.1, 1000 West Eight Street, PO Box 3033, Gillette, WY 82717-3033 or visit the District's web site at www.ccsd.k12.wy.us.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF NET ASSETS

June 30, 2007

	Primary Government			Component
	Governmental	Business-	Total	Unit
	Activities	Type		BOCHES
		Activities		
ASSETS				
Cash	\$ 557,927	\$ 12,279	\$ 570,206	\$ 471,595
Cash With Fiscal Agent	871,808	-	871,808	-
Temporary Investments	56,570,492	209,323	56,779,815	496,531
Taxes Receivable (net of allowance for uncollectibles)	146,975,986	-	146,975,986	2,606,881
Interest Receivable	44,849	196	45,045	-
Other Accounts Receivable	92,247	3,949	96,196	-
Due From Other Governments	2,561,420	-	2,561,420	-
Inventories	785,046	38,464	823,510	-
Capital Assets:				
Non-depreciable Capital Assets	10,307,366	-	10,307,366	-
Depreciable Capital Assets, Net	74,660,778	62,165	74,722,943	-
Total Assets	\$ 293,427,919	\$ 326,376	\$ 293,754,295	\$ 3,575,007
LIABILITIES				
Accounts Payable	\$ 342,556	\$ 30,552	\$ 373,108	\$ -
Accrued Compensation	7,043,689	-	7,043,689	-
Net OPEB Obligation	236,000	-	236,000	-
Contracts and Retainage Payable	466,512	-	466,512	-
State Foundation Payable	2,493,500	-	2,493,500	-
Wyoming Department of Education Payable	787,057	-	787,057	-
Estimated Claims Payable	1,414,000	-	1,414,000	-
Deferred Revenue	146,560,913	-	146,560,913	2,589,006
Noncurrent Liabilities:				
Due Within One Year	664,657	-	664,657	-
Due Within More Than One Year	1,346,878	-	1,346,878	-
Total Liabilities	\$ 161,355,762	\$ 30,552	\$ 161,386,314	\$ 2,589,006
NET ASSETS				
Invested in Capital Assets,				
Net of Related Debt	\$ 83,358,145	\$ 62,165	\$ 83,420,310	\$ -
Restricted for:				
Enabling Legislation	9,505,035	-	9,505,035	-
Capital Projects	7,763,431	-	7,763,431	-
Unrestricted	31,445,546	233,659	31,679,205	986,001
Total Net Assets	\$ 132,072,157	\$ 295,824	\$ 132,367,981	\$ 986,001

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

STATEMENT OF ACTIVITIES

Year Ended June 30, 2007

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities:			
Instruction:			
Regular	\$ 42,209,336	\$ 326,804	\$ 1,274,399
Special Education	11,772,550	84,012	1,663,882
Vocational	2,318,771	-	162,606
Support Services:			
Pupil	9,778,148	221,083	201,626
Instructional Staff	6,994,850	3,334	2,197,405
General Administration	1,016,260	4,550	371,624
School Administration	5,756,921	99,050	5,054
Business	1,990,892	50,348	99,090
Operation and Maintenance of Plant	11,363,114	8,263	1,568
Pupil Transportation	5,468,797	3,646	-
Central	1,939,733	-	5,528
Other Support Services	305,251	-	164,899
Operation of Non-Instructional Services:			
Community Services	2,639,060	189,467	576,192
Debt Service:			
Interest on Long Term Debt	277,765	-	-
Total Governmental Activities	\$ 103,831,448	\$ 990,557	\$ 6,723,873
Business-type Activities:			
Food Service	\$ 2,972,381	\$ 2,081,475	\$ 744,703
Total Primary Government	\$ 106,803,829	\$ 3,072,032	\$ 7,468,576
Component Unit:			
BOCHES	\$ 2,404,703	\$ -	\$ -
General Revenues:			
Taxes:			
Property Taxes, levied for general purposes			
Property Taxes, levied for debt service			
Property Taxes, levied for public recreation			
Grants and Contributions not restricted to specific programs			
Capital Grant restricted for debt service			
Interest			
Miscellaneous			
Gain (loss) on sale of capital assets			
Transfers			
Total General Revenues and Transfers			
Change in Net Assets			
Net Assets, Beginning July 1			
Net Assets, Ending June 30			

See Notes to the Basic Financial Statements.

Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Unit	
Governmental Activities	Business-type Activities	Totals	BOCHES	
\$ (40,608,133)	\$ -	\$ (40,608,133)	\$ -	-
(10,024,656)	-	(10,024,656)	-	-
(2,156,165)	-	(2,156,165)	-	-
(9,355,439)	-	(9,355,439)	-	-
(4,794,111)	-	(4,794,111)	-	-
(640,086)	-	(640,086)	-	-
(5,652,817)	-	(5,652,817)	-	-
(1,841,454)	-	(1,841,454)	-	-
(11,353,283)	-	(11,353,283)	-	-
(5,465,151)	-	(5,465,151)	-	-
(1,934,205)	-	(1,934,205)	-	-
(140,352)	-	(140,352)	-	-
(1,873,401)	-	(1,873,401)	-	-
(277,765)	-	(277,765)	-	-
\$ (96,117,018)	\$ -	\$ (96,117,018)	\$ -	-
\$ -	\$ (146,203)	\$ (146,203)	\$ -	-
\$ (96,117,018)	\$ (146,203)	\$ (96,263,221)	\$ -	-
\$ -	\$ -	\$ -	\$ (2,404,703)	-
\$ 97,112,444	\$ -	\$ 97,112,444	\$ 2,617,978	-
276,766	-	276,766	-	-
4,488,702	-	4,488,702	-	-
9,132,437	-	9,132,437	-	-
1,870,000	-	1,870,000	-	-
3,919,975	15,759	3,935,734	22,124	-
1,581,033	-	1,581,033	-	-
19,488	(520)	18,968	-	-
(61,375)	61,375	-	-	-
\$ 118,339,470	\$ 76,614	\$ 118,416,084	\$ 2,640,102	-
\$ 22,222,452	\$ (69,589)	\$ 22,152,863	\$ 235,399	-
109,849,705	365,413	110,215,118	750,602	-
\$ 132,072,157	\$ 295,824	\$ 132,367,981	\$ 986,001	-

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2007**

	General Fund	"Q" Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 10,489	\$ -	\$ 540,948	\$ 551,437
Cash With Fiscal Agent	-	-	871,808	871,808
Temporary Investments	18,062,568	15,544,539	18,523,984	52,131,091
Taxes Receivable (net of allowance for uncollectibles)	142,384,904	-	4,591,082	146,975,986
Interest Receivable	14,639	12,488	14,118	41,245
Other Accounts Receivable	26,717	-	12,384	39,101
Due From Other Funds	2,192,727	-	250,101	2,442,828
Due From Other Governments	88,565	-	2,472,855	2,561,420
Inventories	784,345	-	701	785,046
Total Assets	\$163,564,954	\$ 15,557,027	\$ 27,277,981	\$206,399,962
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 85,902	\$ -	\$ 26,163	\$ 112,065
Accrued Compensation	7,043,689	-	-	7,043,689
Net OPEB Obligation	236,000	-	-	236,000
Contracts and Retainage Payable	-	-	466,512	466,512
State Foundation Payable	2,493,500	-	-	2,493,500
Wyoming Department of Education Payable	787,057	-	-	787,057
Due To Other Funds	250,101	-	2,192,727	2,442,828
Deferred Revenue	141,474,972	-	4,605,512	146,080,484
Total Liabilities	\$152,371,221	\$ -	\$ 7,290,914	\$159,662,135
FUND BALANCES				
Reserved for:				
Encumbrances	\$ 165,993	\$ -	\$ 76,676	\$ 242,669
Enabling Legislation	-	9,505,035	-	9,505,035
Capital Projects	-	-	7,763,431	7,763,431
Unreserved:				
Designated for Capital Projects	-	-	4,000,000	4,000,000
Undesignated, Reported in:				
General Fund	11,027,740	-	-	11,027,740
Special Revenue Funds	-	6,051,992	7,049,177	13,101,169
Capital Projects Funds	-	-	1,097,783	1,097,783
Total Fund Balances	\$ 11,193,733	\$ 15,557,027	\$ 19,987,067	\$ 46,737,827
Total Liabilities and Fund Balances	\$163,564,954	\$ 15,557,027	\$ 27,277,981	\$206,399,962

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES**

June 30, 2007

Total Governmental Fund Balances	\$ 46,737,827
Amounts reported for governmental activities in the statement of net assets are different because	
Property and production taxes are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	306,217
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Non-depreciable capital assets	10,307,366
Depreciable assets	150,465,856
Less: accumulated depreciation	<u>(75,805,078)</u>
	84,968,144
An Internal Service Fund is used by Campbell County School District No. 1 to charge the cost of the District's self-insurance to individual funds. The assets and liabilities of the internal service fund is included in the governmental activities in the statement of net assets. Internal Service Fund net assets are:	2,858,150
Unexpended hail and tornado damage insurance proceeds which are reflected as revenue when received in the funds but are reflected as a liability in governmental activities until the related expense is incurred.	(786,646)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Capital Leases Payable	1,609,999
Sick Leave Payable	<u>401,536</u>
	(2,011,535)
Net Assets of Governmental Activities	\$ 132,072,157

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, 2007

(Page 1 of 2)

	General Fund	"Q" Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES				
Local Sources:				
Taxes	\$ 77,859,168	\$ -	\$ 4,789,632	\$ 82,648,800
Interest	2,593,850	286,432	785,321	3,665,603
Tuition and Fees	32,097	-	398,884	430,981
Rentals	-	-	50,348	50,348
Charges for Services	3,849	-	505,379	509,228
Contributions and Donations	55,716	-	281,679	337,395
Miscellaneous	128,866	-	325,477	454,343
Total Local Sources	\$ 80,673,546	\$ 286,432	\$ 7,136,720	\$ 88,096,698
County Sources:				
Taxes	\$ 19,545,322	\$ -	\$ 2,844	\$ 19,548,166
State Sources:				
Intergovernmental	\$ 2,333,667	\$ -	\$ 9,010,689	\$ 11,344,356
Federal Sources:				
Intergovernmental	\$ 100,073	\$ -	\$ 5,944,486	\$ 6,044,559
Total Revenues	\$ 102,652,608	\$ 286,432	\$ 22,094,739	\$ 125,033,779
EXPENDITURES				
Current:				
Instruction:				
Regular	\$ 35,316,134	\$ -	\$ 2,157,251	\$ 37,473,385
Special Education	10,475,629	-	1,153,656	11,629,285
Vocational Education	2,150,356	-	168,415	2,318,771
Support Services:				
Pupil	9,322,426	-	402,573	9,724,999
Instructional Staff	5,810,533	-	1,189,874	7,000,407
General Administration	809,141	15,379	32,130	856,650
School Administration	5,499,424	-	112,525	5,611,949
Business	2,011,353	-	137,612	2,148,965
Operation and Maintenance of Plant	8,829,565	-	1,723,344	10,552,909
Pupil Transportation	5,404,748	-	-	5,404,748
Central	1,574,705	-	162,598	1,737,303
Other Support	186,492	-	118,759	305,251
Operation of Non-Instructional Service:				
Community Services	93,242	-	3,110,716	3,203,958
Capital Outlay	679,019	-	7,954,822	8,633,841
Debt service:				
Interest	85,947	-	191,818	277,765
Principal	843,123	-	3,395,000	4,238,123
Total Expenditures	\$ 89,091,837	\$ 15,379	\$ 22,011,093	\$ 111,118,309
Excess of Revenues Over Expenditures	\$ 13,560,771	\$ 271,053	\$ 83,646	\$ 13,915,470

(Continued)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****GOVERNMENTAL FUNDS**Year Ended June 30, **2007**

(Page 2 of 2)

	General Fund	"Q" Fund	Non-Major Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ -	\$ 15,285,974	\$ 3,943,778	\$ 19,229,752
Transfers (Out)	(17,231,600)	-	(2,059,527)	(19,291,127)
Proceeds From Capital Lease	679,019	-	-	679,019
Sale of Capital Assets	9,426	-	-	9,426
Total Other Financing Sources (Uses)	\$ (16,543,155)	\$ 15,285,974	\$ 1,884,251	\$ 627,070
Net Change in Fund Balances	\$ (2,982,384)	\$ 15,557,027	\$ 1,967,897	\$ 14,542,540
FUND BALANCES, BEGINNING JULY 1	14,176,117	-	18,019,170	32,195,287
FUND BALANCES, ENDING JUNE 30	\$ 11,193,733	\$ 15,557,027	\$ 19,987,067	\$ 46,737,827

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 STATEMENT OF ACTIVITIES**

Year Ended June 30, 2007

Net Change in Fund Balances - Total Governmental Funds	\$ 14,542,540
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.	(319,054)
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. This is the amount by which depreciation exceeded capital outlays in the current period.	3,891,315
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 assets that are disposed of. This is the amount of the net book value of assets disposed of.	(738)
Hail and tornado damage insurance proceeds provide current financial resources to governmental funds and are recorded as revenue when received, but these proceeds are recorded as a liability in the statement of net assets until such time as the related repair expenses are incurred.	1,126,690
Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.	(679,019)
An Internal Service Fund is used by Campbell County School District No. 1 to charge the cost of the District's self-insurance to individual funds. The net (loss) of the internal service fund is reported with governmental activities.	(569,941)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	3,395,000
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	843,123
Increase in long-term sick leave payable is not reflected in the governmental funds, but increases long-term liabilities in the statement of net assets.	(7,464)
Change in Net Assets of Governmental Activities	\$ 22,222,452

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
GENERAL FUND

Year Ended June 30, 2007

(Page 1 of 2)

	Budgeted Amounts		Actual *	Variance With Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Taxes	\$ 63,769,629	\$ 76,212,861	\$ 78,150,868	\$ 1,938,007
Interest	2,575,000	2,950,000	2,593,850	(356,150)
Tuition and Fees	5,000	5,000	32,097	27,097
Charges for Services	34,000	34,000	3,849	(30,151)
Contributions and Donations	91,450	101,450	55,716	(45,734)
Miscellaneous	65,000	65,000	129,166	64,166
Total Local Revenues	\$ 66,540,079	\$ 79,368,311	\$ 80,965,546	\$ 1,597,235
County Sources:				
Taxes	\$ 16,530,671	\$ 19,373,414	\$ 19,620,422	\$ 247,008
State Sources:				
Intergovernmental	\$ 6,965,091	\$ 3,849,810	\$ 2,333,667	\$ (1,516,143)
Federal Sources:				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 100,073	\$ (19,927)
Total Revenues	\$ 90,155,841	\$ 102,711,535	\$ 103,019,708	\$ 308,173
EXPENDITURES				
Current:				
Instruction:				
Regular	\$ 42,844,560	\$ 36,624,829	\$ 35,316,134	\$ 1,308,695
Special Education	10,557,282	11,722,903	10,475,629	1,247,274
Vocational Education	-	2,150,356	2,150,356	-
Support Services:				
Pupil	11,331,157	9,977,456	9,322,426	655,030
Instructional Staff	4,602,886	6,032,343	5,810,533	221,810
General Administration	1,322,609	987,955	809,141	178,814
School Administration	7,063,322	5,657,085	5,499,424	157,661
Business	37,637	2,038,848	2,011,353	27,495
Operation and Maintenance of Plant	9,572,664	9,561,095	8,829,565	731,530
Pupil Transportation	5,609,538	5,546,578	5,404,748	141,830
Central	4,724,470	4,791,271	1,574,705	3,216,566
Other Support	94,271	198,544	186,492	12,052
Operation of Non-Instructional Services				
Community Services	759,264	209,492	93,242	116,250
Capital Outlay	679,019	679,019	679,019	-
Debt service:				
Interest	85,947	85,947	85,947	-
Principal	843,123	843,123	843,123	-
Total Expenditures	\$ 100,127,749	\$ 97,106,844	\$ 89,091,837	\$ 8,015,007
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (9,971,908)	\$ 5,604,691	\$ 13,927,871	\$ 8,323,180

(Continued)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
GENERAL FUND

Year Ended June 30, 2007

(Page 2 of 2)

	Budgeted Amounts		Actual *	Variance With Final Budget
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ -	\$ 3,749	\$ -	\$ (3,749)
Transfers (Out)	(530,000)	(19,258,785)	(17,231,600)	2,027,185
Proceeds from Capital Lease	679,019	679,019	679,019	-
Sale of Capital Assets	13,000	13,000	9,426	(3,574)
Total Other Financing Sources (Uses)	\$ 162,019	\$ (18,563,017)	\$ (16,543,155)	\$ 2,019,862
Net Change in Fund Balance	\$ (9,809,889)	\$ (12,958,326)	\$ (2,615,284)	\$ 10,343,042
FUND BALANCE, BEGINNING JULY 1	16,302,517	16,302,517	16,302,517	-
FUND BALANCE, ENDING JUNE 30	\$ 6,492,628	\$ 3,344,191	\$ 13,687,233	\$ 10,343,042

See Notes to the Basic Financial Statements.

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

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND - "Q" FUND
Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Local Sources:				
Interest	\$ -	\$ -	\$ 286,432	\$ 286,432
EXPENDITURES				
Current:				
Support Services:				
General Administration	\$ -	\$ 15,285,974	\$ 15,379	\$ 15,270,595
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ (15,285,974)	\$ 271,053	\$ 15,557,027
OTHER FINANCING SOURCES				
Transfers In	\$ -	\$ 15,285,974	\$ 15,285,974	\$ -
Net Change in Fund Balance	\$ -	\$ -	\$ 15,557,027	\$ 15,557,027
FUND BALANCE, BEGINNING JULY 1	-	-	-	-
FUND BALANCE, ENDING JUNE 30	\$ -	\$ -	\$ 15,557,027	\$ 15,557,027

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF NET ASSETS
ENTERPRISE FUND**

June 30, 2007

	<u>Business-Type Activities</u>
	Food Service
ASSETS	
Current Assets	
Cash	\$ 12,279
Temporary Investments	209,323
Interest Receivable	196
Accounts Receivable	3,949
Inventories	38,464
Total Current Assets	\$ 264,211
Capital Assets, Net	\$ 62,165
Total Assets	\$ 326,376
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 30,552
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	\$ 62,165
Unrestricted	233,659
Total Net Assets	\$ 295,824

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
ENTERPRISE FUND**

Year Ended June 30, 2007

	Business-Type Activities
	Food Service
OPERATING REVENUES	
Charges for Services	\$ 2,081,475
OPERATING EXPENSES	
Salaries	\$ 1,013,089
Fringe Benefits	265,081
Purchased Services	9,676
Materials and Supplies	15,096
Direct Food Costs	1,647,959
Depreciation	12,328
Other	9,152
Total Operating Expenses	\$ 2,972,381
Operating (Loss)	\$ (890,906)
NONOPERATING REVENUES (EXPENSES)	
Donated Commodities	\$ 34,338
Operating Grants	710,365
Interest	15,759
(Loss) on Sale of Capital Assets	(520)
Total Nonoperating Revenues	\$ 759,942
(Loss) Before Transfers	\$ (130,964)
TRANSFERS	
Transfers In	61,375
Change in Net Assets	\$ (69,589)
NET ASSETS, BEGINNING JULY 1	365,413
NET ASSETS, ENDING JUNE 30	\$ 295,824

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF CASH FLOWS
ENTERPRISE FUND**

Year Ended June 30, 2007

	Business-Type Activities
	Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 2,081,310
Cash Payments to Employees for Services	(1,013,089)
Cash Payments for Employee Benefits	(265,081)
Cash Payments for Goods and Services	(1,642,312)
Net Cash (Used in) Operating Activities	\$ (839,172)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Operating Grants Received	\$ 710,365
Transfers In	61,375
Net Cash Provided by Noncapital Financing Activities	\$ 771,740
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Payments for Capital Acquisitions	\$ (15,425)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	\$ 15,782
Proceeds from Maturities of Investments	1,397,329
Purchase of Investments	(1,330,271)
Net Cash Provided By Investing Activities	\$ 82,840
Net (Decrease) in Cash	\$ (17)
Cash, Beginning July 1	12,296
Cash, Ending June 30	\$ 12,279
Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities	
Operating (Loss)	\$ (890,906)
Adjustments:	
Depreciation	12,328
Donated Commodities Used During Year	34,338
(Increase) Decrease in Assets:	
Accounts Receivable	(165)
Inventories	424
Increase in Liabilities:	
Accounts Payable	4,809
Net Cash (Used in) Operating Activities	\$ (839,172)

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF NET ASSETS
INTERNAL SERVICE FUND**

June 30, 2007

	Self-Insurance Health Fund
ASSETS	
CURRENT ASSETS	
Cash	\$ 6,490
Temporary Investments	4,439,401
Interest Receivable	3,604
Other Accounts Receivable	53,146
Total Assets	\$ 4,502,641
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	\$ 230,491
Estimated Claims Payable	1,414,000
Total Liabilities	\$ 1,644,491
NET ASSETS	
Unrestricted	\$ 2,858,150

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUND**

Year Ended June 30, 2007

	Self-Insurance Health Fund
OPERATING REVENUES	\$ 7,657,812
OPERATING EXPENSES	
Salaries	\$ 23,814
Fringe Benefits	9,330
Claims and Contractual Services	8,448,981
Total Operating Expenses	\$ 8,482,125
Operating (Loss)	\$ (824,313)
NONOPERATING REVENUES	
Interest	\$ 254,372
Changes In Net Assets	\$ (569,941)
NET ASSETS, BEGINNING JULY 1	3,428,091
NET ASSETS, ENDING JUNE 30	\$ 2,858,150

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND**

Year Ended June 30, 2007

	Self-Insurance Health Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Users	\$ 7,604,666
Cash Payments to Employees For Services	(23,814)
Cash Payments for Employee Benefits	(9,330)
Cash Payments for Goods and Services	(8,012,360)
Net Cash (Used In) Operating Activities	\$ (440,838)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on Investments	\$ 251,984
Proceeds from Maturities of Investments	8,084,403
Purchase of Investments	(10,838,265)
Reduction in Due From Other Funds	2,936,661
Net Cash Provided By Investment Activities	\$ 434,783
Net (Decrease) in Cash	\$ (6,055)
Cash, Beginning July 1	12,545
Cash, Ending June 30	\$ 6,490
Reconciliation of Operating (Loss) to Net Cash (Used In) Operating Activities	
Operating (Loss)	\$ (824,313)
(Increase) in Assets:	
Other Accounts Receivable	(53,146)
Increase in Liabilities:	
Accounts Payable	16,621
Estimated Claims Payable	420,000
Net Cash (Used In) Operating Activities	\$ (440,838)

See Notes to the Basic Financial Statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS**

June 30, 2007

	Agency Funds
ASSETS	
Temporary Investments	\$ 2,378,342
Interest Receivable	1,999
Total Assets	\$ 2,380,341
LIABILITIES	
Due to Student Groups	\$ 314,915
Estimated Early Retirement Awards Payable	2,065,426
Total Liabilities	\$ 2,380,341

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 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. Blended component units, although legally separate units, are, 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 it is legally separate from the government. The component units 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 Campbell County 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 Campbell County Board of Cooperative Higher Educational Service 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 assets and the statement of changes in net assets) 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 fiduciary funds, even though the latter are 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 fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property 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 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 funds:

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 "*Q*" fund accounts for money related to a recapture limitation rebate pursuant to Wyoming State Statute 21-13-102(c) for the 2006-2007 school year. This recapture limitation rebate was transferred from the general fund to a separate special revenue fund during the year as a result of Wyoming Constitutional Amendment B which passed in the November, 2006 general election. Following the elimination of the rebate by the voters, the 2007 Wyoming State Legislature failed to amend or repeal Statute 21-13-102(c). The Wyoming Department of Education and the District have different interpretations of the law and this matter is in the preliminary stages of legal proceedings. A Wyoming district court judge has ruled that the District and the Wyoming Department of Education abide by the terms of a stipulation regarding the retention of funds, which requires the District, as the Respondent in this matter, to retain the disputed funds in "Special Reserve Accounts" within the District for the fiscal years 2006-2007 and 2007-2008; and that ".....Respondent shall retain said funds as well as accrued and accruing interest until such time as final judicial determination of the dispute has occurred."

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

Additionally, the government reports the following fund types:

Proprietary Funds - Proprietary funds focus on the determination of the changes in net assets, financial position and cash flows. The District's proprietary funds consist of an enterprise fund 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 fund is the Food Service Fund which accounts for the financial transactions related to the food service operations of the District. 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 health plan.

Fiduciary Funds - The District's fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

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

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.

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, and Net Assets or Equity

1. Cash and Investments

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

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 (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. The State Investment Pools operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. Cash With Fiscal Agent

Cash with fiscal agent represents property and production taxes collected and held by the Campbell County Treasurer, for repayment of the District's General Obligation Bonds. During the year the District's General Obligation Bonds were paid off. The excess property and production taxes collected and held by the Campbell County Treasurer, are to be used for repairs and maintenance at the Campbell County High School South Campus, which was built and paid for by the General Obligation Bonds.

3. 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, Capital Construction Fund and the Technology Special Revenue 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 are expensed when purchased and then adjusted to the end-of-year actual physical inventory count.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

4. 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 assets, except for the net residual amounts due between governmental and business-type activities. There were no amounts due between governmental and business-type activities at year end.

5. Capital Assets

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

All capital assets are capitalized at cost and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market value at date of receipt. The District maintains a capitalization threshold of \$5,000, except for the Food Service fund which has a capital asset valuation threshold of \$600 or more to be capitalized and depreciated. 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	10 - 50 years	N/A
Improvements other than buildings	15 years	N/A
Equipment and vehicles	5 - 20 years	10 -15 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.

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 Sick Leave Special Revenue 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 assets.

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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

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. General obligation bonds, long-term capital leases and the portion of sick leave payable that has accrued but not yet been applied for that will be paid from governmental funds are recognized as a liability in the government-wide financial statements.

8. Fund Balance

The District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Designations of fund balance represent tentative management plans that are subject to change. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, enabling legislation and capital projects.

9. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt 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 assets are reported as restricted when there are limitations imposed on their use through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

10. Property and Production Tax Revenues

Property and production tax revenues represent property and production taxes for 2006 and prior years which are collectible during the year ended June 30, 2007. 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 on December 31. If not paid, property and production taxes attach as an enforceable lien on property as of May 11. 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 revenues. Property and production taxes are collected by the County Treasurer and remitted to the District in the month following that of collection.

11. 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 2. Stewardship, Compliance and Accountability (Continued)

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 hold 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, vocational; support services: pupil, instructional staff, general administration, school administration, business, operation and maintenance of plant, pupil transportation, central, other support; operation of non-instructional services: community services) 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 three times. 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 budgeted amounts in the budgetary statements reflect appropriation in the first complete appropriated budget. The amounts reported as the final budgeted amounts in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

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	\$ 103,019,708
Adjustment for State Foundation Program payable at June 30, 2006	2,126,400
Adjustment for State Foundation Program payable at June 30, 2007	(2,493,500)
Generally accepted accounting principles basis	\$ 102,652,608

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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

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, 2007.

Investments - As of June 30, 2007 the District had the following investments:

Investment Type	Fair Value	Credit Quality Ratings ⁽¹⁾	Weighted Average Maturity (Days)
Primary Government			
Money Market Savings Account	\$ 1,963,285	N/A	N/A
Wyoming Government Investment Fund	2,387,668	N/A	48
Wyoming State Investment Pool	52,428,862	N/A	1
Total Primary Government Investments	\$56,779,815		
Fiduciary Funds			
Wyoming State Investment Pool	\$ 2,378,342	N/A	1
Component Unit			
Wyoming Government Investment Fund	\$ 496,531	N/A	48
Total Investments	\$59,654,688		

⁽¹⁾ Ratings are provided where applicable to indicate associated credit risk. N/A indicates not applicable.

Investment Policies

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 District's investments are currently not rated by a nationally recognized statistical rating organization (NRSRO).

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 48 days. The Wyoming State Investment Pool only invests in U.S. Treasuries with a maturity of one day which are bought and resold on the same day.

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.

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 requirements. The District does not address concentration of credit risk in its investment policy.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

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 2006 and Prior Years	\$ 1,973,259	\$ 69,350	\$ 2,042,609
Estimated Taxes Receivable for 2007	141,145,000	4,550,000	145,695,000
Less: Allowance for uncollectibles	(733,355)	(28,268)	(761,623)
Taxes Receivable, Net	\$ 142,384,904	\$ 4,591,082	\$ 146,975,986

Net taxes receivable of \$146,975,986 for the primary government and \$2,606,881 for BOCHES discretely presented component unit on the statement of net assets includes 2007 property taxes of \$145,695,000 and \$2,585,000 respectively. These amounts represent estimated taxes based on the 2007 assessed valuation. 2007 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 2007 taxes are included in deferred revenue on the statement of net assets and in the fund statements.

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

	Unavailable
Property taxes receivable, 2006 and prior years (General Fund)	\$ 295,596
Property taxes receivable, 2007 (General Fund)	141,145,000
Deferred grant revenue (General Fund)	34,376
Property taxes receivable, 2006 and prior years (Non-Major Funds)	10,621
Property taxes receivable, 2007 (Non-Major Funds)	4,550,000
Deferred grant revenue (Non-Major Funds)	44,891
Total Deferred Revenue for Governmental Funds	\$146,080,484

C. Capital Assets

Capital asset activity for the year ended June 30, 2007 was as follows:

	Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007
Governmental Activities				
Non-depreciable capital assets:				
Land	\$ 4,032,454	\$ -	\$ -	\$ 4,032,454
Construction in progress	382,244	6,535,768	(643,100)	6,274,912
Total non-depreciable capital assets	\$ 4,414,698	\$ 6,535,768	\$ (643,100)	\$ 10,307,366
Depreciable capital assets:				
Buildings and building improvements	\$ 120,910,224	\$ 750,859	\$ -	\$ 121,661,083
Improvements other than buildings	13,637,757	400,626	-	14,038,383
Equipment and vehicles	14,325,602	1,168,268	(727,480)	14,766,390
Total depreciable capital assets	\$ 148,873,583	\$ 2,319,753	\$ (727,480)	\$ 150,465,856

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

	Balance June 30, 2006	Additions	Deductions	Balance June 30, 2007
Less accumulated depreciation for:				
Buildings and building improvements	\$ (51,109,847)	\$ (2,859,928)	\$ -	\$ (53,969,775)
Improvements other than buildings	(11,746,720)	(258,744)	-	(12,005,464)
Equipment and vehicles	(9,354,147)	(1,202,434)	726,742	(9,829,839)
Total accumulated depreciation	\$ (72,210,714)	\$ (4,321,106)	\$ 726,742	\$ (75,805,078)
Total depreciable capital assets, net	\$ 76,662,869	\$ (2,001,353)	\$ (738)	\$ 74,660,778
Governmental activities capital assets, net	\$ 81,077,567	\$ 4,534,415	\$ (643,838)	\$ 84,968,144
Business-type Activities				
Depreciable capital assets:				
Equipment and vehicles	\$ 558,687	\$ 15,425	\$ (28,388)	\$ 545,724
Less accumulated depreciation	(499,099)	(12,328)	27,868	(483,559)
Total depreciable capital assets, net	\$ 59,588	\$ 3,097	\$ (520)	\$ 62,165

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

Governmental Activities	
Regular instruction	\$ 4,195,163
General administration	125,943
Total depreciation expense - governmental activities	\$ 4,321,106
Business-type Activities	
Food service	\$ 12,328

The construction in progress represents construction related to improvements at several schools and the construction of the new Recluse school. Actual signed contracts for these projects approximate \$7,700,000 and will be funded by the Major Maintenance Special Revenue Fund, the "U" Special Revenue Fund, the Capital Construction Fund, the Major Capital Projects Fund and the Minor Capital Projects Fund. Contracts signed but not yet started approximated \$2,900,000 at June 30, 2007.

D. Interfund Receivables, Payables and Transfers

The composition of due to/from other funds as of June 30, 2007 are as follows:

	Receivable	Payable
Major Funds:		
General Fund	\$ 2,192,727	\$ 250,101

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

	Receivable	Payable
Non-Major Funds:		
Special Revenue Funds:		
"K" Fund	\$ 249,815	\$ -
"U" Fund	-	23,783
Carl Perkins	-	28,692
Title I	-	105,957
Title I - Neglected and Delinquent	-	12,068
Title I - Even Start	-	22,214
Title V	160	-
Drug Free Schools	-	2,744
Title II	-	109,725
Part B	-	139,935
Title III	-	3,859
McKinney Homeless	-	2,739
21 st Century SIG	-	8,344
Capital Project Funds:		
Capital Construction	-	9,704
Depreciation Reserve	126	-
Major Capital Projects	-	1,210,749
Minor Capital Projects	-	512,214
Total Non-Major Funds	\$ 250,101	\$ 2,192,727
	\$ 2,442,828	\$ 2,442,828

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	"Q" Fund	Food Service	Nonmajor Governmental	Total
Transfers In	\$ -	\$ 15,285,974	\$ 61,375	\$ 3,943,778	\$ 19,291,127
Transfers (Out)	(17,231,600)	-	-	(2,059,527)	(19,291,127)
Net interfund transfers	\$ (17,231,600)	\$ 15,285,974	\$ 61,375	\$ 1,884,251	\$ -

The primary purpose of material interfund transfers are: 1) the General Fund made transfers to the Capital Construction Fund for reserve of future fixed asset replacement and repair, 2) the General Fund provided operating income to the Technology Fund to help supplement the purchase of computers, 3) the General Fund made a transfer to the "Q" Fund to transfer contested recapture limitation rebate funds, 4) the Campbell County Community Public Recreation District (CCCPRD) provided operating income to the "U" Fund to promote public recreation activities throughout the District and, 5) the Capital Construction Fund made a transfer to the Depreciation Reserve Fund for reserve for current and future fixed asset replacement and repair.

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 \$15,685,000 at June 30, 2007.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

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

GASB Statement 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, 2007 is \$-0-. Amounts not due at year end approximating \$401,500 are recorded as a non-current liability due within more than one year in the government-wide statement of net assets.

The District's employees have vested accrued vacation amounting to approximately \$362,000 at June 30, 2007, which has been recorded as a 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, 2007.

F. Capital Leases

The District has entered into lease agreements for financing the acquisition of transportation equipment. These lease agreements provide for the transfer of title to the District at the end of the leases, and therefore qualify as capital leases for accounting purposes. The leases have been recorded at the present value of the future minimum lease payments as of the inception dates. The leases are cancelable should monies not be appropriated in future years.

The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment and vehicles	\$ 3,295,215
Less: Accumulated depreciation	(904,199)
Total	\$ 2,391,016

Payments on these obligations are being made by the General Fund. Annual debt service requirements as of June 30, 2007 are presented below:

Year Ending June 30,	Obligations Under Capital Lease
2008	\$ 722,083
2009	510,426
2010	340,922
2011	152,236
Total lease payments	\$ 1,725,667
Less interest portion	(115,668)
Present value of net minimum lease payments	\$ 1,609,999

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

G. Long-Term Debt

The District had previously issued general obligation bonds to provide funds for the construction of a second campus for the high school. The original amount of these bonds was \$22,000,000. These bonds are direct obligations and pledge the full faith and credit of the District. The bonds had an average interest rate of 5.5%.

Payments on this obligation are being made by the Debt Service Fund. The previously issued general obligation bonds were paid off during the year.

The District entered into a Public Facilities Agreement with the Wyoming Department of Environmental Quality, Abandoned Mine Land Division (AML) to help fund the construction of the branch campus discussed above. The total amount to be paid to the District by AML shall not exceed \$12,000,000. Total amount received from AML in the current year was \$1,870,000.

Long-term liability activity for the year ended June 30, 2007 was as follows:

	Balance June 30, 2006	Additions	Reductions	Balance June 30, 2007	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General obligation bonds	\$ 3,395,000	\$ -	\$ (3,395,000)	\$ -	\$ -
Capital leases	1,774,103	679,019	(843,123)	1,609,999	664,657
Sick Leave Payable	394,072	7,464	-	401,536	-
Long-term liabilities	\$ 5,563,175	\$ 686,483	\$ (4,238,123)	\$ 2,011,535	\$ 664,657

H. Legal Debt Margin

At June 30, 2007, the general obligation bond debt issued by the District did not exceed its legal debt margin as shown by the computation that follows:

Assessed valuation	\$ 4,263,561,953
Debt limit - 10% of total assessed valuation	\$ 426,356,195
General obligation bonded debt outstanding	\$ -
Unused legal debt capacity	\$ 426,356,195

I. 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 \$2,493,500 of amounts received during the year ended June 30, 2007 to the Foundation Program during the ensuing year.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

J. Amounts Payable To The Wyoming Department of Education

The Wyoming Department of Education, in administering the block grant school funding model for the 2006-2007 school year, noted that three corrections needed to be made to the formula model which effected all school districts in the State of Wyoming. As a result of the Wyoming Department of Education correcting the formula model to properly reflect law establishing model components and the execution of model component computations determining district Foundation Program allocations, the District is required to pay \$123,818 back to the Wyoming Department of Education.

The Wyoming Department of Audit performed an audit on Campbell County School District No. 1 for the period of July 1, 2002 through June 30, 2005. This audit focused on the accuracy and reliability of the data reported to the Wyoming Department of Education. As a result of the audit and the findings noted, the Wyoming Department of Audit determined the District owed the Wyoming Department of Education \$663,239. The District is currently contesting some of the findings and negotiating with the Wyoming Department of Education. The audit is currently being reviewed and the District has submitted additional information that the District believes will change the results of the audit. As a result, the District believes that an amount less than the \$663,239 will be owed to the Wyoming Department of Education, but the actual amount is unknown at June 30, 2007. The District has included the entire \$663,239 as payable at June 30, 2007.

K. Early Retirement Agency Fund

During the current year and in prior years the District has provided various plans to provide severance to employees who retired early for their years of service to the District. The amount of the severance was based upon current compensation, length of service, and age of employee. Seventy-four individuals are receiving severance payments under these plans as of June 30, 2007.

The early retirement severance amount is recorded as an expenditure when the related fund liability is incurred. Annual amounts required to retire the early retirement payable at June 30, 2007 are presented below at their present value assuming 5.03% interest:

Years Ending June 30,

2008	\$ 610,466
2009	533,309
2010	409,419
2011	309,473
2012	236,841
2013-2014	192,490
<hr/>	
Total payments	\$ 2,291,998
Less interest portion	(226,572)
<hr/>	
Present value of future payments	\$ 2,065,426

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 3. Detailed Notes on All Funds (Continued)

L. Fund Balance Restricted by Enabling Legislation

The District received a recapture limitation rebate pursuant to Wyoming State Statute 21-13-102(c) once again in the 2006-2007 school year. This Statute caps the amount of recapture a school district must pay at 75% of the difference of the revenue received by a district from the mandatory levies per the average daily membership (ADM) student compared to the statewide revenue per ADM student.

On November 2, 2004 Wyoming voters narrowly defeated Constitutional Amendment A, which would have eliminated the maximum limitation. During the 2006 Wyoming Legislative session, Senate Joint Resolution 0001 was passed. This resolution placed another constitutional amendment on the November ballot in the 2006 general election. This amendment, Constitutional Amendment B, which would also repeal the language in the Wyoming Constitution allowing the limitation on recapture, was passed by the voters.

In February 2007, a District budget hearing was held resulting in the transfer of approximately \$15.3 million in potentially contested rebate funds to a special revenue fund. This money is legally encumbered until the courts decide the different interpretations of constitutional law and rule if the money is to remain with the District. Although two different bills which would enable the results of the election were passed by both the Wyoming Senate and the House in the 2007 session, a conference committee meeting failed to resolve the issues, resulting in no legislation to enable the amendment. The Wyoming Department of Education determined the District was due 38% of the rebate funds (the percentage of days in the fiscal year until the election results were certified). The District disagreed and asked for an administrative hearing, withholding approximately \$9.5 million in disputed funds, while making a recapture payment of approximately \$45.2 million. The "Q" Special Revenue Fund balance sheet as of June 30, 2007, included the following information:

Fund Balance Reserved For:	
Enabling Legislation	\$ 9,505,035
Unreserved Fund Balance	6,051,992
Total Fund Balance	\$15,557,027

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 19 districts in the State of Wyoming. The coverages for significant items and the related deductible are as follows:

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

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	\$ 2,500
Uninsured motorist	\$ 250,000	\$ -
Under-insured motorist	\$ 250,000	\$ -
Property		
Building and contents	\$250,000,000	\$ 5,000
Business income without extra expense	\$ 1,000,000	\$ -
Extra expense (per occurrence)	\$ 5,000,000	\$ -
Earthquake	\$ 15,000,000	\$ 5,000
Flood/backup water	\$ 15,000,000	\$ 5,000
Supplemental Coverages		
Electronic data processing equipment, data and media	\$ 5,000,000	\$ -
Accounts receivable	\$ 2,000,000	\$ -
Errors and omissions	\$ 1,000,000	\$ -
Valuable papers	\$ 1,000,000	\$ -
Builders' risk	\$ 1,000,000	\$ -
All construction sites	\$ 5,000,000	\$ -
Contractors' equipment (per item)	\$ 903,575	\$ -
Vehicle damage	\$ 12,222,859	\$ -
Boiler and Machinery		
Total breakdown limit	\$ 50,000,000	\$ 1,000
Ordinance or law, demolition	\$ 1,000,000	\$ -
Hazardous substance	\$ 2,000,000	\$ -
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.

The District has elected to provide employee medical and 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. This plan provides a medical plan with a \$500 deductible for single, \$1,000 for employee plus spouse, and \$1,500 per family and employee plus minor children. 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%. For term life insurance the District covers one times an employee's annual salary, minimum at \$10,000 and maximum at \$50,000. For accidental death and dismemberment insurance the District covers an employee for \$50,000. A third party administrator reviews all claims which the District then pays. The District purchases stop-loss coverage for medical for \$135,000 per covered individual.

Effective July 1, 2007 the District has elected to provide employee medical benefits through a multiple employer welfare arrangement through the Wyoming School Board Association Insurance Trust. This Trust has 26 participating school districts throughout the State of Wyoming. As a result of this new plan the District is only required to pay monthly premiums for employees and eligible retirees of the District who elect to participate. There were no significant changes to the deductibles and coverages each participant is eligible for.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

The liability for unpaid claims cost of \$1,414,000 as estimated by the third party administrator based upon claims filed subsequent to year end and historical experience, which is reported in the financial statements at June 30, 2007, 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, 2006 to June 30, 2007	\$ 994,000	\$ 8,378,031	\$ 7,958,031	\$ 1,414,000
June 30, 2005 to June 30, 2006	\$ 989,500	\$ 6,803,556	\$ 6,799,056	\$ 994,000

The District contributes to the Wyoming Worker's Compensation Insurance program. Employees covered by this program are those working in jobs defined by the State as extra-hazardous occupations. Employees covered by Wyoming Workers' Compensation Insurance include: bus drivers, mechanics, safety patrol, chemistry laboratory instructors, home economics instructors, printing department personnel, warehouse personnel, electronics technicians and special programs teacher assistants. 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. Retirement Commitments

The District's full-time employees participate in the Wyoming Retirement System ("System"), a cost-sharing multiple-employer public employee retirement system. The Plan provides retirement benefits at age 60 with early retirement options available. The Plan also provides disability and death benefits. Benefits are established by State Statute. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Wyoming Retirement System, Herschler Building, Cheyenne, Wyoming 82002 or by calling (307) 777-7691.

The System statutorily requires 11.25% of the covered employee's salary to be contributed to the plan. The District has elected to fund both the employer's and employee's share of the required contribution into the plan for its employees. The District's contributions to the System for the years ended June 30, 2007, 2006 and 2005 were \$6,921,000, \$5,923,000 and \$4,837,000 respectively, which was equal to the required contribution for the years then ended.

C. Tax Revenues

Approximately 88% of tax revenue for the year ended June 30, 2007 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, 2007.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

E. Commitment

The District has committed \$18.5 million toward the construction of a new recreation center in Campbell County, Wyoming. It is anticipated that this facility will be built by a joint powers board consisting of Campbell County School District No. 1, Campbell County and the City of Gillette. This commitment will be over some future period of time and is anticipated to be funded by the CCCPRD's mill levy. When the facility is completed it will be owned by Campbell County.

F. Postemployment Health Care Plan

Plan Description - The retiree benefits offered by the District is a self-insured medical plan, including prescription drugs; and a self-insured dental plan. As of August 1, 2007 any District retiree who was hired after August 1, 2007 and who 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 August 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 self-insured medical/prescription drug and dental benefit. 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 July 1, 2006.

Number of Participants	
Actives (fully eligible)	268
Actives (not fully eligible)	579
Retirees	73
Total participants	920

Funding Policy - The contribution requirements of plan members and the District are established and may be amended by the board of trustees. Members receiving benefits contribute \$406 per month for retiree only coverage, \$813 per month for retiree and spouse coverage, \$739 per month for retiree and child coverage, and \$1,042 per month for family coverage.

Annual OPEB Cost and Net OPEB Obligation - The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The following tables provide the ARC, and Net OPEB Obligation for the project unit credit cost method on an unfunded basis. The ARC is calculated on a level percentage of earnings assuming an amortization period of 30 years (maximum allowed by GASB 45).

Annual Required Contribution (ARC)	
Normal Cost	\$ 193,000
Interest on Normal Cost	10,000
Amortization Payment	276,000
Interest on Amortization Payment	14,000
Total	\$ 493,000

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Net OPEB Obligation	
Net OPEB Obligation - Beginning of Year	\$ -
ARC	\$ 493,000
Interest on Prior Year NOO	-
Adjustment to ARC	-
Annual OPEB Cost	\$ 493,000
Employer Contributions	(257,000)
Increase in Net OPEB Obligation	\$ 236,000
Net OPEB Obligation - End of Year	\$ 236,000
Percentage of OPEB Cost Contributed	52.13%

Funded Status and Funding Progress - As of July 1, 2006, the most recent actuarial valuation date, the Plan was unfunded. The actuarial accrued liability (AAL) for benefits was \$7,234,000, and the actuarial value of assets was \$-0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$7,234,000. The covered payroll (annual payroll of active employees covered by the Plan) was \$40,747,612, and the ratio of the UAAL to the covered payroll was 17.75%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. As this is the first year an actuarial valuation was conducted only one year is present. An actuarial valuation will be conducted bi-annually going forward.

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

Valuation Date - July 1, 2006.

Discount Rate - A 5.0% annual discount rate is used assuming the District will fund the retirement benefit on a pay-as-you-go basis. The investment return assumption is based on the expected return on employer assets, which generally consist of short-term liquid investments.

Attribution Method - Projected Unit Credit.

Amortization Method - The UAAL is amortized over the maximum acceptable period of 30 years. It is calculated assuming a level percentage of projected payroll.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Health Care Cost Trend - The following annual trend rates are applied on a select and ultimate basis:

Benefit	Select	Ultimate
Medical/Rx	11%	6%
Dental	6%	6%

Select trends are reduced by 0.5% each year until reaching the ultimate trend.

Expected Claim Costs - Expected annual claim costs were developed from a combination of historical claim experience and manual claim costs developed using a representative database. The annual expected claim costs are presented in the table below:

Plan	<65	65+
Medical/Rx	\$ 6,610	\$ 3,370
Dental	\$ 300	\$ 300

The final claim costs were adjusted to reflect an average age of 60 for retirees <65 and age 70 for retirees 65 plus. Costs at all other ages vary based on an assumed age slope.

Non-Claim Expenses - Non-claim expenses are based on the current amounts charged per retired employee. These amounts are provided in the table below:

Expense Type	Cost Per Retired Employee Per Month
Medical ASO	\$ 14.55
Dental ASO	\$ 2.90
Stop Loss (Allianz)	Single - \$29.15 Family - \$73.76

It is assumed that these expenses increase annually with medical trends.

Retirement Age - The probability of retirement was estimated from the current group of District retirees. Sample retirement ages and associated probabilities are as follows:

Age	Annual Probability
0	0%
50	2.5%
52	2.5%
55	15.0%
57	20.0%
60	30.0%
64	100.0%

Mortality - 1983 Group Annuity Mortality Table, applied on a gender-specific based.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Other Information (Continued)

Termination - The rate of withdrawal for reasons other than death and retirement is dependent on an employee's age and were calculated assuming an annual termination rate of 15%. Sample rates are provided below:

Age	All Employees
22	38.8%
32	25.5%
42	15.3%
52	8.5%
62	1.3%
64	0.5%

Plan Participation Percentage - It is assumed that 66% of all employees and their dependents who are eligible for retiree benefits actually participate in the retiree benefit plan up to age 64. After age 65, it is assumed that no retired employee will participate in the retiree benefits. This assumes that a one-time irrevocable election to participate is made at retirement.

Dependent Composition at Retirement - The assumed number of eligible dependents is based on the current population of single and family contracts.

Salary Increase Assumption - 4.0% per annum.

Medicare Part D Prescription Drug Subsidy - Based on GASB Technical Bulletin No. 2006-1, an employer should apply the measurement requirements of GASB Statement No. 45 to determine the actuarial accrued liabilities, the annual required contribution of the employer, and the annual OPEB cost without reduction for RDS payments. For this reason, the Medicare Part D employer subsidy has been excluded from the actuarial valuation.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREMENT HEALTH PLAN
June 30, 2007**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Unit Credit (b)	Unfunded AAL - (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2006	\$ -	\$ 7,234,000	\$ 7,234,000	0.0%	\$ 40,747,612	17.75%

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

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.

"K" Fund - This fund is designated to account for programs such as child care services, summer camps, engraving services, technology rentals, etc.

"U" Fund - This fund primarily accounts for transfers received from the Campbell County Community Public Recreation District (CCCPRD) to promote public recreation activities throughout the District.

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.

Building (B) - This fund accounts for the monies received by various schools for building rental, fines and fees, lost books, and vending machines. Each school has control of these monies to spend on items needed such as lost books or other items.

Technology - This fund is designated to keep computer equipment and computer instruction materials current.

Sick Leave - This fund is used to account for the monies set aside to fund the District's sick leave obligations.

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.

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

Title I - 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.

Title I Neglected and Delinquent - This fund accounts for federal revenues used to provide 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 I Even Start - This fund accounts for federal revenues used to provide intensive family literacy services to help break the cycle of poverty and illiteracy by improving the educational opportunities of low-income families by integrating early childhood education, adult literacy or basic education, and parenting education into a unified family literacy program.

Title V - This fund accounts for federal revenues used to support implementation of programs such as computer education, gifted and talented programs, in-service and staff development.

Drug Free Schools - This fund accounts for federal revenues used to support the implementation of drug abuse education and prevention programs.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS (Continued)

Team Nutrition - This fund accounts for federal revenues used to promote positive changes in nutrition and physical activity environments for children.

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

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 alternative patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

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 the homeless children and youth with an appropriate education and the supplies and other physical needs required to attain the education and to raise the awareness of professional educators to better identify the homeless children and youth and to understand their special needs.

21st Century SIG - This fund accounts for federal revenues used to develop and implement comprehensive local alcohol, tobacco and other drug prevention plans that will result in the reduction of risk factors, enhancement of protective factors and the reduction of alcohol, tobacco and other drug use.

Learn and Serve - This fund accounts for federal revenues used to support service learning programs in schools that help students in middle school and high school in meeting community needs while improving academic skills and learning the habits of good citizenship.

Nonmajor Debt Service Fund - This fund accounts for financial resources to be used for the payment of principal and interest on general obligation long-term debt.

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 is a description of the nonmajor capital projects fund:

Capital Construction Fund - This fund accounts for the resources accumulated and payments made for the purchase of capital items and for construction projects. This fund has been funded by a special mill levy in prior years and accounts for various projects selected by the District. Along with this the District in prior years incurred hail and tornado damages. The resulting insurance proceeds and related repair expenses are being accounted for in this fund.

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 a depreciation reserve for equipment and school building repair. This fund is being funded by transfers from the General Fund.

Major Capital Projects Fund - This fund was established in accordance with Wyoming Statutes. It was created for the purpose of building new schools and major capital renovations and projects in excess of \$200,000 as determined by the Wyoming School Facilities Commission. This fund is being funded by the State of Wyoming.

Minor Capital Projects Fund - This fund was established in accordance with Wyoming Statutes. It was created for the purpose of accounting for minor capital renovations and projects less than \$200,000 as determined by the Wyoming School Facilities Commission. This fund is being funded by the State of Wyoming.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2007

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
ASSETS				
Cash	\$ 540,948	\$ -	\$ -	\$ 540,948
Cash With Fiscal Agent	-	871,808	-	871,808
Temporary Investments	9,894,619	-	8,629,365	18,523,984
Taxes Receivable (net of allowance for uncollectibles)	4,584,599	6,483	-	4,591,082
Interest Receivable	9,366	-	4,752	14,118
Other Accounts Receivable	2,720	-	9,664	12,384
Due From Other Funds	249,975	-	126	250,101
Due From Other Governments	447,294	-	2,025,561	2,472,855
Inventories	154	-	547	701
Total Assets	\$ 15,729,675	\$ 878,291	\$10,670,015	\$ 27,277,981
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 10,402	\$ -	\$ 15,761	\$ 26,163
Contracts and Retainage Payable	95,393	-	371,119	466,512
Due To Other Funds	460,060	-	1,732,667	2,192,727
Deferred Revenue	4,565,315	6,483	33,714	4,605,512
Total Liabilities	\$ 5,131,170	\$ 6,483	\$ 2,153,261	\$ 7,290,914
FUND BALANCES				
Reserved For:				
Encumbrances	\$ 76,676	\$ -	\$ -	\$ 76,676
Capital Projects	972,652	871,808	5,918,971	7,763,431
Unreserved:				
Designated for Capital Projects	2,500,000	-	1,500,000	4,000,000
Undesignated	7,049,177	-	1,097,783	8,146,960
Total Fund Balances	\$ 10,598,505	\$ 871,808	\$ 8,516,754	\$ 19,987,067
Total Liabilities and Fund Balances	\$ 15,729,675	\$ 878,291	\$10,670,015	\$ 27,277,981

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

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

Year Ended June 30, 2007

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
REVENUES				
Local Sources:				
Taxes	\$ 4,487,168	\$ 292,346	\$ 10,118	\$ 4,789,632
Interest	398,214	-	387,107	785,321
Tuition and Fees	398,884	-	-	398,884
Rentals	50,348	-	-	50,348
Charges for Services	505,379	-	-	505,379
Contributions and Donations	281,679	-	-	281,679
Miscellaneous	321,023	-	4,454	325,477
Total Local Sources	\$ 6,442,695	\$ 292,346	\$ 401,679	\$ 7,136,720
County Sources:				
Taxes	\$ 2,844	\$ -	\$ -	\$ 2,844
State Sources:				
Intergovernmental	\$ 3,050,269	\$ -	\$ 5,960,420	\$ 9,010,689
Federal Sources:				
Intergovernmental	\$ 4,074,486	\$ 1,870,000	\$ -	\$ 5,944,486
Total Revenues	\$ 13,570,294	\$ 2,162,346	\$ 6,362,099	\$ 22,094,739
EXPENDITURES				
Current:				
Instruction:				
Regular	\$ 2,157,251	\$ -	\$ -	\$ 2,157,251
Special Education	1,153,656	-	-	1,153,656
Vocational	168,415	-	-	168,415
Support Services:				
Pupil	402,573	-	-	402,573
Instructional Staff	1,189,874	-	-	1,189,874
General Administration	32,130	-	-	32,130
School Administration	112,525	-	-	112,525
Business	137,612	-	-	137,612
Operation and Maintenance of Plant	1,723,344	-	-	1,723,344
Central	162,598	-	-	162,598
Other Support	118,759	-	-	118,759
Operation of Non-Instructional Services:				
Community Services	3,110,716	-	-	3,110,716
Capital Outlay	528,980	-	7,425,842	7,954,822
Debt Service:				
Interest	-	191,818	-	191,818
Principal	-	3,395,000	-	3,395,000
Total Expenditures	\$ 10,998,433	\$ 3,586,818	\$ 7,425,842	\$ 22,011,093
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,571,861	\$ (1,424,472)	\$ (1,063,743)	\$ 83,646
OTHER FINANCING SOURCES (USES)				
Transfers In	\$ 2,199,817	\$ -	\$ 1,743,961	\$ 3,943,778
Transfers (Out)	(1,814,817)	-	(244,710)	(2,059,527)
Total Other Financing Sources	\$ 385,000	\$ -	\$ 1,499,251	\$ 1,884,251
Net Change in Fund Balances	\$ 2,956,861	\$ (1,424,472)	\$ 435,508	\$ 1,967,897
FUND BALANCES, BEGINNING JULY 1	7,641,644	2,296,280	8,081,246	18,019,170
FUND BALANCES, ENDING JUNE 30	\$ 10,598,505	\$ 871,808	\$ 8,516,754	\$ 19,987,067

SPECIAL REVENUE FUNDS

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2007

(Page 1 of 2)

	"K" Fund	"U" Fund	Major Maintenance	Building (B)	Technology
ASSETS					
Cash	\$ -	\$ -	\$ 3,836	\$ 490,863	\$ -
Temporary Investments	-	1,641,134	2,387,669	-	1,297,686
Taxes Receivable (net of allowance for uncollectibles)	-	-	-	-	-
Interest Receivable	-	1,347	3,350	-	999
Other Accounts Receivable	-	-	-	-	2,720
Due From Other Funds	249,815	-	-	-	-
Due From Other Governments	-	-	-	-	-
Inventories	-	-	-	-	154
Total Assets	\$ 249,815	\$ 1,642,481	\$ 2,394,855	\$ 490,863	\$ 1,301,559
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 1,000	\$ -	\$ 9,402	\$ -	\$ -
Contracts and Retainage Payable	-	29,383	66,010	-	-
Due To Other Funds	-	23,783	-	-	-
Deferred Revenue	-	-	-	-	-
Total Liabilities	\$ 1,000	\$ 53,166	\$ 75,412	\$ -	\$ -
FUND BALANCES					
Reserved For:					
Encumbrances	\$ -	\$ 24,259	\$ 52,417	\$ -	\$ -
Capital Projects	-	419,399	553,253	-	-
Unreserved:					
Designated For Capital Projects	-	-	-	-	-
Undesignated	248,815	1,145,657	1,713,773	490,863	1,301,559
Total Fund Balances	\$ 248,815	\$ 1,589,315	\$ 2,319,443	\$ 490,863	\$ 1,301,559
Total Liabilities and Fund Balances	\$ 249,815	\$ 1,642,481	\$ 2,394,855	\$ 490,863	\$ 1,301,559

Sick Leave	CCCPRD	Carl Perkins	Title I	Title I Neglected & Delinquent	Title I - Even Start	Title V	Drug Free Schools	Team Nutrition
\$ -	\$ 46,249	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
456,387	4,111,743	-	-	-	-	-	-	-
-	4,584,599	-	-	-	-	-	-	-
367	3,303	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	160	-	-
-	-	28,692	105,957	12,068	22,214	-	13,761	-
-	-	-	-	-	-	-	-	-
\$ 456,754	\$ 8,745,894	\$ 28,692	\$ 105,957	\$ 12,068	\$ 22,214	\$ 160	\$ 13,761	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	28,692	105,957	12,068	22,214	-	2,744	-
-	4,554,138	-	-	-	-	160	11,017	-
\$ -	\$ 4,554,138	\$ 28,692	\$ 105,957	\$ 12,068	\$ 22,214	\$ 160	\$ 13,761	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	2,500,000	-	-	-	-	-	-	-
456,754	1,691,756	-	-	-	-	-	-	-
\$ 456,754	\$ 4,191,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 456,754	\$ 8,745,894	\$ 28,692	\$ 105,957	\$ 12,068	\$ 22,214	\$ 160	\$ 13,761	\$ -

(Continued)

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2007

(Page 2 of 2)

	Title II	Part B	Title III	McKinney Homeless
ASSETS				
Cash	\$ -	\$ -	\$ -	\$ -
Temporary Investments	-	-	-	-
Taxes Receivable (net of allowance for uncollectibles)	-	-	-	-
Interest Receivable	-	-	-	-
Other Accounts Receivable	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governments	109,725	139,935	3,859	2,739
Inventories	-	-	-	-
Total Assets	\$ 109,725	\$ 139,935	\$ 3,859	\$ 2,739
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Contracts and Retainage Payable	-	-	-	-
Due To Other Funds	109,725	139,935	3,859	2,739
Deferred Revenue	-	-	-	-
Total Liabilities	\$ 109,725	\$ 139,935	\$ 3,859	\$ 2,739
FUND BALANCES				
Reserves For:				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Capital Projects	-	-	-	-
Unreserved				
Designated For Capital Projects	-	-	-	-
Undesignated	-	-	-	-
Total Fund Balances	\$ -	\$ -	\$ -	\$ -
Total Liabilities and Fund Balances	\$ 109,725	\$ 139,935	\$ 3,859	\$ 2,739

21 st Century SIG	Learn and Serve	Totals
\$ -	\$ -	\$ 540,948
-	-	9,894,619
-	-	4,584,599
-	-	9,366
-	-	2,720
-	-	249,975
8,344	-	447,294
-	-	154
\$ 8,344	\$ -	\$ 15,729,675
\$ -	\$ -	\$ 10,402
-	-	95,393
8,344	-	460,060
-	-	4,565,315
\$ 8,344	\$ -	\$ 5,131,170
\$ -	\$ -	\$ 76,676
-	-	972,652
-	-	2,500,000
-	-	7,049,177
\$ -	\$ -	\$ 10,598,505
\$ 8,344	\$ -	\$ 15,729,675

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, 2007

(Page 1 of 3)

	"K" Fund			"U" Fund			Major Maintenance		
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	1,033	909	(124)	-	78,635	78,635	68,000	150,085	82,085
Tuition and Fees	224,343	221,339	(3,004)	-	-	-	-	-	-
Rentals	30,045	34,975	4,930	-	-	-	-	-	-
Charges for Services	16,000	17,073	1,073	643	1,073	430	-	-	-
Contributions and Donations	183,950	102,086	(81,864)	-	-	-	-	-	-
Miscellaneous	-	-	-	-	973	973	-	-	-
Total Local Sources	\$ 455,371	\$ 376,382	\$ (78,989)	\$ 643	\$ 80,681	\$ 80,038	\$ 68,000	\$ 150,085	\$ 82,085
County Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:									
Intergovernmental	\$ 8,000	\$ 3,326	\$ (4,674)	\$ -	\$ -	\$ -	\$ 3,046,943	\$ 3,046,943	\$ -
Federal Sources:									
Intergovernmental	\$ 5,164	\$ 10,687	\$ 5,523	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 468,535	\$ 390,395	\$ (78,140)	\$ 643	\$ 80,681	\$ 80,038	\$ 3,114,943	\$ 3,197,028	\$ 82,085
EXPENDITURES									
Current:									
Instruction:									
Regular	\$ 234,207	\$ 41,897	\$ 192,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education	12,165	3,664	8,501	-	-	-	-	-	-
Vocational Education	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	2,030	1,394	636	-	-	-	-	-	-
Instructional Staff	29,711	17,341	12,370	-	-	-	-	-	-
General Administration	-	-	-	-	-	-	-	-	-
School Administration	1,056	2,247	(1,191)	-	-	-	-	-	-
Business	157,195	127,891	29,304	-	-	-	-	-	-
Operation and Maintenance									
of Plant	56,401	15,681	40,720	68,750	44,388	24,362	3,140,565	1,655,107	1,485,458
Central	-	-	-	-	-	-	173,498	138,889	34,609
Other Support	-	-	-	-	-	-	-	-	-
Operation of Non-Instructional Services:									
Community Services	278,812	196,991	81,821	5,263,292	1,945,555	3,317,737	-	-	-
Capital Outlay	-	-	-	-	-	-	1,267,584	528,980	738,604
Total Expenditures	\$ 771,577	\$ 407,106	\$ 364,471	\$ 5,332,042	\$ 1,989,943	\$ 3,342,099	\$ 4,581,647	\$ 2,322,976	\$ 2,258,671
Excess (deficiency) of revenues over (under) expenditures	\$ (303,042)	\$ (16,711)	\$ 286,331	\$ (5,331,399)	\$ (1,909,262)	\$ 3,422,137	\$ (1,466,704)	\$ 874,052	\$ 2,340,756
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -	\$ -	\$ -	\$ 3,550,339	\$ 1,814,817	\$ (1,735,522)	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ 3,550,339	\$ 1,814,817	\$ (1,735,522)	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ (303,042)	\$ (16,711)	\$ 286,331	\$ (1,781,060)	\$ (94,445)	\$ 1,686,615	\$ (1,466,704)	\$ 874,052	\$ 2,340,756
FUND BALANCES,									
BEGINNING JULY 1	265,526	265,526	-	1,683,760	1,683,760	-	1,445,391	1,445,391	-
FUND BALANCES,									
ENDING JUNE 30	\$ (37,516)	\$ 248,815	\$ 286,331	\$ (97,300)	\$ 1,589,315	\$ 1,686,615	\$ (21,313)	\$ 2,319,443	\$ 2,340,756

Building (B)			Technology			Sick Leave			CCCPRD		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,263,562	\$ 4,487,168	\$ 223,606
25	20,640	20,615	10,000	64,594	54,594	8,500	23,045	14,545	30,000	60,306	30,306
354,480	177,545	(176,935)	-	-	-	-	-	-	-	-	-
16,550	15,373	(1,177)	-	-	-	-	-	-	-	-	-
743,541	487,233	(256,308)	-	-	-	-	-	-	-	-	-
152,960	154,593	1,633	25,000	25,000	-	-	-	-	-	-	-
-	-	-	320,000	320,050	50	-	-	-	-	-	-
\$ 1,267,556	\$ 855,384	\$ (412,172)	\$ 355,000	\$ 409,644	\$ 54,644	\$ 8,500	\$ 23,045	\$ 14,545	\$ 4,293,562	\$ 4,547,474	\$ 253,912
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,844	\$ 2,844
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,267,556	\$ 855,384	\$ (412,172)	\$ 355,000	\$ 409,644	\$ 54,644	\$ 8,500	\$ 23,045	\$ 14,545	\$ 4,293,562	\$ 4,550,318	\$ 256,756
\$ 710,006	\$ 295,153	\$ 414,853	\$ 811,144	\$ 626,352	\$ 184,792	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
215,611	90,481	125,130	984	975	9	-	-	-	-	-	-
-	-	-	6,028	5,809	219	-	-	-	-	-	-
379,498	232,419	147,079	873	873	-	-	-	-	-	-	-
108,531	54,001	54,530	332,663	304,141	28,522	-	-	-	-	-	-
4,575	3,228	1,347	-	-	-	-	-	-	8,881	8,881	-
237,535	110,278	127,257	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
29,139	8,168	20,971	-	-	-	-	-	-	-	-	-
4,155	-	4,155	-	-	-	100,000	18,181	81,819	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
15,974	8,867	7,107	867	876	(9)	-	-	-	664,055	445,926	218,129
-	-	-	-	-	-	-	-	-	2,270,673	-	2,270,673
\$ 1,705,024	\$ 802,595	\$ 902,429	\$ 1,152,559	\$ 939,026	\$ 213,533	\$ 100,000	\$ 18,181	\$ 81,819	\$ 2,943,609	\$ 454,807	\$ 2,488,802
\$ (437,468)	\$ 52,789	\$ 490,257	\$ (797,559)	\$ (529,382)	\$ 268,177	\$ (91,500)	\$ 4,864	\$ 96,364	\$ 1,349,953	\$ 4,095,511	\$ 2,745,558
\$ -	\$ -	\$ -	\$ 385,000	\$ 385,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	(3,731,405)	(1,814,817)	1,916,588
\$ -	\$ -	\$ -	\$ 385,000	\$ 385,000	\$ -	\$ -	\$ -	\$ -	\$ (3,731,405)	\$ (1,814,817)	\$ 1,916,588
\$ (437,468)	\$ 52,789	\$ 490,257	\$ (412,559)	\$ (144,382)	\$ 268,177	\$ (91,500)	\$ 4,864	\$ 96,364	\$ (2,381,452)	\$ 2,280,694	\$ 4,662,146
438,074	438,074	-	1,445,941	1,445,941	-	451,890	451,890	-	1,911,062	1,911,062	-
\$ 606	\$ 490,863	\$ 490,257	\$ 1,033,382	\$ 1,301,559	\$ 268,177	\$ 360,390	\$ 456,754	\$ 96,364	\$ (470,390)	\$ 4,191,756	\$ 4,662,146

(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, 2007

(Page 2 of 3)

	Carl Perkins			Title I			Title I - Neglected & 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-	-	-	-
Rentals	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ 185,073	\$ 179,275	\$ (5,798)	\$ 1,379,431	\$ 1,041,795	\$ (337,636)	\$ 184,174	\$ 84,830	\$ (99,344)
Total Revenues	\$ 185,073	\$ 179,275	\$ (5,798)	\$ 1,379,431	\$ 1,041,795	\$ (337,636)	\$ 184,174	\$ 84,830	\$ (99,344)
EXPENDITURES									
Current:									
Instruction:									
Regular	\$ -	\$ -	\$ -	\$ 1,064,943	\$ 811,060	\$ 253,883	\$ -	\$ -	\$ -
Special Education	-	-	-	-	-	-	164,796	73,961	90,835
Vocational Education	168,122	162,606	5,516	-	-	-	-	-	-
Support Services:									
Pupil	-	-	-	-	-	-	13,087	7,894	5,193
Instructional Staff	11,592	11,592	-	77,390	59,660	17,730	876	533	343
General Administration	-	-	-	-	-	-	-	-	-
School Administration	-	-	-	-	-	-	-	-	-
Business	-	-	-	11,640	9,721	1,919	-	-	-
Operation and Maintenance									
of Plant	-	-	-	-	-	-	-	-	-
Central	-	-	-	-	-	-	-	-	-
Other Support	5,359	5,077	282	61,289	31,163	30,126	5,415	2,442	2,973
Operation of Non-Instructional Services:									
Community Services	-	-	-	164,169	130,191	33,978	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 185,073	\$ 179,275	\$ 5,798	\$ 1,379,431	\$ 1,041,795	\$ 337,636	\$ 184,174	\$ 84,830	\$ 99,344
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING JULY 1									
	-	-	-	-	-	-	-	-	-
FUND BALANCES, ENDING JUNE 30									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Title I - Even Start			Title V			Drug Free Schools			Team Nutrition		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 93,940	\$ 83,078	\$ (10,862)	\$ 42,400	\$ 37,347	\$ (5,053)	\$ 104,497	\$ 93,480	\$ (11,017)	\$ 2,000	\$ 2,000	\$ -
\$ 93,940	\$ 83,078	\$ (10,862)	\$ 42,400	\$ 37,347	\$ (5,053)	\$ 104,497	\$ 93,480	\$ (11,017)	\$ 2,000	\$ 2,000	\$ -
\$ -	\$ -	\$ -	\$ 41	\$ 41	\$ -	\$ 15,000	\$ 3,983	\$ 11,017	\$ 2,000	\$ 2,000	\$ -
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
2,536	2,536	-	-	-	-	87,797	87,797	-	-	-	-
-	-	-	23,938	21,288	2,650	-	-	-	-	-	-
-	-	-	17,165	14,940	2,225	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
11,480	10,730	750	1,256	1,078	178	1,700	1,700	-	-	-	-
79,924	69,812	10,112	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
\$ 93,940	\$ 83,078	\$ 10,862	\$ 42,400	\$ 37,347	\$ 5,053	\$ 104,497	\$ 93,480	\$ 11,017	\$ 2,000	\$ 2,000	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2007

(Page 3 of 3)

	Title II			Part B			Title III		
	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-	-	-	-
Rentals	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Total Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ 1,127,607	\$ 971,547	\$ (156,060)	\$ 1,757,149	\$ 1,260,822	\$ (496,327)	\$ 31,569	\$ 10,913	\$ (20,656)
Total Revenues	\$ 1,127,607	\$ 971,547	\$ (156,060)	\$ 1,757,149	\$ 1,260,822	\$ (496,327)	\$ 31,569	\$ 10,913	\$ (20,656)
EXPENDITURES									
Current:									
Instruction:									
Regular	\$ 386,200	\$ 376,765	\$ 9,435	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education	-	-	-	1,306,679	950,701	355,978	14,375	4,628	9,747
Vocational Education	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	-	-	-	167,570	69,499	98,071	-	-	-
Instructional Staff	661,409	519,767	141,642	203,646	195,748	7,898	13,020	5,803	7,217
General Administration	348	348	-	4,528	4,528	-	3,543	205	3,338
School Administration	-	-	-	-	-	-	-	-	-
Business	-	-	-	-	-	-	-	-	-
Operation and Maintenance									
of Plant	-	-	-	-	-	-	-	-	-
Central	-	-	-	12,032	5,528	6,504	-	-	-
Other Support	27,650	22,667	4,983	50,553	34,818	15,735	631	277	354
Operation of Non-Instructional Services:									
Community Services	52,000	52,000	-	12,141	-	12,141	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 1,127,607	\$ 971,547	\$ 156,060	\$ 1,757,149	\$ 1,260,822	\$ 496,327	\$ 31,569	\$ 10,913	\$ 20,656
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OTHER FINANCING SOURCES (USES)									
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, BEGINNING JULY 1	-	-	-	-	-	-	-	-	-
FUND BALANCES, ENDING JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

McKinney Homeless			21 st Century SIG			Learn and Serve			Totals		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,263,562	\$ 4,487,168	\$ 223,606
-	-	-	-	-	-	-	-	-	117,558	398,214	280,656
-	-	-	-	-	-	-	-	-	578,823	398,884	(179,939)
-	-	-	-	-	-	-	-	-	46,595	50,348	3,753
-	-	-	-	-	-	-	-	-	760,184	505,379	(254,805)
-	-	-	-	-	-	-	-	-	361,910	281,679	(80,231)
-	-	-	-	-	-	-	-	-	320,000	321,023	1,023
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,448,632	\$ 6,442,695	\$ (5,937)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,844	\$ 2,844
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,054,943	\$ 3,050,269	\$ (4,674)
\$ 17,593	\$ 12,903	\$ (4,690)	\$ 454,028	\$ 272,597	\$ (181,431)	\$ 15,000	\$ 13,212	\$ (1,788)	\$ 5,399,625	\$ 4,074,486	\$ (1,325,139)
\$ 17,593	\$ 12,903	\$ (4,690)	\$ 454,028	\$ 272,597	\$ (181,431)	\$ 15,000	\$ 13,212	\$ (1,788)	\$ 14,903,200	\$ 13,570,294	\$ (1,332,906)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,223,541	\$ 2,157,251	\$ 1,066,290
-	-	-	59,239	29,246	29,993	-	-	-	1,773,849	1,153,656	620,193
-	-	-	-	-	-	-	-	-	174,150	168,415	5,735
3,460	161	3,299	-	-	-	-	-	-	656,851	402,573	254,278
-	-	-	-	-	-	-	-	-	1,462,776	1,189,874	272,902
-	-	-	-	-	-	-	-	-	39,040	32,130	6,910
-	-	-	-	-	-	-	-	-	238,591	112,525	126,066
-	-	-	-	-	-	-	-	-	168,835	137,612	31,223
-	-	-	-	-	-	-	-	-	3,294,855	1,723,344	1,571,511
-	-	-	-	-	-	-	-	-	289,685	162,598	127,087
518	374	144	13,490	8,053	5,437	444	380	64	179,785	118,759	61,026
13,615	12,368	1,247	381,299	235,298	146,001	14,556	12,832	1,724	6,940,704	3,110,716	3,829,988
-	-	-	-	-	-	-	-	-	3,538,257	528,980	3,009,277
\$ 17,593	\$ 12,903	\$ 4,690	\$ 454,028	\$ 272,597	\$ 181,431	\$ 15,000	\$ 13,212	\$ 1,788	\$ 21,980,919	\$ 10,998,433	\$ 10,982,486
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (7,077,719)	\$ 2,571,861	\$ 9,649,580
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,935,339	\$ 2,199,817	\$ (1,735,522)
-	-	-	-	-	-	-	-	-	(3,731,405)	(1,814,817)	1,916,588
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 203,934	\$ 385,000	\$ 181,066
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,873,785)	\$ 2,956,861	\$ 9,830,646
-	-	-	-	-	-	-	-	-	7,641,644	7,641,644	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 767,859	\$ 10,598,505	\$ 9,830,646

DEBT SERVICE FUND

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

BALANCE SHEET
NONMAJOR DEBT SERVICE FUND
June 30, 2007

ASSETS	
Cash With Fiscal Agent	\$ 871,808
Taxes Receivable (net of allowance for uncollectibles)	6,483
<hr/>	
Total Assets	\$ 878,291
<hr/>	
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Deferred Revenue	\$ 6,483
<hr/>	
FUND BALANCE	
Reserved for Capital Projects at South Campus	\$ 871,808
<hr/>	
Total Liabilities and Fund Balance	\$ 878,291
<hr/>	

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, 2007

	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local Sources			
Taxes	\$ -	\$ 292,346	\$ 292,346
Federal Sources			
Intergovernmental	\$ 1,870,000	\$ 1,870,000	\$ -
Total Revenues	\$ 1,870,000	\$ 2,162,346	\$ 292,346
EXPENDITURES			
Debt Service			
Interest	\$ 191,818	\$ 191,818	\$ -
Principal	3,395,000	3,395,000	-
Total Expenditures	\$ 3,586,818	\$ 3,586,818	\$ -
Net change in fund balance	\$ (1,716,818)	\$ (1,424,472)	\$ 292,346
FUND BALANCE, BEGINNING JULY 1	2,296,280	2,296,280	-
FUND BALANCE, ENDING JUNE 30	\$ 579,462	\$ 871,808	\$ 292,346

CAPITAL PROJECTS FUNDS

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS**

June 30, 2007

	Capital Construction	Depreciation Reserve	Major Capital Projects	Minor Capital Projects	Totals
ASSETS					
Temporary Investments	\$ 7,016,190	\$ 1,613,175	\$ -	\$ -	\$ 8,629,365
Interest Receivable	3,573	1,179	-	-	4,752
Other Accounts Receivable	9,664	-	-	-	9,664
Due From Other Funds	-	126	-	-	126
Due From Other Governments	-	-	1,252,412	773,149	2,025,561
Inventories	547	-	-	-	547
Total Assets	\$ 7,029,974	\$ 1,614,480	\$ 1,252,412	\$ 773,149	\$ 10,670,015
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 15,761	\$ -	\$ -	\$ -	\$ 15,761
Contracts and Retainage Payable	102,235	-	41,663	227,221	371,119
Due To Other Funds	9,704	-	1,210,749	512,214	1,732,667
Deferred Revenue	-	-	-	33,714	33,714
Total Liabilities	\$ 127,700	\$ -	\$ 1,252,412	\$ 773,149	\$ 2,153,261
FUND BALANCES					
Reserved For:					
Capital Projects	\$ 4,304,491	\$ 1,614,480	\$ -	\$ -	\$ 5,918,971
Unreserved:					
Designated for					
Capital Projects	1,500,000	-	-	-	1,500,000
Undesignated	1,097,783	-	-	-	1,097,783
Total Fund Balances	\$ 6,902,274	\$ 1,614,480	\$ -	\$ -	\$ 8,516,754
Total Liabilities and Fund Balances	\$ 7,029,974	\$ 1,614,480	\$ 1,252,412	\$ 773,149	\$ 10,670,015

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, 2007

	Capital Construction			Depreciation Reserve		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
REVENUES						
Local Sources:						
Taxes	\$ -	\$ 10,118	\$ 10,118	\$ -	\$ -	\$ -
Interest	35,000	310,432	275,432	900	76,675	75,775
Miscellaneous	134,523	4,454	(130,069)	-	-	-
Total Local Sources	\$ 169,523	\$ 325,004	\$ 155,481	\$ 900	\$ 76,675	\$ 75,775
State Sources:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 169,523	\$ 325,004	\$ 155,481	\$ 900	\$ 76,675	\$ 75,775
EXPENDITURES						
Capital Outlay	\$ 6,091,303	\$ 971,795	\$ 5,119,508	\$ 2,022,217	\$ 483,617	\$ 1,538,600
Excess (deficiency) of revenues over (under) expenditures	\$ (5,921,780)	\$ (646,791)	\$ 5,274,989	\$ (2,021,317)	\$ (406,942)	\$ 1,614,375
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ -	\$ 1,496,251	\$ 1,496,251	\$ 237,700	\$ 237,700	\$ -
Transfers Out	(238,449)	(244,710)	(6,261)	-	-	-
Total Other Financing Sources (Uses)	\$ (238,449)	\$ 1,251,541	\$ 1,489,990	\$ 237,700	\$ 237,700	\$ -
Net Change in Fund Balances	\$ (6,160,229)	\$ 604,750	\$ 6,764,979	\$ (1,783,617)	\$ (169,242)	\$ 1,614,375
FUND BALANCES, BEGINNING JULY 1	6,297,524	6,297,524	-	1,783,722	1,783,722	-
FUND BALANCES, ENDING JUNE 30	\$ 137,295	\$ 6,902,274	\$ 6,764,979	\$ 105	\$ 1,614,480	\$ 1,614,375

Major Capital Projects			Minor Capital Projects			Totals		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,118	\$ 10,118
-	-	-	-	-	-	35,900	387,107	351,207
-	-	-	-	-	-	134,523	4,454	(130,069)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,423	\$ 401,679	\$ 231,256
\$ 12,876,184	\$ 4,932,443	\$ (7,943,741)	\$ 4,371,744	\$ 1,027,977	\$ (3,343,767)	\$ 17,247,928	\$ 5,960,420	\$ (11,287,508)
\$ 12,876,184	\$ 4,932,443	\$ (7,943,741)	\$ 4,371,744	\$ 1,027,977	\$ (3,343,767)	\$ 17,418,351	\$ 6,362,099	\$ (11,056,252)
\$ 12,749,559	\$ 4,942,453	\$ 7,807,106	\$ 4,371,744	\$ 1,027,977	\$ 3,343,767	\$ 25,234,823	\$ 7,425,842	\$ 17,808,981
\$ 126,625	\$ (10,010)	\$ (136,635)	\$ -	\$ -	\$ -	\$ (7,816,472)	\$ (1,063,743)	\$ 6,752,729
\$ -	\$ 10,010	\$ 10,010	\$ -	\$ -	\$ -	\$ 237,700	\$ 1,743,961	\$ 1,506,261
-	-	-	-	-	-	(238,449)	(244,710)	(6,261)
\$ -	\$ 10,010	\$ 10,010	\$ -	\$ -	\$ -	\$ (749)	\$ 1,499,251	\$ 1,500,000
\$ 126,625	\$ -	\$ (126,625)	\$ -	\$ -	\$ -	\$ (7,817,221)	\$ 435,508	\$ 8,252,729
-	-	-	-	-	-	8,081,246	8,081,246	-
\$ 126,625	\$ -	\$ (126,625)	\$ -	\$ -	\$ -	\$ 264,025	\$ 8,516,754	\$ 8,252,729

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.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed overtime.	74
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	81
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.	85
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.	88

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

CHANGES IN FUND BALANCES FOR TOTAL GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

TABLE 1

	Fiscal Year 1998 (1)	Fiscal Year 1999 (1)	Fiscal Year 2000 (1)	Fiscal Year 2001 (1)	Fiscal Year 2002 (1)	Fiscal Year 2003 (1)	Fiscal Year 2,004 (1)	Fiscal Year 2005 (2)	Fiscal Year 2006 (2)	Fiscal Year 2007 (2)
Revenues										
Local Sources:										
Taxes	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 50,414,322	\$ 50,047,834	\$ 51,994,888	\$ 57,743,950	\$ 67,371,197	\$ 82,648,800
Interest	N/A	N/A	N/A	N/A	457,382	243,119	221,793	931,296	2,403,857	3,665,603
Tuition and Fees	N/A	N/A	N/A	N/A	441,855	469,864	385,972	443,528	528,323	430,981
Rentals	N/A	N/A	N/A	N/A	33,751	29,621	41,664	50,899	47,754	50,348
Charges for Services	N/A	N/A	N/A	N/A	503,441	448,400	511,732	394,464	480,781	509,228
Contributions and Donations	N/A	N/A	N/A	N/A	163,595	294,122	237,083	184,705	272,491	337,395
Other Local Revenue	N/A	N/A	N/A	N/A	4,602,926	5,483,836	5,699,311	0	0	0
Miscellaneous	N/A	N/A	N/A	N/A	442,456	395,756	2,120,369	378,247	2,217,249	454,343
County Sources										
Taxes	N/A	N/A	N/A	N/A	11,178,285	12,058,310	11,133,885	13,521,611	15,990,906	19,548,166
State Sources										
Taxes	N/A	N/A	N/A	N/A	3,450,299	4,066,544	3,123,263	29,579	0	0
Intergovernmental	N/A	N/A	N/A	N/A	1,403,884	478,511	391,842	7,035,151	4,290,852	11,344,356
Federal Sources										
Intergovernmental	N/A	N/A	N/A	N/A	5,010,559	5,076,803	5,804,466	5,850,154	6,556,265	6,044,559
Total Revenues	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 78,642,755	\$ 79,092,720	\$ 81,666,268	\$ 86,563,584	\$ 100,159,675	\$ 125,033,779
Expenditures										
Current										
Instruction										
Regular	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 25,179,634	\$ 25,598,476	\$ 25,500,183	\$ 26,861,682	\$ 32,108,659	\$ 37,473,385
Special Education	N/A	N/A	N/A	N/A	6,479,905	7,439,069	8,183,123	8,760,854	9,586,186	11,629,285
Vocational Education	N/A	N/A	N/A	N/A	2,711,936	3,027,131	2,786,631	2,518,501	2,166,194	2,318,771
Adult/Continuing	N/A	N/A	N/A	N/A	38,401	13,707	16,225	5,432	8,595	0
Support Services										
Pupil	N/A	N/A	N/A	N/A	5,811,013	5,950,319	5,809,497	6,454,205	8,076,778	9,724,999
Instructional Staff	N/A	N/A	N/A	N/A	3,760,535	3,859,572	4,121,610	4,194,925	5,266,331	7,000,407
General Administration	N/A	N/A	N/A	N/A	660,097	714,826	823,411	848,066	1,080,347	856,650
School Administration	N/A	N/A	N/A	N/A	3,562,051	3,821,482	3,864,100	3,958,637	4,704,911	5,611,949
Business	N/A	N/A	N/A	N/A	1,111,936	1,257,101	1,563,941	1,536,943	1,768,015	2,148,965
Operation/Maintenance of Plant	N/A	N/A	N/A	N/A	6,841,752	7,133,378	7,606,965	7,659,891	9,317,673	10,552,909
Pupil Transportation	N/A	N/A	N/A	N/A	3,645,568	3,562,678	3,698,771	3,844,481	4,628,698	5,404,748
Central	N/A	N/A	N/A	N/A	7,826,354	7,289,859	7,335,729	1,490,994	1,682,479	1,737,303
Other Support	N/A	N/A	N/A	N/A	143,375	162,206	155,440	269,654	320,904	305,251
Other Non-Instructional Service										
Community Services	N/A	N/A	N/A	N/A	562,237	825,537	1,032,740	1,177,841	3,885,187	3,203,958
Capital Outlay	N/A	N/A	N/A	N/A	4,117,951	3,840,767	3,254,176	3,600,372	3,193,777	8,633,841

	Fiscal Year 1998 (1)	Fiscal Year 1999 (1)	Fiscal Year 2000 (1)	Fiscal Year 2001 (1)	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2,004	Fiscal Year 2005 (2)	Fiscal Year 2006 (2)	Fiscal Year 2007 (2)
Debt Service										
Interest	N/A	N/A	N/A	N/A	1,009,194	897,798	768,418	606,617	444,791	277,765
Principal	N/A	N/A	N/A	N/A	2,889,944	3,190,519	3,725,122	3,709,593	3,762,216	4,238,123
Total Expenditures	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 76,351,883	\$ 78,584,425	\$ 80,246,082	\$ 77,498,688	\$ 92,001,741	\$ 111,118,309
Excess of revenues over(under) expenditures	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 2,290,872	\$ 508,295	\$ 1,420,186	\$ 9,064,896	\$ 8,157,934	\$ 13,915,470
Other Financing Sources (Uses)										
Transfers in										
Transfers (out)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 224,192	\$ 374,297	\$ 662,090	\$ 2,802,979	\$ 9,218,359	\$ 19,229,752
Proceeds from Capital Lease	N/A	N/A	N/A	N/A	-310,293	-379,297	-667,090	-2,987,129	-9,746,851	-19,291,127
Sale of Capital Assets	N/A	N/A	N/A	N/A	987,500	925,643	964,560	771,176	853,609	679,019
Total Other Financing Sources (Uses)	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 17,574	\$ 47,596	\$ 7,839	\$ 1,153,183	\$ 12,652	\$ 9,426
Net Change in Fund Balance	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 918,973	\$ 968,239	\$ 967,399	\$ 1,740,209	\$ 337,769	\$ 627,070
	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 3,209,845	\$ 1,476,534	\$ 2,387,585	\$ 10,805,105	\$ 8,495,703	\$ 14,542,540
Debt Service as a percentage of noncapital expenditures	N/A	N/A	N/A	N/A	5.382%	5.470%	5.836%	5.841%	4.737%	4.406%

(1) N/A Not Available. With the GASB 34 reporting changes in State of Wyoming's Department of Education reclassified function groupings and expanded certain categories.

Restating past years financials into the States' new GASB34 groupings was found to be overwhelming and extremely difficult. Because of this, the decision was made to opt out of restating previous non-GASB 34 years.

(2) In fiscal year 2005 the District's self-insurance health plan was reclassified from the general fund to an Internal Service Fund.

This reclassification resulted in the zero totals for the Local Sources - Other Local Revenues starting with fiscal year 2005.

NET ASSETS BY COMPONENT

LAST TEN FISCAL YEARS

(accrual basis of accounting)

(Unaudited)

TABLE 2

	Fiscal Year 1998 (1)	Fiscal Year 1999 (1)	Fiscal Year 2000 (1)	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
Governmental Activities										
Invested in capital assets, net of related debt	\$ N/A	\$ N/A	\$ N/A	\$ 67,749,381	\$ 70,731,591	\$ 71,564,430	\$ 73,677,938	\$ 73,973,479	\$ 75,908,464	\$ 83,358,145
Restricted	N/A	N/A	N/A	4,668,757	5,650,304	7,244,967	9,281,925	6,973,078	8,464,190	17,268,466
Unrestricted	N/A	N/A	N/A	2,714,069	5,510,888	4,388,190	4,692,361	19,755,557	25,477,051	31,445,546
Total governmental activities net assets	\$ N/A	\$ N/A	\$ N/A	\$ 75,132,207	\$ 81,892,783	\$ 83,197,587	\$ 87,652,224	\$ 100,702,114	\$ 109,849,705	\$ 132,072,157
Business-type Activities										
Invested in capital assets, net of related debt	\$ N/A	\$ N/A	\$ N/A	\$ 114,415	\$ 96,072	\$ 89,229	\$ 74,115	\$ 63,019	\$ 59,588	\$ 62,165
Restricted	N/A	N/A	N/A	0	0	0	0	0	0	0
Unrestricted	N/A	N/A	N/A	336,949	280,263	96,960	94,049	255,787	305,825	233,659
Total business-type activities net assets	\$ N/A	\$ N/A	\$ N/A	\$ 451,364	\$ 376,335	\$ 186,189	\$ 168,164	\$ 318,806	\$ 365,413	\$ 295,824
Primary government										
Invested in capital assets, net of related debt	\$ N/A	\$ N/A	\$ N/A	\$ 67,863,796	\$ 70,827,663	\$ 71,653,659	\$ 73,752,053	\$ 74,036,498	\$ 75,968,052	\$ 83,420,310
Restricted	N/A	N/A	N/A	4,668,757	5,650,304	7,244,967	9,281,925	6,973,078	8,464,190	17,268,466
Unrestricted	N/A	N/A	N/A	3,051,018	5,791,151	4,485,150	4,786,410	20,011,344	25,782,876	31,679,205
Total primary government net assets	\$ N/A	\$ N/A	\$ N/A	\$ 75,583,571	\$ 82,269,118	\$ 83,583,776	\$ 87,820,388	\$ 101,020,920	\$ 110,215,118	\$ 132,367,981

(1) N/A Not Available. With the GASB 34 reporting changes in State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years financials into the States' new GASB34 groupings was found to be overwhelming and extremely difficult. Because of this, the decision was made to opt out of restating previous non-GASB 34 years.

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CHANGES IN NET ASSETS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

TABLE 3

	Fiscal Year 1998 (L)	Fiscal Year 1999 (L)	Fiscal Year 2000 (L)	Fiscal Year 2001 (L)	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
Expenses										
Governmental activities										
Instruction	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 37,965,142	\$ 39,563,194	\$ 40,308,574	\$ 41,968,805	\$ 47,854,598	\$ 56,300,657
Pupil and Instructional Staff	N/A	N/A	N/A	N/A	9,556,136	9,791,560	9,903,822	10,623,844	13,296,142	16,772,998
General, School & Business Administration	N/A	N/A	N/A	N/A	5,425,287	5,881,729	6,304,993	6,419,171	7,631,520	8,764,073
Operation/Maintenance of Plant	N/A	N/A	N/A	N/A	6,826,883	7,133,378	7,693,871	8,052,935	9,972,691	11,363,114
Pupil Transportation	N/A	N/A	N/A	N/A	3,645,568	3,562,678	3,698,771	3,844,481	4,628,698	5,468,797
Central	N/A	N/A	N/A	N/A	5,220,531	5,409,516	3,710,442	4,137,175	1,353,835	1,939,733
Other Support Services	N/A	N/A	N/A	N/A	143,375	162,706	155,440	267,673	320,904	305,251
Community Support - Non Instructional	N/A	N/A	N/A	N/A	557,877	807,865	1,014,168	1,172,495	3,401,251	2,639,060
Debt Service - Interest Only	N/A	N/A	N/A	N/A	1,009,194	897,798	768,418	606,617	444,791	277,765
Total governmental activities expenses	N/A	N/A	N/A	N/A	70,349,993	73,210,424	73,558,499	77,093,196	88,904,430	103,831,448
Business-type activities										
Enterprise Fund - Food Service	N/A	N/A	N/A	N/A	2,154,305	2,154,632	2,265,220	2,462,803	2,815,794	2,972,381
Total Business-type activities expenses	N/A	N/A	N/A	N/A	2,154,305	2,154,632	2,265,220	2,462,803	2,815,794	2,972,381
Total primary government expenses	N/A	N/A	N/A	N/A	72,504,298	75,365,056	75,823,719	79,555,999	91,720,224	106,803,829
Program Revenues										
Governmental activities										
Charges for Services										
Instruction	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 421,804	\$ 435,757	\$ 402,537	\$ 375,956	\$ 461,634	\$ 410,816
Support Services	N/A	N/A	N/A	N/A	423,055	378,335	386,177	364,039	425,051	390,274
Operation of Non-Instructional Services	N/A	N/A	N/A	N/A	134,188	133,793	150,654	148,896	170,173	189,467
Operating Grants & Contributions	N/A	N/A	N/A	N/A	3,674,684	4,460,219	4,770,890	5,619,723	6,764,857	6,723,873
Capital Grants & Contributions	N/A	N/A	N/A	N/A	500,000	0	0	0	0	0
Total governmental activities program revenues	N/A	N/A	N/A	N/A	5,153,731	5,408,104	5,710,258	6,508,614	7,821,715	7,714,430
Business-type activities										
Charges for Services	N/A	N/A	N/A	N/A	1,473,778	1,437,485	1,628,421	1,765,661	1,887,160	2,081,475
Operating Grants & Contributions	N/A	N/A	N/A	N/A	510,876	518,659	612,410	750,330	771,855	744,703
Total business-type activities program revenues	N/A	N/A	N/A	N/A	1,984,654	1,956,144	2,240,831	2,515,991	2,659,015	2,826,178
Total primary government program revenues	N/A	N/A	N/A	N/A	7,138,385	7,364,248	7,951,089	9,024,605	10,480,730	10,540,608
Net (expense)/revenue	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ -65,196,262	\$ -67,802,320	\$ -67,848,241	\$ -70,584,582	\$ -81,082,715	\$ -96,117,018
Governmental activities	N/A	N/A	N/A	N/A	-169,651	-198,488	-24,389	53,188	-156,779	-146,203
Business-type activities	N/A	N/A	N/A	N/A	-65,365,913	-68,000,808	-67,872,630	-70,531,394	-81,239,494	-96,263,221
Total primary government net expenses	N/A	N/A	N/A	N/A	-65,365,913	-68,000,808	-67,872,630	-70,531,394	-81,239,494	-96,263,221

	Fiscal Year 1998 (1)	Fiscal Year 1999 (1)	Fiscal Year 2000 (1)	Fiscal Year 2001 (1)	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
General Revenues and										
Other Changes in Net Assets										
Governmental activities										
Taxes										
Property Taxes, general purposes	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 59,261,502	\$ 56,181,202	\$ 60,325,775	\$ 66,535,976	\$ 78,284,359	\$ 97,112,444
Property Taxes, debt service	N/A	N/A	N/A	N/A	3,126,894	3,472,106	2,665,903	87,102	183,135	276,766
Property Taxes, capital construction	N/A	N/A	N/A	N/A	3,145	1,379	4,020	0	0	0
Property Taxes, major building & facility maintenance	N/A	N/A	N/A	N/A	3,415,660	4,044,178	3,093,138	0	0	0
Property Taxes, public recreation	N/A	N/A	N/A	N/A	1,177,391	1,353,401	1,382,454	3,336,195	3,841,178	4,488,702
Grants & Contribution not restricted to specific programs	N/A	N/A	N/A	N/A	1,153,353	1,392,218	1,625,501	8,886,948	2,854,751	9,132,437
Capital Grant restricted for debt service	N/A	N/A	N/A	N/A	1,250,000	1,250,000	1,500,000	1,500,000	1,500,000	1,870,000
Interest	N/A	N/A	N/A	N/A	457,382	243,119	221,793	975,584	2,546,754	3,919,975
Other Local Revenue	N/A	N/A	N/A	N/A	1,709,158	1,960,143	2,018,820	2,176,045	0	0
Miscellaneous	N/A	N/A	N/A	N/A	442,456	395,756	917,291	874,195	1,184,306	1,581,033
Gain(loss) on sale of capital assets	N/A	N/A	N/A	N/A	45,998	71,622	16,183	-643,948	27,605	19,488
Transfers	N/A	N/A	N/A	N/A	-86,101	-5,000	-5,000	-93,625	-191,782	-61,375
Total Governmental activities	N/A	N/A	N/A	N/A	71,956,838	69,107,124	72,302,878	83,634,472	90,230,306	118,339,470
Business-type activities										
Interest	N/A	N/A	N/A	N/A	8,521	3,717	1,364	3,829	11,604	15,759
Gain(loss) on sale of capital assets	N/A	N/A	N/A	N/A	0	-375	0	0	0	-520
Transfers	N/A	N/A	N/A	N/A	86,101	5,000	5,000	93,625	191,782	61,375
Total business-type activities	N/A	N/A	N/A	N/A	94,622	8,342	6,364	97,454	203,386	76,614
Total primary government	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 72,051,460	\$ 69,115,466	\$ 72,309,242	\$ 83,731,926	\$ 90,433,692	\$ 118,416,084
Change in Net Assets										
Government activities	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 6,760,576	\$ 1,304,804	\$ 4,454,637	\$ 13,049,890	\$ 9,147,591	\$ 22,222,452
Business-type activities	N/A	N/A	N/A	N/A	-75,029	-190,146	-18,025	150,642	46,607	-69,589
Total primary government	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 6,685,547	\$ 1,114,658	\$ 4,436,612	\$ 13,200,532	\$ 9,194,198	\$ 22,152,863

(1) N/A Not Available. With the GASB 34 reporting changes in State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years financials into the States' new GASB34 groupings was found to be overwhelming and extremely difficult. Because of this, the decision was made to opt out of restating previous non-GASB 34 years.

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(Unaudited)

TABLE 4

	Fiscal Year 1998 (1)	Fiscal Year 1999 (1)	Fiscal Year 2000 (1)	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
General Fund										
Reserved	\$ 730,714	\$ 226,283	\$ 400,773	\$ 287,927	\$ 351,393	\$ 351,013	\$ 62,933	\$ 195,768	\$ 217,127	\$ 165,993
Unreserved	907,371	2,795,259	2,536,016	-1,836,971	478,863	-74,183	752,302	7,935,036	13,958,990	11,027,740
Total general fund	\$ 1,638,085	\$ 3,021,542	\$ 2,936,789	\$ -1,549,044	\$ 830,256	\$ 276,830	\$ 815,235	\$ 8,130,804	\$ 14,176,117	\$ 11,193,733
All other governmental funds										
Reserved	\$ 10,851,498	\$ 4,819,036	\$ 3,725,314	\$ 4,671,857	\$ 7,980,645	\$ 7,773,774	\$ 10,777,969	\$ 7,239,902	\$ 9,187,385	\$ 17,345,142
Unreserved	0	0	0	0	0	0	0	0	0	4,000,000
Designated for Capital Projects										
Undesignated, Reported in:										
Capital Construction	1,022,394	960,612	1,994,001	353,511	0	0	0	1,135,403	1,913,336	0
Special revenue funds	505,319	489,566	584,883	688,865	-565,446	2,456,290	1,301,275	7,193,475	6,918,449	13,101,169
Capital Projects Funds	0	0	0	0	0	0	0	0	0	1,097,783
Total all other governmental funds	\$ 12,379,211	\$ 6,269,214	\$ 6,304,198	\$ 5,714,233	\$ 7,415,199	\$ 10,230,064	\$ 12,079,244	\$ 15,568,780	\$ 18,019,170	\$ 35,544,094

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
1998	1997	\$ 52,945,273	\$ 52,289,474	98.76%	\$ 639,300	\$ 52,928,774	99.97%
1999	1998	47,087,601	45,961,087	97.61%	957,324	46,918,411	99.64%
2000	1999	45,215,867	44,000,188	97.31%	1,129,671	45,129,859	99.81%
2001	2000	51,846,678	51,038,175	98.44%	697,713	51,735,888	99.79%
2002	2001	69,835,665	67,152,670	96.16%	2,567,937	69,720,607	99.84%
2003	2002	80,810,637	79,244,072	98.06%	1,493,617	80,737,689	99.91%
2004	2003	84,598,369	83,457,249	98.65%	922,511	84,379,760	99.74%
2005	2004	104,269,723	104,058,464	99.80%	78,797	104,137,261	99.87%
2006	2005	117,076,280	116,418,254	99.44%	474,441	116,892,695	99.84%
2007	2006	133,173,074	132,259,567	99.31%	0	132,259,567	99.31%

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 & Minereals	Total Taxable Assessed Value	Estimated Actual Taxable Value (1)	Assessed Value as a percentage of Actual Value
		Residential	Commercial					
1998	1997	\$ 60,017,940	\$ 19,212,092	\$ 133,531,979	\$ 1,375,014,203	\$ 1,587,776,214	\$ 4,307,804,105	36.86%
1999	1998	56,520,834	18,092,647	125,751,379	1,294,895,305	1,495,260,165	4,258,105,130	35.12%
2000	1999	54,274,004	17,373,424	120,752,480	1,243,420,311	1,435,820,219	4,450,293,023	32.26%
2001	2000	80,734,668	21,975,048	166,001,575	1,356,353,131	1,625,064,422	4,659,303,697	34.88%
2002	2001	87,827,845	24,152,512	205,244,281	1,897,356,598	2,214,581,236	5,729,823,768	38.65%
2003	2002	99,495,330	35,594,547	245,277,134	2,183,577,771	2,563,944,782	6,775,004,265	37.84%
2004	2003	110,129,736	37,566,308	248,018,397	2,290,964,750	2,686,679,191	7,108,629,105	37.79%
2005	2004	120,631,583	40,123,404	254,832,860	2,843,140,472	3,258,728,319	7,870,968,065	41.40%
2006	2005	130,657,458	41,293,876	280,652,451	3,207,923,708	3,660,527,493	8,564,715,607	42.74%
2007	2006	137,777,230	43,665,119	305,059,765	3,777,059,839	4,263,561,953	9,508,052,813	44.84%

Source: Assessor

(1) County Property is reassessed annually. County assessed property rates are 100% for minerals, 11.5% for businesses and 9.5% for local property. Estimated Actual Taxable Value is calculated by dividing the assessed value by those percentages.

Note: Real Property, Personal Property, Public Utilities & Minerals Assessed value for tax years 1997 through 1999 are estimates based on a 6 year average percentage.

**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
1998	1997	7.146	0.000	7.146	11.035	0.000	11.035	33.357	1.081	34.438	12.000	4.134	68.753
1999	1998	7.212	0.000	7.212	11.109	0.000	11.109	31.500	1.200	32.700	12.000	4.232	67.253
2000	1999	7.231	0.000	7.231	11.175	0.000	11.175	31.500	1.311	32.811	12.000	4.217	67.434
2001	2000	7.277	0.000	7.277	11.133	0.000	11.133	31.000	1.306	32.306	12.000	4.735	67.451
2002	2001	8.000	0.000	8.000	11.004	0.000	11.004	31.500	1.306	32.806	12.000	4.070	67.880
2003	2002	8.000	0.000	8.000	11.007	0.000	11.007	31.500	1.306	32.806	12.000	3.910	67.723
2004	2003	8.000	0.000	8.000	11.005	0.000	11.005	31.500	0.916	32.416	12.000	3.990	67.411
2005	2004	8.000	0.000	8.000	11.005	0.000	11.005	32.000	0.000	32.000	12.000	3.913	66.918
2006	2005	8.000	0.000	8.000	11.005	0.000	11.005	32.000	0.000	32.000	12.000	3.880	66.885
2007	2006	8.000	0.000	8.000	11.086	0.000	11.086	32.000	0.000	32.000	12.000	3.851	66.937

Source: Campbell County Assessor

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 (1)	Tuition & Fees (1)	Rentals (1)	Charges for Services (1)	Contributions & Donations (1)	Other Local Revenue	Miscellaneous (1)	Taxes	Taxes	Taxes	Intergovernmental	Intergovernmental	Intergovernmental	
1998	\$ 42,109,558	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ 4,183,921	\$ N/A	\$ 9,431,536	\$ 5,666,270	\$ 0	\$ 0	\$ 2,371,710	\$ 63,762,995	
1999	36,843,067	N/A	N/A	N/A	N/A	N/A	2,770,195	N/A	8,845,084	8,142,214	0	0	3,469,038	60,069,598	
2000	38,218,609	N/A	N/A	N/A	N/A	N/A	2,319,741	N/A	9,280,281	7,701,143	0	0	4,278,008	61,797,782	
2001	38,888,797	N/A	N/A	N/A	N/A	N/A	2,290,648	N/A	8,759,983	2,727,322	0	0	4,701,172	57,367,922	
2002	50,414,322	457,382	441,855	33,751	503,441	163,595	4,602,926	442,456	11,718,285	3,450,299	1,403,884	0	5,010,559	78,042,755	
2003	50,047,834	243,119	469,864	29,621	448,400	294,122	5,483,836	395,756	12,058,310	4,066,544	478,511	0	5,076,803	79,092,720	
2004	51,994,888	221,793	385,972	41,664	511,732	237,083	5,699,311	2,120,369	11,133,885	3,123,263	391,842	0	5,804,466	81,666,268	
2005	57,743,950	931,296	443,528	50,899	394,464	184,705	0	378,247	13,521,611	29,579	7,035,151	0	5,850,154	86,563,584	
2006	67,371,197	2,403,857	528,323	47,754	480,781	272,491	0	2,217,249	15,990,906	0	4,290,852	0	6,556,265	100,159,675	
2007	82,648,800	3,665,603	430,981	50,348	509,228	337,595	0	454,343	19,548,166	0	11,344,356	0	6,044,559	125,033,779	

(1) N/A Not Available. With the GASB 34 reporting changes in State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years financials into the States' new GASB34 groupings was found to be overwhelming and extremely difficult. Because of this, the decision was made to opt out of restating previous non-GASB 34 years.

PRINCIPAL TAXPAYERS (Top 50%)
 LAST TEN FISCAL YEARS

(Unaudited)

TABLE 9

TAXPAYER	TYPE OF BUSINESS	Tax Year 2006			Tax Year 1997		
		ASSESSED VALUE	RANK	% of Total Taxable Assessed Value	ASSESSED VALUE	RANK	% of Total Taxable Assessed Value
Powder River Coal Company	Coal	\$ 723,402,272	1	16.97%	\$ 201,929,453	1	12.72%
Thunder Basin Coal Company	Coal	550,739,705	2	12.92%	190,250,367	2	11.98%
Foundation Coal West Inc	Coal	232,704,691	3	5.46%			
Lance Oil & Gas Company	Oil/Gas	208,295,792	4	4.89%			
Jacobs Ranch Coal Company	Coal	200,401,620	5	4.70%	128,251,045	4	8.08%
Williams Production RMT Company	Gas	199,723,532	6	4.68%			
AMAX Coal West Inc	Coal				181,091,326	3	11.41%
Caballo Coal Company	Coal				89,548,277	5	5.64%
Total		2,115,267,612		49.61%	791,070,468		49.82%
Assessed Value		4,263,561,953			1,587,776,214		

Source: State Agency - Economic Analysis & Campbell County Economic Development Corporation

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 10

Fiscal Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Tax Year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Assessed Valuation	\$ 1,587,776,214	\$ 1,495,260,165	\$ 1,435,820,219	\$ 1,625,064,442	\$ 2,214,064,422	\$ 2,563,944,782	\$ 2,686,679,191	\$ 3,258,728,319	\$ 3,660,527,493	\$ 4,263,561,953
Debt Limit (1)	\$ 158,777,621	\$ 149,526,017	\$ 143,582,022	\$ 162,506,442	\$ 221,406,444	\$ 256,394,478	\$ 268,667,919	\$ 325,872,832	\$ 366,052,749	\$ 426,356,195
Total Net Debt Applicable to the Limit on June 30, fisc	\$ 20,905,000	\$ 19,585,000	\$ 17,915,000	\$ 15,890,000	\$ 13,775,000	\$ 11,560,000	\$ 8,980,000	\$ 6,255,000	\$ 3,395,000	\$ 0
Legal debt margin	\$ 137,872,621	\$ 129,941,017	\$ 125,667,022	\$ 146,616,442	\$ 207,631,444	\$ 244,834,478	\$ 259,687,919	\$ 319,617,832	\$ 362,657,749	\$ 426,356,195
Total net debt applicable to the limit as a percentage of debt limit	13.17%	13.10%	12.48%	9.78%	6.22%	4.51%	3.34%	1.92%	0.93%	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 count assessor. (W.S. 21-13-703)

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

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

TABLE 11

Fiscal Year	General Obligation Bonds	Less Debt Service Fund	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
1998	\$ 20,905,000	\$ 241,560	\$ 20,663,440	\$ 4,307,804,105	0.48%	31,950	\$ 647
1999	19,585,000	420,935	19,164,065	4,258,105,130	0.45%	32,450	591
2000	17,915,000	717,491	17,197,509	4,450,293,023	0.39%	33,698	510
2001	15,890,000	1,346,345	14,543,655	4,659,303,697	0.31%	34,676	419
2002	13,775,000	2,687,291	11,087,709	5,729,823,768	0.19%	36,168	307
2003	11,560,000	4,463,883	7,096,117	6,775,004,265	0.10%	36,438	195
2004	8,980,000	5,370,375	3,609,625	7,108,629,105	0.05%	36,721	98
2005	6,255,000	3,789,189	2,465,811	7,870,968,065	0.03%	37,405	66
2006	3,395,000	2,296,280	1,098,720	8,564,715,607	0.01%	38,934	28
2007	0	871,808	-871,808	9,508,052,813	-0.01%	39,000	-22

(1) State Agency - Economic Analysis & Campbell County Economic Development Corporation 2007 est.

(2) Campbell County Assessor

COMPUTATION OF DIRECT AND OVERLAPPING DEBT
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 12

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
As of June 30,										
Debt Outstanding										
Campbell County School District - Net Debt Obligation	\$ 20,663,440	\$ 19,164,065	\$ 17,197,509	\$ 14,543,655	\$ 11,087,709	\$ 7,096,117	\$ 3,609,625	\$ 2,465,811	\$ 1,098,720	\$ 0
Campbell County Memorial Hospital District (1)	7,905,000	7,905,000	7,905,000	7,905,000	0	0	0	0	0	0
Total direct and overlapping dept	\$ 28,568,440	\$ 27,069,065	\$ 25,102,509	\$ 22,448,655	\$ 11,087,709	\$ 7,096,117	\$ 3,609,625	\$ 2,465,811	\$ 1,098,720	\$ 0
Percentage overlapping	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Campbell County Treasurer

(1) Hospital Bond paid off in one lump sum in fiscal year 2002

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

(Unaudited)

TABLE 13

Fiscal Year	County Population	Personal Income (1)	Per Capita Personal Income (1)	Median Age (1)	Education Level in Years of Formal Schooling (1)	Average Daily Membership	Students as % of Population	Unemployment Rate
1998	31,950	N/A	N/A	N/A	N/A	7,652	23.95%	4.2%
1999	32,450	N/A	N/A	N/A	N/A	7,546	23.25%	4.6%
2000	33,698	mean household 49,536	20,063	32	N/A	7,549	22.40%	3.2%
2001	34,676	N/A	N/A	N/A	N/A	7,430	21.43%	2.7%
2002	36,168	N/A	N/A	N/A	N/A	7,436	20.56%	3.0%
2003	36,438	N/A	N/A	N/A	N/A	7,294	20.02%	3.4%
2004	36,721	N/A	N/A	N/A	N/A	7,155	19.48%	2.9%
2005	37,405	N/A	N/A	N/A	N/A	7,141	19.09%	2.5%
2006	38,934	N/A	N/A	N/A	N/A	7,350	18.88%	1.5%
2007	39,000	N/A	N/A	N/A	N/A	7,566	19.40%	1.9%

(1) Information at this level for each year could not be found for Campbell County Wyoming.

Information for the year 2000 came from the United States Census Bureau's 2000 Census, which is published every 10 years.

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

(Unaudited)

TABLE 14

Employer	Product	2007			1998		
		Employees	Rank	Percentage of Total County Labor Force as of 7/2006	Employees	Rank	Percentage of Total County Labor Force as of 8/1999
Rio Tinto Energy America	Coal Mining	1,795	1	7.02%	408	8	2.06%
Campbell County School District	Education	1,646	2	6.43%	1,468	1	7.40%
Powder River Coal Company	Coal Mining	1,500	3	5.86%			
Thunder Basin Coal Company	Coal Mining	1,159	4	4.53%	470	7	2.37%
Campbell County Memorial Hospital	Hospital	850	5	3.32%	660	3	3.33%
Campbell County Government	Government	553	6	2.16%	530	5	2.67%
Foundation Coal West	Coal Mining	480	7	1.88%			
Hettinger Welding	Welding	300	8	1.17%			
Wal-mart	Retail	230	9	0.90%			
Gillette City Government	Government	219	10	0.86%	175	10	0.88%
Burlington Northern - Sante Fe Railroad	Railroad				625	4	3.15%
Cyprus Anmax Coal West	Coal Mining				484	6	2.44%
Kerr-McGee Energy Co	Coal Mining				372	9	1.88%
Peabody Holding Company	Coal Mining				960	2	4.84%
Pacific Power and Light	Electric Projection				100	11	0.50%

Sources: Northeast Wyoming Economic Development Corporation and State of Wyoming Department of Employment, Research and Planning

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OPERATING INFORMATION FOR CAMPBELL COUNTY SCHOOL DISTRICT
LAST TEN FISCAL YEARS

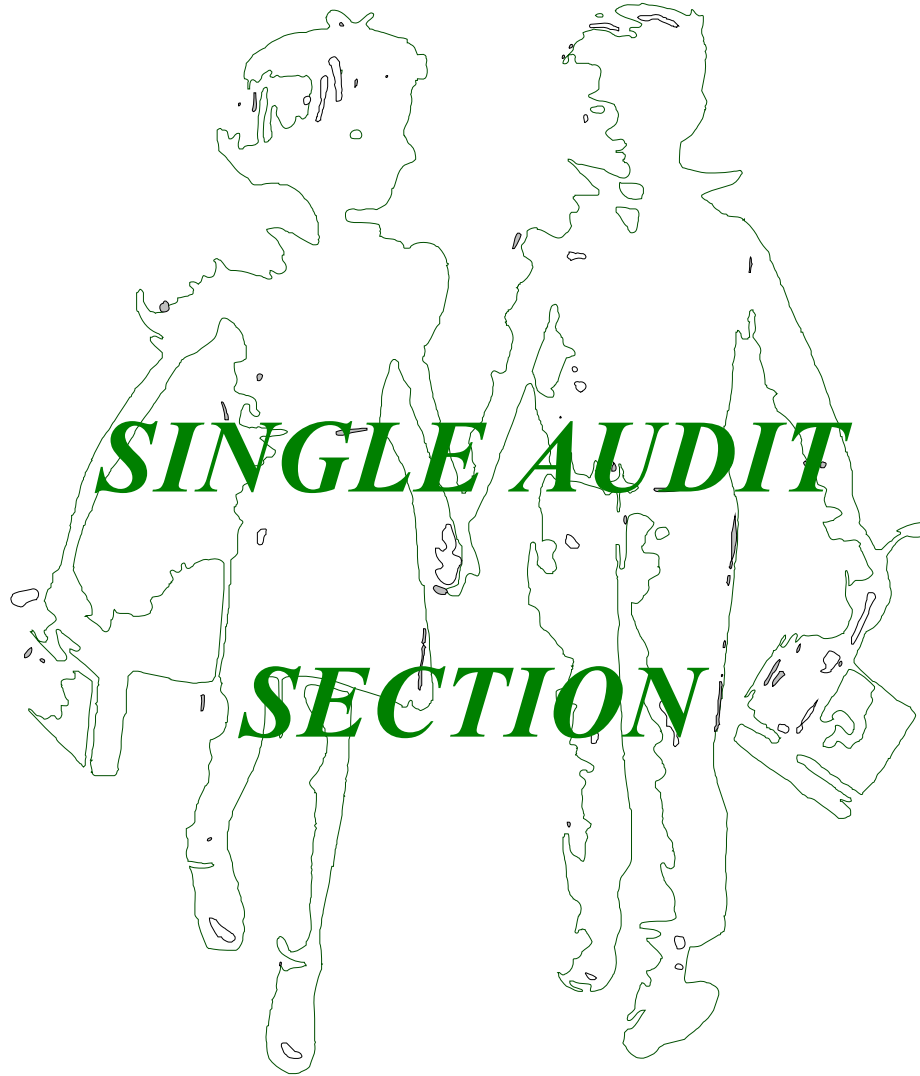
(Unaudited)

TABLE 15

	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	
Number of Schools											
Elementary (5 rural)	15	15	15	15	15	15	15	15	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	1	
Alternative Transitional Center (specializing in at-risk students)	1	1	1	1	1	1	1	1	1	1	
Total Schools	22	22	22	22	22	22	22	22	22	22	
High School Graduates											
Campbell County School District	404	453	475	455	440	452	375	384	356	378	
Wright Jr/Sr High	63	38	41	53	48	38	46	41	28	87	
Westwood High School	72	35	43	36	47	28	72	53	76	22	
Total Graduates	539	526	559	544	535	518	493	478	460	487	
Student / Teacher Ratios											
Elementary	20.0:1	20.0:1	19.5:1	18.3:1	18.0:1	17.22:1	16.68:1	17.16:1	17.18:1	16.57:1	
Secondary	22.0:1	22.0:1	20.8:1	14.2:1	15.4:1	17.46:1	15.76:1	15.35:1	19.9:1	15.41:1	
Student Membership/Attendance											
Average Daily Membership	7,652	7,546	7,549	7,430	7,436	7,294	7,155	7,141	7,350	7,565	
Average Daily Attendance	7,253	7,127	7,139	6,998	7,005	6,891	6,744	6,702	6,842	7,077	
Percent of Attendance	94.79%	94.45%	94.57%	94.19%	94.20%	94.47%	94.26%	93.85%	93.09%	93.55%	
General Fund Cost per Pupil based on ADM	\$ 6,331	\$ 6,614	\$ 6,956	\$ 7,024	\$ 7,575	\$ 8,866	\$ 9,257	\$ 8,848	\$ 10,156	\$ 11,777	

	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000	Fiscal Year 2001	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007
School District Employees										
Instructional Services										
Central Office Administrators	4	4	5	5	5	4	4	5	5	9
Principals & Assistant Principals	24	24	25	23	24	25	25	25	27	26
Teaching Staff	530	553	542	547	575	571	585	604	620	616
Substitute Teachers	138	158	128	132	228	205	205	144	180	213
Guidance Counselors	19	19	16	16	16	17	17	17	19	16
Media Specialists	12	12	12	12	12	12	12	12	13	13
Support Services										
Central Office Administrators	5	5	5	5	5	5	5	5	5	4
Specialists/Coordinators/Directors	0	0	0	0	0	0	0	0	7	8
Nurses, Psychologists, and Social Workers	24	24	23	25	25	28	28	28	48	43
Pupil Transportation	117	108	159	130	131	126	126	147	135	115
Personnel Services	6	7	5	6	5	5	5	5	6	6
Operation and Maintenance	137	113	102	116	104	107	107	109	103	101
Finance, Fiscal Services and Data Processing	16	16	17	15	14	14	14	15	16	10
School Bldg Clerical & Aides Support	366	354	338	352	272	269	269	314	421	426
General Laborer / Science Center	2	3	3	2	2	2	2	2	2	2
Print Shop	6	6	6	6	6	6	6	5	5	5
Purchasing/Warehouse/Mail Services	6	5	5	6	6	6	6	6	6	6
Food Service	56	60	43	57	52	51	51	56	68	54
Total School District Employees	1,468	1,471	1,434	1,455	1,482	1,453	1,467	1,499	1,686	1,673
Teacher Salaries										
Minimum	\$ 21,214	\$ 21,214	\$ 21,500	\$ 21,500	\$ 24,550	\$ 28,000	\$ 28,100	\$ 28,100	\$ 40,100	\$ 40,000
Maximum	46,386	47,939	49,410	51,385	54,604	55,095	56,450	56,730	74,900	74,900
Average	34,150	35,100	35,240	35,686	39,398	39,877	40,164	40,664	54,040	55,381

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SINGLE AUDIT

SECTION

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS REQUIRED BY
GOVERNMENTAL AUDITING STANDARDS**

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

We have audited the financial statements of **Campbell County School District No. 1** as of and for the year ended June 30, 2007, and have issued our report thereon dated October 30, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered **Campbell County School District No. 1's** internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the **District's** internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the **District's** internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies and material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the **District's** ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the **District's** financial statements that is more than inconsequential will not be prevented or detected by the **District's** internal control. We consider the deficiencies described in the accompanying schedule of findings and responses as Findings IC 07-1, IC 07-2, IC 07-3, and IC 07-4 to be significant deficiencies in internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above we consider items IC 07-3 and IC 07-4 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Campbell County School District No. 1's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contract, 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*.

We noted certain matters that we reported to management of **Campbell County School District No. 1** in a separate letter dated October 30, 2007.

The **District's** response to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the **District's** response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Governing Board, management, the Wyoming Department of Audit and the oversight entity and is not intended to be and should not be used by anyone other than these specified parties.

Gillette, Wyoming
October 30, 2007

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of **Campbell County School District No. 1** with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* and are applicable to each of its major federal programs for the year ended June 30, 2007. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the **District's** management. Our responsibility is to express an opinion on the **District's** compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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. Our audit does not provide a legal determination of the **District's** compliance with those requirements.

In our opinion, the **District** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2007.

Internal Control Over Compliance

The management of the **District** is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the **District's** internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the **District's** internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

A control deficiency in the **District's** internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. *A significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the **District's** ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the **District's** internal control. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item FA 07-1 to be a significant deficiency.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the **District's** internal control. We did not consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness.

The **District's** response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the **District's** response and, accordingly, we express no opinion on it.

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

Gillette, Wyoming
October 30, 2007

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

Year Ended June 30, 2007

(Page 1 of 2)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Expenditures
<u>Department of Education</u>			
Impact Aid Section 8003(b)	84.041B	S041B-2004-5966	\$ 16,615
Impact Aid Section 8003(b)	84.041B	S041B-2007-5966	40,755
Passed Through State of Wyoming Department of Education			
Carl Perkins, Vocational Education, FY06	84.048A	060VEC165T	11,961
Carl Perkins, Vocational Education, FY06	84.048A	060VEA2569	25,375
Carl Perkins, Vocational Education, FY07	84.048A	070VEA2569	141,939
Title I, FY05	84.010A	050T1A256S	5,584
Title I, FY06	84.010A	060T1A256S	185,741
Title I, FY07	84.010A	070T1A256S	850,470
Title I, Neglected and Delinquent, FY06	84.010A	06NDS2256V	36,607
Title I, Neglected and Delinquent, FY07	84.010A	07NDS2556V	48,223
Title I, Even Start, FY06	84.213C	05EVSTPD92	6,039
Title I, Even Start, FY06	84.213C	06EVST001X	21,175
Title V, FY06	84.298A	0600T5256U	10,284
Title V, FY07	84.298A	0700T5256U	27,063
Drug Free Schools, FY06	84.186A	06SDFS256H	11,642
Drug Free Schools, FY07	84.186A	07SDFS256H	77,855
Drug Free Schools, WHSSM Funding	84.186A	-	3,983
Title II D, Technology, FY05	84.318X	05T2DEETTD	8,021
Title II D, Technology, FY06	84.318X	060T2D2566	8,320
Title II D, Technology, FY06	84.318X	06TIIDCOME	29,238
Title II D, Technology, FY07	84.318X	070T2D2566	28,730
Title II D, Technology, FY07	84.318X	07TIIDCMPA	143,584
Title II A, FY06	84.367A	060T2A2569	127,631
Title II A, FY07	84.367A	070T2A2569	626,023
Part B, FY06	84.027A	06VIBA2566	168,273
Part B, FY07	84.027A	07VIBA2566	1,086,115
Part B, FY06	84.173A	06VIBP256M	1,649
Part B, FY07	84.173A	07VIBP256M	4,785
Title III, FY07	84.365A	0700T3256W	10,913
McKinney Homeless, FY05	84.196A	05HMLS022W	2,593
McKinney Homeless, FY06	84.196A	06HMLS022W	10,310
21 st Century SIG, FY05	84.287C	0521C3C03A	6,085
21 st Century SIG, FY06	84.287C	0621CLC03A	31,390
21 st Century SIG, FY06	84.287C	0621SIG02A	62,282
21 st Century SIG, FY06	84.287C	0621C3C03A	96,772
21 st Century SIG, FY07	84.287C	0721C3C03A	38,981
21 st Century SIG, FY07	84.287C	0721CLC03A	25,140
21 st Century SIG, FY07	84.287C	0721SIG02A	11,947
Grants for State Assistance and Related Activities	84.369A	-	5,164
Passed Through Wyoming Community College Commission			
Title I, Even Start FY07	84.213	-	55,864
Total U.S. Department of Education			\$ 4,111,121

(Continued)

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

Year Ended June 30, 2007

(Page 2 of 2)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Expenditures
<u>Department of Health and Human Services</u>			
Passed Through the State of Wyoming Department of Family Services			
Child Care and Development Block Grant	93.575	-	\$ 1,885
Child Care Mandatory and Match Funds	93.596	-	3,638
Total Department of Health and Human Services			\$ 5,523
<u>Corporation for National and Community Service</u>			
Passed Through State of Wyoming Department of Education			
Learn and Serve America, School and Community Based Programs	94.004	0715LAS01A	\$ 13,212
<u>Department of Agriculture</u>			
Passed Through the State of Wyoming Department of Education			
Food Distribution Program	10.550	-	\$ 34,338
National Breakfast Program	10.553	-	131,039
National School Lunch Program	10.555	-	567,925
Summer Food Service Program for Children	10.559	-	10,947
Team Nutrition	10.574	-	454
Team Nutrition	10.574	-	2,000
Total U.S. Department of Agriculture			\$ 746,703
<u>Department of Interior</u>			
Abandoned Mine Land Reclamation Program	15.252	-	\$ 1,870,000
Passed Through Campbell County, Wyoming Treasurer's Office			
Taylor Grazing Act	15.227	-	42,703
Total Department of Interior			\$ 1,912,703
Total Expenditures of Federal Awards			\$ 6,789,262

Basis of Presentation: The accompanying schedule of expenditures of federal awards includes the federal grant activity of Campbell County School District No. 1 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133 "Audits of State, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended **June 30, 2007**

(Page 1 of 5)

Section I. Summary of Independent Auditor's Results

Financial Statements

Type of auditor's report issued: unqualified

Internal control over financial reporting:

- Material weaknesses(es) identified? X yes no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? X yes none reported
- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? X yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

X yes no

Identification of major programs:

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Amount Expended</i>
10.553	National Breakfast Program	\$ 131,039
10.555	National School Lunch Program	567,925
10.559	Summer Food Service Program for Children	<u> 10,947</u>
	Nutritional Cluster Total	<u> \$ 709,911</u>
84.048	Carl Perkins, Vocational Education	<u> \$ 179,275</u>
84.010	Title I	<u> \$ 1,126,625</u>
84.367	Title II-A	<u> \$ 753,654</u>
84.027	Part B	<u> \$ 1,254,388</u>
84.173	Part B	<u> 6,434</u>
	Part B Cluster Total	<u> <u> \$ 1,260,822</u></u>

Dollar threshold used to distinguish between type A and type B programs:

\$ 300,000

Auditee qualified as low-risk auditee?

X yes no

(Continued)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended **June 30, 2007**

(Page 2 of 5)

Section II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America

A. Significant Deficiencies in Internal Control

IC 07-1 - Segregation of Duties in Data Processing Department

Criteria

Many small organizations rely on their computer programmers to perform both operating and programming functions in data processing. Computer programmers should not perform both operating and programming functions as this does not provide an adequate segregation of duties.

Condition

In our judgement, the District's data processing staff is not large enough to permit adequate segregation of duties as reported above. This lack of segregation of duties does not allow management to detect and correct a material misstatement if present. Due to the size of the District's staff it is anticipated that this will be an ongoing finding.

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this weakness of segregation of duties, we recommend management mitigate this weakness with possible compensating controls such as close supervision and monitoring by management and by the governing board.

Auditee's Response

Although the Data Processing staff is too small to provide for adequate segregation of duties, there are effective compensating controls in place. Physical control of documents and control of check signature authority are two examples of measures used to compensate for the segregation issue. Purchase orders all require management approval, as well as invoices processed for payment. The Board of Trustees approves all warrants. On a monthly basis, expenditures are reviewed by the Board, Administrators, and Department Heads and bank statements are reconciled and reviewed. These controls provide adequate and effective safeguards to compensate for the lack of segregation of responsibilities in the data processing department.

IC 07-2 - Auditor Generates the Annual Financial Statements Including Footnotes

Criteria

The Auditing Standards Board (ASB) recently issued guidance to auditors related to an entity's internal controls over financial reporting. Many small organizations rely on their auditor to generate the annual financial statements including footnotes. SAS No. 112 emphasizes that the auditor can not be part of your system of internal control over financial reporting.

Condition

In our judgement, the District's accounting personnel and those charged with governance, in the course of their assigned duties, lack the capable skills to prepare the financial statements and related footnotes in accordance with generally accepted accounting principles (GAAP).

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended **June 30, 2007**

(Page 3 of 5)

Section II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America (Continued)

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this significant deficiency in financial reporting, we recommend management mitigate this weakness by having a heightened awareness of all transactions being reported.

Auditee's Response

We believe certain individuals within the District's management have the appropriate skills and knowledge to understand the financial statements. Management reviews and approves the financial statements along with the journal entries proposed by the auditor as well as questions various journal entries and financial information, including the notes to the financial statements. We feel that management's knowledge and skills would be able to detect and correct a material misstatement.

IC 07-3 Payables and Property Tax Receivables Are Not Adjusted at Year End

Criteria

The Auditing Standards Board (ASB) recently issued guidance to auditors related to an entity's internal controls over financial reporting. SAS No. 112 states that material adjustments performed by the auditor can not be part of your system of internal control.

Condition

The District's accounting personnel, in the course of their assigned duties, are not recording and adjusting payables and property tax receivables at year end. This does not allow management to detect and correct a material misstatement if present.

Recommendation

It should be noted that accounting personnel are capable and knowledgeable to record and adjust payables and property tax receivables but many reports submitted to the State of Wyoming Department of Education must be reported on the cash basis of accounting. Also property taxes receivable at year end is obtained from information provided by the County Treasurer, which is available well after the year end closing of the books is done. We recommend that the District capture all the information at a certain period in time so accurate cash basis information is available to properly file reports with the Wyoming Department of Education. After data is captured we recommend that prior year payables be reversed and current year payables be recorded. Also due to the fact that property tax information is not available until after the year end closing is performed, we recommend that information be obtained from the Treasurer and journal entries proposed to the audit firm.

Auditee Response

We concur with the recommendation of the auditor and will take appropriate action to record and adjust payables at year end. Also year end property tax information will be obtained from the County Treasurer and entries will be proposed to the audit firm.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended **June 30, 2007**

(Page 4 of 5)

Section II. Findings Relating to the Financial Statement Audit as Required to be Reported in Accordance With Government Auditing Standards Generally Accepted in the United States of America (Continued)

IC 07-4 - Not Accurately Capturing and Reporting Information to Wyoming Department of Education

Criteria

The Auditing Standards Board (ASB) recently issued guidance to auditors related to an entity's internal control over financial reporting. SAS No. 112 emphasizes that material amounts owed, due to not properly tracking and reporting information, to an oversight entity is considered a control deficiency.

Condition

In our judgement, the District lacked the appropriate controls to properly track and report information to the Wyoming Department of Education for certain matters. During the year, the Wyoming Department of Audit conducted an audit to review the accuracy and reliability of the data submitted for the audit period July 1, 2002 through June 30, 2005 to the Wyoming Department of Education. As a result of this audit, it was determined that the District must repay approximately \$663,000 to the Wyoming Department of Education.

Recommendation

We recommend that the District review the audit report from the Wyoming Department of Audit and make the necessary changes to the District's control over financial reporting based on the recommendations supplied by the Wyoming Department of Audit.

Auditee Response

The District has reviewed the audit recommendations and has responded to the Wyoming Department of Audit for each deficiency noted. The District has implemented the necessary controls to properly track and report information to the Wyoming Department of Education. It should be noted that the District is currently contesting several audit findings noted by the Wyoming Department of Audit and the District believes an amount significantly less than the original \$663,000 will be owed back to the Wyoming Department of Education.

B. Compliance Findings

There were no compliance findings.

CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended June 30, 2007

1) Prior Year Finding:

Segregation of Duties in the Data Processing Department

For all major programs computer programmers perform both operating and programming functions in data processing. This does not provide an adequate segregation of duties within the data processing department.

Auditee's Response.

Although the Data Processing staff is too small to provide for adequate segregation of duties, there are effective compensating controls in place. Physical control of documents and control of check signature authority are two examples of measures used to compensate for the segregation issue. Purchase orders all require management approval, as well as invoices processed for payment. The Board of Trustees approves all warrants. On a monthly basis, expenditures are reviewed by the Board, Administrators, and Department Heads and bank statements are reconciled and reviewed. These controls provide adequate and effective safeguards to compensate for the lack of segregation of responsibilities in the data processing department.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended **June 30, 2007**

(Page 5 of 5)

Section III. Findings and Questioned Costs for Federal Awards

FA 07-1 - Segregation of Duties in the Data Processing Department

Criteria

For all major programs computer programmers perform both operating and programming functions in data processing. Computer programmers should not perform both operating and programming functions as this does not provide an adequate segregation of duties.

Condition

In our judgement, the District's data processing staff is not large enough to permit adequate segregation of duties as reported above. This lack of segregation of duties does not allow management to detect and correct a material misstatement if present. Due to the size of the District's staff it is anticipated that this will be an ongoing finding.

Recommendation

In our judgement, management and those charged with governance need to understand the importance of this communication. However, due to the lack of resources available to management to correct this weakness of segregation of duties, we recommend management mitigate this weakness with possible compensating controls such as close supervision and monitoring by management and by the governing board.

Auditee's Response

Although the Data Processing staff is too small to provide for adequate segregation of duties, there are effective compensating controls in place. Physical control of documents and control of check signature authority are two examples of measures used to compensate for the segregation issue. Purchase orders all require management approval, as well as invoices processed for payment. The Board of Trustees approves all warrants. On a monthly basis, expenditures are reviewed by the Board, Administrators, and Department Heads and bank statements are reconciled and reviewed. These controls provide adequate and effective safeguards to compensate for the lack of segregation of responsibilities in the data processing department.

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

Thank You

Shuck, Bennett & Weber, Certified Public Accountants and Consultants

Mike Bennett, Ryan Gemar, Paula Steiger, Janell Fries, Norma Miller & Staff

Campbell County Treasurer

Shirley Study, Becky Brazelton, Jackie Blikre & Staff

Campbell County Assessor

Troy Clements & Staff