

Campbell County  
School District No.1  
Gillette, Wyoming

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*“Teaching Effectively - Learning Successfully”*

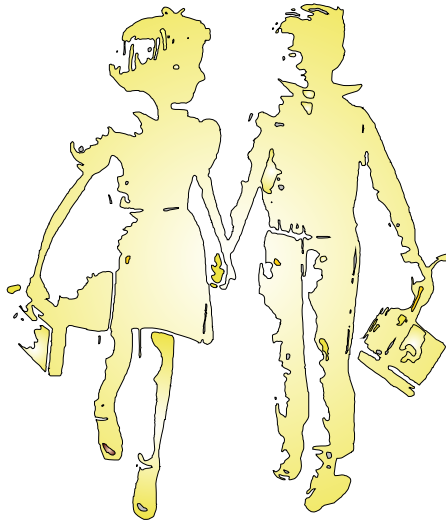
Fiscal Year Ended  
June 30, 2008

Prepared by the:

*Instructional Support Division,  
Accounting Department*

*Rhea J. Betts, MBA*  
Accounting Manager

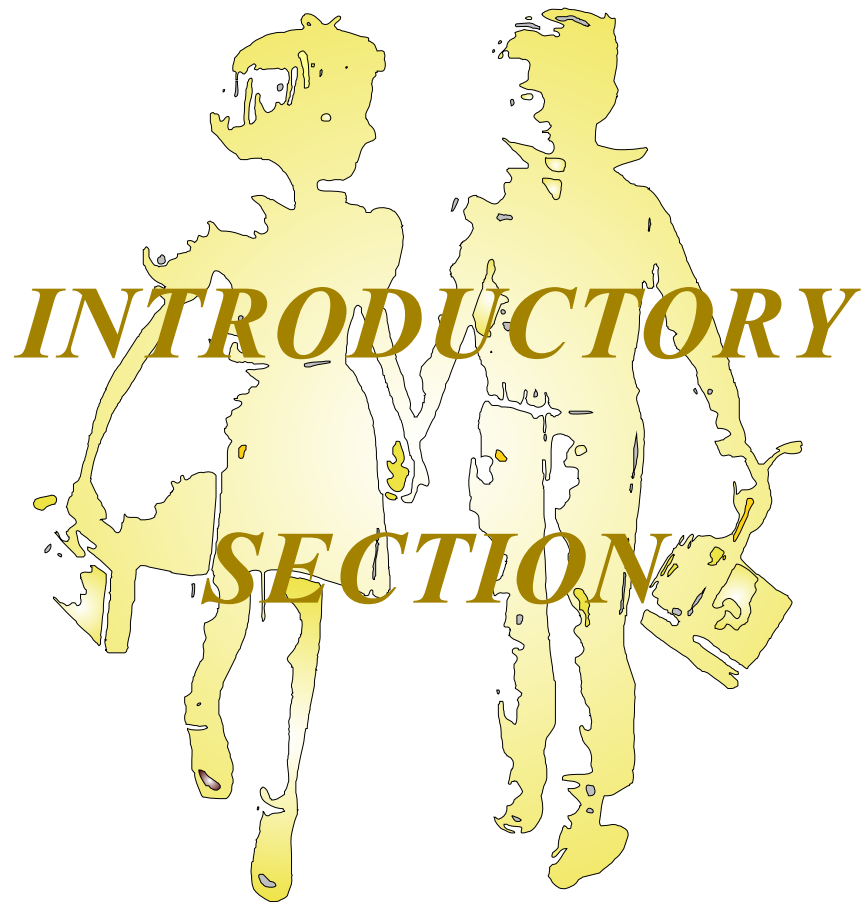
**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT  
OF  
CAMPBELL COUNTY SCHOOL DISTRICT NO. 1  
GILLETTE, WYOMING  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2008**



**RICHARD STRAHORN, Ed.D., Superintendent of Schools**  
**BOYD BROWN, Ed.D. 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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**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1  
SINGLE AUDIT SECTION**

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Gillette, Wyoming 82717-3033

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*" Teaching Effectively - Learning Successfully "*

November 1, 2008

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 2008 Comprehensive Annual Financial Report (CAFR) of Campbell County School District No. 1, for the fiscal year ended June 30, 2008. 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 2007.
- 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 7,534 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 1,707 in 2007-2008. Of the total, 881 were certified staff including teachers, specialists, and administrators. Non certified staff including clerical, custodial, food services, aides, maintenance, and bus drivers totaled 624. 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 Assessment for Wyoming Students (PAWS). Tests in reading, writing, and math were administered to students in grades three through eight and grade eleven. Tenth grade students were allowed to take the eleventh grade assessments and “bank” their scores for future proficiency. Students taking assessments in both the tenth and eleventh grades were allowed to use the higher of two scores in determining their eleventh grade performance in each content area. Beginning with the 2007-2008 school year, science was added to the PAWS assessment. The tests were only administered in grades four, eight, and eleven. Tenth grade students were not allowed to take the eleventh grade science test. At the time of this report, the Wyoming Department of Education (WDE) had not publicly released the science test results.

The figure below indicates the percentage of students who scored proficient or better on PAWS. A comparison of district versus statewide percentages is provided. The information was obtained from the WDE website on September 9, 2008 at which time the WDE was reviewing inaccurate writing scores for some students in our District. The identified errors will only improve the District scores.

Figure One

Grade	Third		Fourth		Fifth		Sixth		Seventh		Eighth		Eleventh	
	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming	CCSD	Wyoming
<b>Reading</b>														
Below Basic	10.5%	9.7%	2.5%	3.8%	4.0%	7.7%	3.6%	6.8%	5.1%	8.4%	4.4%	6.0%	6.3%	10.2%
Basic	24.4%	28.7%	20.7%	22.8%	23.8%	26.7%	16.7%	23.1%	29.6%	26.7%	23.6%	23.6%	28.4%	24.1%
Proficient	52.4%	50.6%	50.9%	51.1%	60.4%	55.6%	52.3%	50.0%	59.5%	56.8%	61.9%	58.0%	53.8%	49.9%
Advanced	12.7%	11.1%	25.8%	22.3%	11.8%	10.1%	27.4%	20.1%	5.8%	8.1%	10.1%	12.4%	11.5%	15.8%
<b>Writing</b>														
Below Basic	14.2%	17.9%	9.3%	16.3%	17.0%	25.9%	7.6%	17.1%	13.8%	20.5%	22.5%	18.5%	17.4%	12.0%
Basic	39.6%	41.1%	29.0%	30.9%	35.4%	37.0%	33.7%	35.5%	35.2%	31.8%	24.7%	23.3%	15.7%	15.0%
Proficient	39.1%	36.6%	53.6%	47.5%	43.8%	34.7%	53.3%	41.4%	47.7%	43.3%	50.2%	53.9%	54.7%	58.0%
Advanced	7.1%	4.4%	8.1%	5.3%	3.8%	2.5%	5.3%	6.0%	3.3%	4.3%	2.6%	4.3%	12.2%	15.0%
<b>Math</b>														
Below Basic	3.7%	4.0%	7.6%	8.8%	6.4%	8.7%	4.8%	8.3%	5.6%	10.7%	13.2%	15.5%	5.9%	7.1%
Basic	12.9%	12.6%	13.5%	14.5%	18.1%	20.4%	9.0%	13.5%	15.5%	17.1%	16.1%	16.8%	27.9%	28.5%
Proficient	63.2%	61.3%	53.6%	51.4%	53.2%	48.4%	52.0%	51.8%	54.1%	49.2%	49.5%	47.5%	60.3%	55.5%
Advanced	20.2%	22.1%	25.3%	25.4%	22.3%	22.6%	34.2%	26.4%	24.8%	23.0%	21.2%	20.2%	5.9%	9.0%

The average American College Testing (ACT) scores for Campbell County School District No.1 during the 2007-2008 school year was 21.2; 21.5 for the Campbell County High School, 20.4 for Wright Junior/Senior High School and 17.3 for Westwood High School. State and national averages were 21.1 and 21.0, respectively.

During 2007-2008, an average of 93.71% of Campbell County School District No. 1 students attended class each day, compared to 93.55% in 2006-2007; 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 2007-2008 school year was 111 students, 3.31% of the secondary enrollment of the district. This percentage compares to 3.81% in the 2006-2007 school year; 3.55% in 2005-2006; 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.

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, 455 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.

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, 2008, 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 2007-2008 school year for all governmental funds of \$3,065,541 represented 2.44 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 \$250,000. 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 for its employees working 20 or more hours per week with employee contributions based on the employee's full time equivalency and type of coverage (Single, Employee+Spouse, Employee+Dependent(s), or Family) through a self-funded group program. The medical and prescription insurance coverage was purchased directly from the Wyoming School Board Association Insurance Trust. The dental insurance coverage was maintained by the District with Delta Dental providing the third party administration. Starting January 1, 2008, employees taking the District's insurance were given two plan coverage options, regular or a high deductible plan.

Non voluntary plans paid by the District for all regular employees working 20 or more hours per week include; an accidental death policy for all employees based on annual salary with a minimum of \$10,000 and a maximum of \$50,000; a life insurance policy, 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, 2007 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, Ed.D.  
Associate Superintendent for  
Instructional Support



Richard Strahorn, Ed.D.  
Superintendent of Schools



CAMPBELL COUNTY SCHOOL DISTRICT NO. 1  
 FISCAL YEAR ENDED JUNE 30, 2008  
 LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS - BOARD OF TRUSTEES



Chairman  
 David Fall  
 (2004-2008)



Vice-Chairman  
 Susan Shippy  
 (2006-2010)



Treasurer  
 Barbra Dilts  
 (2004-resigned July 14, 2008)



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



Trustee  
 Gregg Blikre  
 (2006-2010)



Trustee  
 Linda Jennings  
 (2006-2008)



Trustee  
 Steve Pecha  
 (2006-2010)

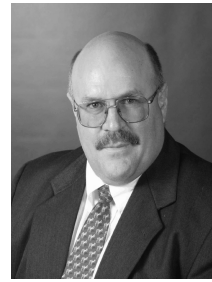
APPOINTED OFFICIALS



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  
 Alex J. Ayers, Ed.D.



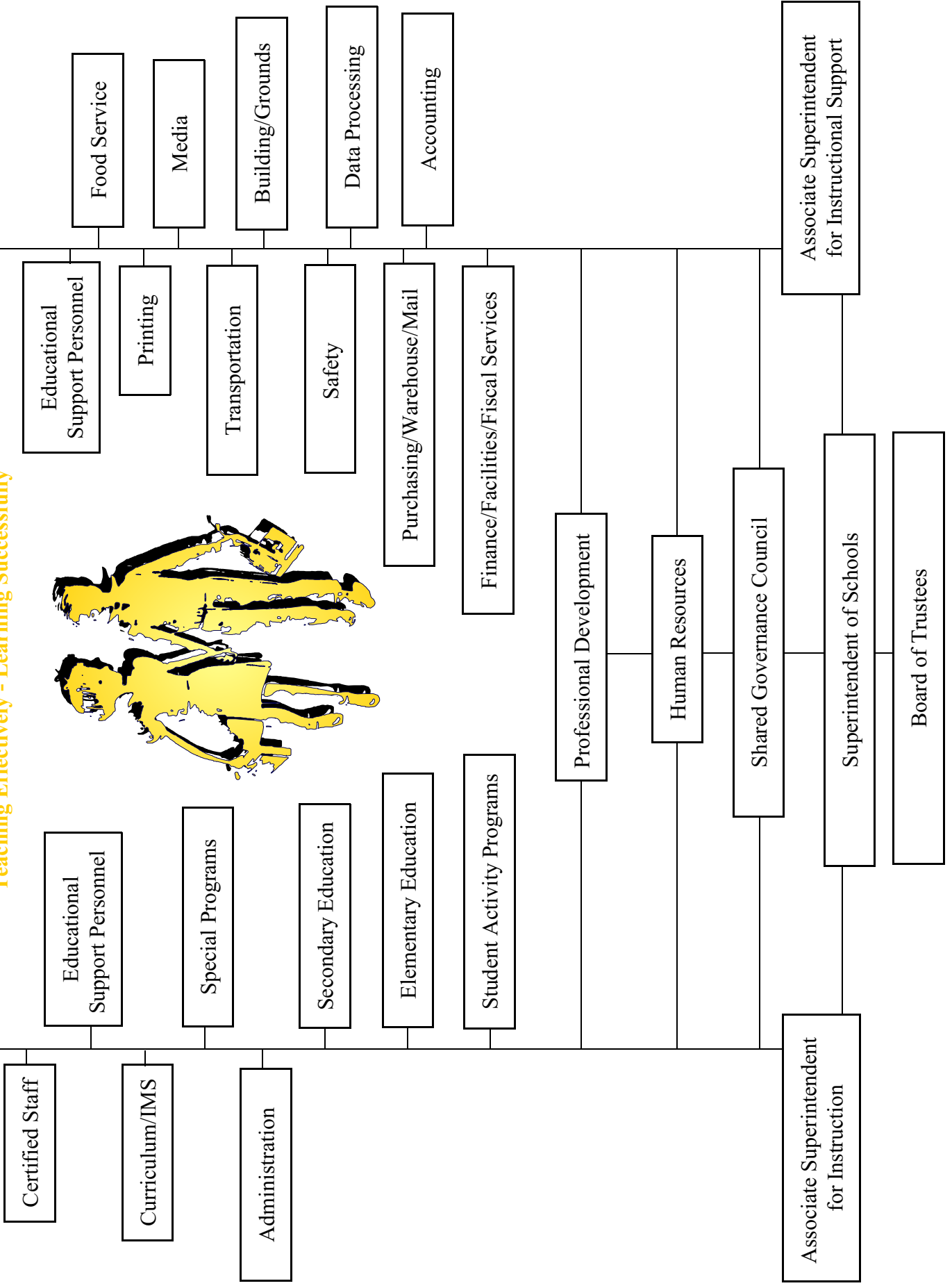
Assistant Superintendent for  
 Special Programs  
 Beth A. Norton



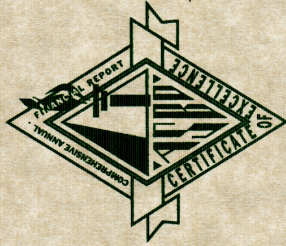
Assistant Superintendent for  
 Technology Education  
 Lyla R. Downey

# 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 No. 1**

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2007

upon recommendation of the Association's Panel of Review

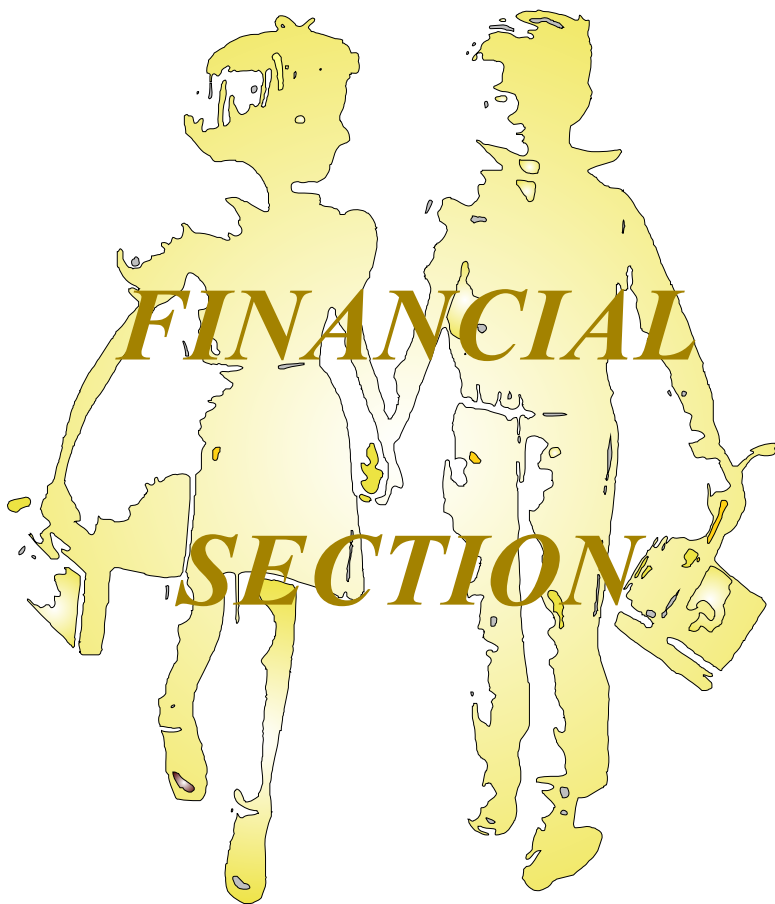
which has judged that the Report substantially conforms

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

*James E. Brundel*  
\_\_\_\_\_  
President

*John D. Mueser*  
\_\_\_\_\_  
Executive Director

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**SHUCK, BENNETT & WEBER**  
CERTIFIED PUBLIC ACCOUNTS AND CONSULTANTS

Michael R. Bennett, CPA  
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Michael L. Shuck, CPA  
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sbw@sbwepas.com

Jerry C. Shuck, CPA of Counsel

**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, 2008, 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1**, as of June 30, 2008, 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 December 4, 2008, on our consideration of **Campbell County School District No. 1's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management discussion and analysis and the schedule of funding progress for the Retiree Health Plan on pages 3 through 12 and page 50, respectively are not a required part of the basic financial statements but are 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 and statistical sections 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.

*SILVER, BENNETT + WEBER*

Gillette, Wyoming  
December 4, 2008



# CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2008

(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, 2008. 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 2008 are as follows:

- The district's financial status improved. In total, net assets increased \$12,461,598 which represents an 9.414 percent increase from fiscal year 2007.
- Overall revenues were \$129,173,036, exceeding expenses by \$12,461,598.
- General Revenues accounted for \$117,912,692 in revenue or 91.283 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 \$11,260,341 or 8.717 percent of total revenues of \$129,173,036.
- The district reduced its outstanding long-term debt by \$75,553 or 3.756 percent.
- The District had \$116,711,438 in expenses; only \$11,260,341 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$117,912,695 were adequate to provide for these programs.
- Among major funds, the General fund had \$105,095,654 in revenues and \$97,927,952 in expenditures. The General Fund's balance decreased \$1,791,857 over 2007.
- The net assets of governmental activities increased by 9.544 percent or \$12,605,227 and the net assets of the business-type activity decreased 48.552 percent or \$143,629.

### 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, 2008

(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 2008" 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, 2008**

**(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 2008 compared to 2007:

Figure A

Condensed Statement of Net Assets							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2007	2008	2007	2008	2007	2008	2007-2008
Current and other assets	\$ 208,459,775	\$ 221,151,713	\$ 264,211	\$ 114,699	\$ 208,723,986	\$ 221,266,412	6.009 %
Capital assets	84,968,144	89,620,294	62,165	97,634	85,030,309	89,717,928	5.513 %
<b>Total Assets</b>	<b>293,427,919</b>	<b>310,772,007</b>	<b>326,376</b>	<b>212,333</b>	<b>293,754,295</b>	<b>310,984,340</b>	<b>5.866 %</b>
Long-Term Liabilities	1,346,878	1,318,528	0	0	1,346,878	1,318,528	(2.105)%
Other Liabilities	160,008,884	164,776,095	30,552	60,138	160,039,436	164,836,233	2.997 %
<b>Total Liabilities</b>	<b>161,355,762</b>	<b>166,094,623</b>	<b>30,552</b>	<b>60,138</b>	<b>161,386,314</b>	<b>166,154,761</b>	<b>2.955 %</b>
<b>Net Assets</b>							
Invested in capital assets, Net of related debt	83,358,145	88,073,945	62,165	97,634	83,420,310	88,171,579	5.696 %
Restricted	17,268,466	31,899,966	0	0	17,268,466	31,899,966	84.730 %
Unrestricted	31,445,546	24,703,473	233,659	54,561	31,679,205	24,758,034	(21.848)%
<b>Total Net Assets</b>	<b>\$ 132,072,157</b>	<b>\$ 144,677,384</b>	<b>\$ 295,824</b>	<b>\$ 152,195</b>	<b>\$132,367,981</b>	<b>\$144,829,579</b>	<b>9.414 %</b>

The District's combined net assets were higher on June 30, 2008, than they were on June 30, 2007, increasing by 9.414 percent to \$144,829,579 (See Figure Table A). This improvement in the district's financial position came from its governmental activities, with its net assets increasing \$12,605,227 to \$144,677,384. The net assets of the District's business-type activities had a decrease totaling \$143,629 to \$152,195.

***Changes in net assets***

The District's total revenues were \$129,173,036. (See Figure B)

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**(Unaudited - Continued)**

Figure B

Changes in Net Assets from Operating Results							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2007	2008	2007	2008	2007	2008	2007-2008
<b>Revenues</b>							
Program revenues:							
Charges for Services	\$ 990,557	\$898,276	\$ 1,887,160	\$2,092,833	\$ 3,072,032	\$2,991,109	(2.634)%
Operating Grants and Contributions	6,723,873	7,364,335	771,855	904,897	7,468,576	8,269,232	10.720 %
General Revenues:							
Taxes: Property levied - specific	101,877,912	105,570,564	-	-	101,877,912	105,570,564	3.625 %
Grants and Contributions not restricted	9,132,437	8,346,057	-	-	9,132,437	8,346,057	(8.611)%
Capital Grants restricted for debt service	1,870,000	0	-	-	1,870,000	0	(100.000)%
Interest	3,919,975	3,204,151	15,759	6,361	3,935,734	3,210,512	18.427 %
Miscellaneous	1,581,033	793,537	-	-	1,581,033	793,537	(49.809)%
Gain (loss) on Sale of Capital Assets	19,488	(7,975)	(520)	0	18,968	(7,975)	(142.044)%
<b>Total Revenues</b>	<b>126,115,275</b>	<b>126,168,945</b>	<b>2,841,417</b>	<b>3,004,091</b>	<b>128,956,692</b>	<b>129,173,036</b>	<b>.168 %</b>
<b>Expenses</b>							
Governmental Activities							
Instruction	56,300,657	61,432,277	-	-	56,300,657	61,432,277	9.115 %
Pupil and Instructional Staff	16,772,998	18,684,371	-	-	16,772,998	18,684,371	11.396 %
General, School & Business Administration	8,764,073	9,115,868	-	-	8,764,073	9,115,868	4.014 %
Operation and Maintenance of Plant	11,363,114	10,861,919	-	-	11,363,114	10,861,919	(4.411)%
Pupil Transportation	5,468,797	6,152,348	-	-	5,468,797	6,152,348	12.499 %
Central	1,939,733	1,748,671	-	-	1,939,733	1,748,671	(9.850)%
Other Support Services	305,251	2,829,937	-	-	305,251	2,829,937	827.085 %
Community Support - Non Instruct. Services	2,639,060	2,477,910	-	-	2,639,060	2,477,910	(6.106)%
Debt Service	277,765	84,581	-	-	277,765	84,581	(69.549)%
Other - Food Service	0	0	2,972,381	3,323,556	2,972,381	3,323,556	11.815 %
<b>Total Expenses</b>	<b>103,831,448</b>	<b>113,387,882</b>	<b>2,972,381</b>	<b>3,323,556</b>	<b>106,803,829</b>	<b>116,711,438</b>	<b>9.277 %</b>
Excess (deficiency) before transfers	22,283,827	12,781,063	(130,964)	(319,465)	22,152,863	12,461,598	(43.747)%
Transfers	(61,375)	(175,836)	61,375	175,836	0	0	-
<b>Increase (decrease) in Net Asset:</b>	<b>22,222,452</b>	<b>12,605,227</b>	<b>(69,589)</b>	<b>(143,629)</b>	<b>22,152,863</b>	<b>12,461,598</b>	<b>(43.747)%</b>
Net Assets - Beginning Fiscal Year	109,849,705	132,072,157	365,413	295,824	110,215,118	132,367,981	20.100 %
Net Assets - Ending Fiscal Year	\$132,072,157	\$144,677,384	\$ 295,824	\$ 152,195	\$132,367,981	\$144,829,579	9.414 %

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

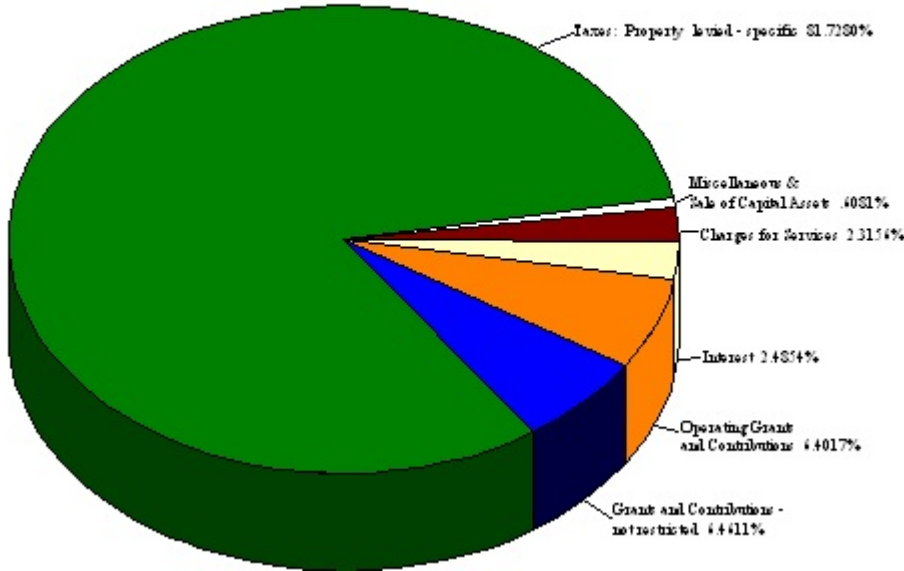
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**(Unaudited - Continued)**

Of total revenues, property taxes of \$105,570,564 accounted for most of the District's revenue, or 81.7280 percent. Local, state and federal aid for specific programs contributed \$8,269,232 or 6.4017 percent, with charges for service of \$2,991,109 or 2.3156 percent,

**Sources of Revenues for Fiscal Year 2008**

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



grants and contributions not restricted of \$8,346,057 or 6.4611 percent. The remainder, \$3,996,074 or 3.0904 percent, resulted from interest earnings, other local revenue, and miscellaneous sources.

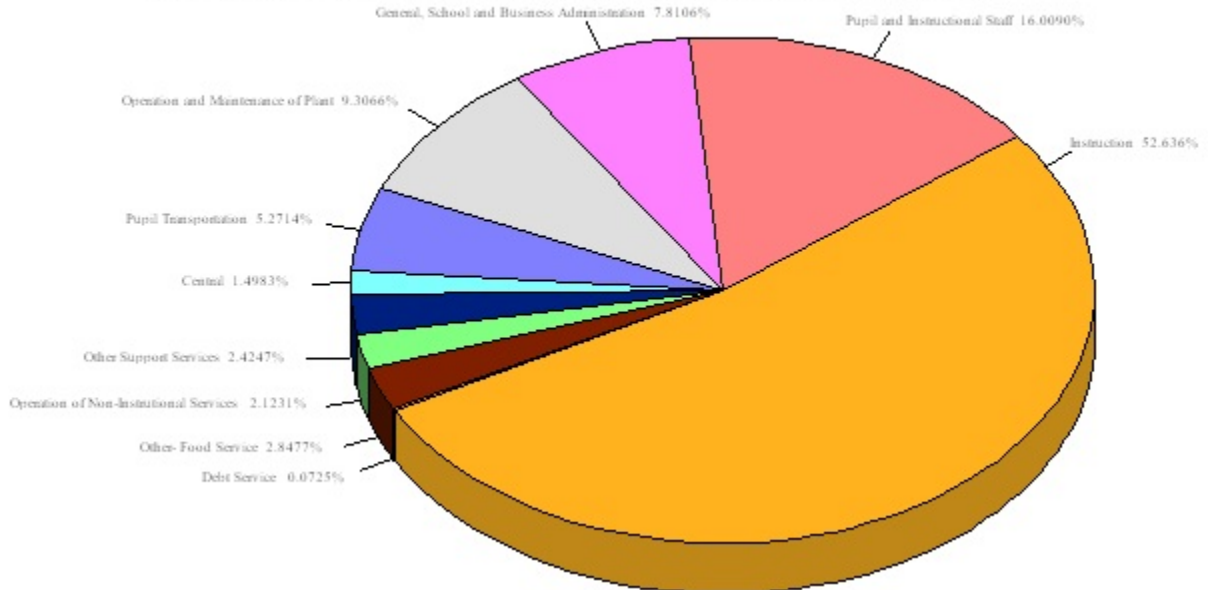
The total cost of all programs and services were \$116,711,438. Of the District's expenses, \$80,116,648 or 68.6451 percent are directly related to the areas of instruction,

and pupil and instructional staff. Pupil transportation with costs of \$6,152,348 represents 5.2714 percent, operational and maintenance of plant services costs totaled \$10,861,919 or 9.3066 percent of total expenses. The areas of administration: general, school and business, had expenses totaling \$9,115,868 or 7.8106 percent. Central, which is the office of human

resources and the costs associated with the self-funded health insurance program, totaled \$1,748,671 or 1.4983 percent of total expenses, debt service expenses totaled \$84,581 or .0725 percent. Other support services and community support expenses totaling \$5,307,847 represent 4.5478 percent while the enterprise fund-food service totaled \$3,323,556 or 2.8477 percent of total District expenses.

**Expenses for Fiscal Year 2008**

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



**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**(Unaudited - Continued)**

Total revenues surpassed expenses, increasing net assets by \$12,461,598. 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 \$319,465 to its net assets

***Governmental Activities***

***Revenues***

Specific revenue source changes for 2007-2008 compared to 2006-2007 were:

- From local and county sources, an additional \$2,405,647 was received in 2007-2008 over 2006-2007. Increases of \$3,086,360 came from the increased assessed valuation; \$14,959 in Rental revenue; with an additional \$37,991 from Miscellaneous areas, all these increases were then offset by decreases of \$59,326 in Charges for Services, \$26,361 for Contribution & Donations, \$600,062 interest revenue, \$47,914 in the Tuition and Fees area which was caused by the reduction of numerous fees students are no longer required to pay for specific classes and athletic activities.
- A total decrease from the State of Wyoming of \$603,242; increases of \$197,433 in the General Fund, \$347,466 in the Special Revenue-Major Maintenance Fund and \$322,679 in the Capital Construction Fund combined with decreases in Capital Projects of \$1,468,348 and \$2,472 in the Special Revenue-K Fund.
- From federal sources, a decrease of \$1,386,315; increases of \$13,546 in the General Fund, \$470,139 in the Grant and K Fund - Special Revenue Funds which was offset by the decrease of \$1,870,000 in the Debt Service Fund.

***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

<b>Net Cost of Governmental Activities</b>						
	Total Cost of Services		Percentage Change 2007-2008	Net Cost of Services		Percentage Change 2007-2008
	2007	2008		2007	2008	
Instruction	\$ 56,300,657	\$ 61,432,277	9.115 %	\$ 52,788,954	\$57,519,024	8.960 %
Pupil and Instructional Staff	16,772,998	18,684,371	11.396 %	14,149,550	15,790,161	11.595 %
General, School and Business Administration	8,764,073	9,115,868	4.014%	8,134,357	8,765,408	7.758 %
Operation and Maintenance of Plant	11,363,114	10,861,919	(4.411)%	11,353,283	10,853,107	(4.406)%
Pupil Transportation	5,468,797	6,152,348	12.499 %	5,465,151	6,150,480	12.540 %
Central	1,939,733	1,748,671	(9.850)%	1,934,205	1,744,915	(9.786)%
Other Support Services	305,251	2,829,937	827.085)%	140,352	2,653,057	1,790.288 %
Operation on Non- Instructional Service - Community	2,639,060	2,477,910	(6.106)%	1,873,401	1,564,538	(16.487)%
Debt Service	277,765	84,581	(69.549)%	277,765	84,581	(69.549)%
<b>Total</b>	<b>\$ 103,831,448</b>	<b>\$ 113,387,882</b>	<b>9.204 %</b>	<b>\$ 96,117,018</b>	<b>\$ 105,125,271</b>	<b>9.372 %</b>

# CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2008 (Unaudited - Continued)

### *Governmental Activities - Expenses (continued)*

Total cost of governmental activities for 2007-2008 totaled \$113,387,882. To achieve a net cost to the district for governmental activities monies received from federal and state governments, which subsidized certain programs with grants and contributions, totaling \$7,364,335 and Charges for Services of \$898,276 are deducted bringing the total net cost of services to \$105,125,271.

Specific fund expenditure changes before GASB 34 adjustments for 2007-2008 compared to 2006-2007 showed:

- Special Revenue Fund expenditures in total decreased by \$171,397. Four of the eight Special Revenue Fund groupings had increased spending; Technology \$58,274, Sick Buy Bank Fund \$34,560, Campbell County Community Public Recreation District \$23,010, and an overall increase in award funding from federal and state sources of \$469,971. Decreased spending was seen in the remaining; "K" Fund \$56,600, "U" Fund \$398,493, Major Maintenance Projects \$159,944 and in Building Funds of \$142,175.
- The general fund expenditures increased by \$8,836,115. Spending in areas directly in contact with students increased \$7,211,985; instruction by \$5,146,875 and pupil and instructional staff by \$2,065,110. Administrative and Business areas increased \$308,296, Maintenance \$827,946, Transportation Services \$747,600, Community Services \$92,532, with Capital Outlay increasing by \$59,412. Spending areas where decreases were found were in the Debt Service of \$42,408, in the Central Services area \$352,555 and Other Support decreasing by \$16,693.
- An overall increase in Capital Construction Fund spending of \$153,675.

### *Business-Type Activities*

Revenues of the District's business-type activities increased 5.725 percent to \$3,004,091 and expenses rose 11.815 percent to \$3,323,556. (refer to Figure B) Food Service expenses exceeded revenues by \$319,465, before transfers. When including transfers net assets of the business-type activities decreased \$143,629 or 48.552 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 two 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 \$10,108,964 which were to be covered by contingency funding, the actual results for the year show a \$1,555,329 deficit. The actual revenues were \$105,332,182 or \$2,622,125 higher than expected. Local, County and Federal Sources brought in an additional \$3,823,996 while State Sources brought in \$1,201,871 less than budgeted.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008  
(Unaudited - Continued)**

Actual General Fund expenditures were \$97,927,952 or \$5,737,370 below budget. With the anticipated budget containing a \$538,268 contingency actual expenditures show an additional savings \$8,793,102. The General Fund expenditures had no areas exceeding its budget appropriations for fiscal year 2007-2008.

**Capital Asset and Debt Administration**

**Capital Assets**

By the end of June 30, 2008 the District’s governmental activities had invested \$169,065,602 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 \$8,292,380 or 5.158% from fiscal year 2006-2007. Total depreciation expense for the year was \$4,507,962 which brings total accumulated depreciation to \$79,445,308 for fiscal year ending June 30, 2008. (See Figure D)

Governmental Activities in Capital Assets had no increase in land holdings; a net increase totaling \$10,178,727 in the areas of Buildings and Building Improvements, and Improvements other than Buildings; net increase of \$548,570 for new vehicles and new capital asset equipment.

At fiscal year end, the District had contractual purchase commitments approximately totaling \$14,830,000, 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

<b>Capital Assets (net of depreciation)</b>							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2007	2008	2007	2008	2007	2008	2007-2008
Land	\$4,032,454	\$4,032,454	-	-	\$4,032,454	\$4,032,454	0 %
Buildings and Building Improvements	67,691,308	74,429,426	-	-	67,691,308	74,429,426	( 9.954)%
Improvements other than Buildings	2,032,919	2,396,522	-	-	2,032,919	2,396,522	17.886 %
Equipment and Vehicles	4,936,551	4,921,897	62,165	97,634	4,998,716	4,921,897	(1.537)%
Construction in Progress	6,274,912	3,839,995	-	-	6,274,912	3,839,995	(38.804)%
<b>Total</b>	<b>\$84,968,144</b>	<b>\$89,620,294</b>	<b>\$ 62,165</b>	<b>\$ 97,634</b>	<b>\$85,030,309</b>	<b>\$89,620,294</b>	<b>5.398 %</b>



**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008  
(Unaudited - Continued)**

***Debt Administration / Long Term Debt***

On June 30, 2008, the District had \$1,935,982 in other long-term debt outstanding or a reduction of 3.756 % from June 30, 2007 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, 2008, the District’s overall legal debt limit was \$455,306,649 leaving a legal debt margin of \$455,306,649 available.

Figure E

<b>Outstanding Long Term Debt</b>			
	Total School District		Total Percentage Change
	2007	2008	2007-2008
General obligation bonds & note	-	-	(100.000) %
Other general obligation debt - Capital leases	1,609,999	1,546,349	(1.001) %
Other general obligation debt - Sick Leave Payable	401,536anticipated	389,633anticipated	(2.964) %
<b>Total</b>	<b>\$2,011,535</b>	<b>\$1,935,982</b>	<b>(3.756) %</b>

**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 experiencing an economic boom in its energy industry businesses. The increase of new workers with their families to the area has given the District an influx of students reversing a ten-year student enrollment decline. The District’s Average Daily Membership remained stable for Fiscal Year 2008 from Fiscal Year 2007. Several combining factors kept the student enrollment from increasing; the District’s new Wyoming Virtual School program, for kindergarten through sixth grade, attracted students directly from our attendance area population; several dozen students transferred to the new parochial school which opened this year within the District’s boundaries and an increased number of dropouts. It is anticipated an increased student population trend will continue for at least the next five years, maybe longer. A few 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 area 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. The construction of a new elementary school began in 2008 and is currently on schedule, with occupancy for the beginning of the Fiscal Year 2010. In September of 2008, construction started on a second new elementary school, with a scheduled opening date of January 2010. The District is currently working with the Wyoming School Facilities Commission on plans to replace a third elementary school and build a new alternative high school.
- The elimination of a constitutionally guaranteed maximum on the amount of recapture occurred when Constitutional Amendment B was passed in November of 2006. However, the 2007 Wyoming State Legislature failed to amend or repeal the statute providing for the rebate. Campbell County School District No.1, along with four other districts, began litigation to dispute the effective date of the amendment. New developments occurred with the

## **CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2008 (Unaudited - Continued)**

2008 Wyoming State Legislature repealing statute 21-13-102(c), which provided for the rebate. A district court judge reviewed the case and certified the question as a constitutional matter to the Wyoming Supreme Court. The higher court accepted the certification, and a decision is anticipated some time during the 2008-09 school year. During the fiscal years 2006-07 and 2007-08, Campbell County School District No.1 has retained the disputed funds in a Special Reserve Fund, which now exceed \$21.7 million.

- 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. 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. In January 2008 the Wyoming Supreme Court ruled on the school finance lawsuit which had been heard on October 18, 2006. The following decision quote summarizes the outcome:

“ This case presents the issue of whether the legislature's efforts meet the constitutional mandate. We hold that the system is constitutional. Some deficiencies exist, some changes are required and new issues will arise; however, this Court is satisfied that the legislature has in place a thorough and efficient educational structure funded from state wealth as required by our state constitution. This Court's jurisdiction, retained since 2001, is ended.”

- 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, 2006. (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, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the district's accountability for the money it receives. If anyone has questions about this report or needs additional financial information, they may contact the Finance Office, Campbell County School District No.1, 1000 West Eight Street, PO Box 3033, Gillette, WY 82717-3033 or visit the District's web site at [www.ccsd.k12.wy.us](http://www.ccsd.k12.wy.us).

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF NET ASSETS**

June 30, 2008

	Primary Government			Component
	Governmental	Business-	Total	Unit
	Activities	Type		BOCHES
		Activities		
<b>ASSETS</b>				
Cash	\$ 1,615,077	\$ 42,886	\$ 1,657,963	\$ 547,364
Cash With Fiscal Agent	916,098	-	916,098	-
Temporary Investments	63,333,413	47	63,333,460	437,866
Taxes Receivable (net of allowance for uncollectibles)	152,434,797	-	152,434,797	2,697,990
Interest Receivable	2,738	-	2,738	-
Other Accounts Receivable	10,858	4,378	15,236	-
Due From Other Governments	2,100,027	4,717	2,104,744	-
Inventories	738,705	62,671	801,376	-
Capital Assets:				
Non-depreciable Capital Assets	7,872,449	-	7,872,449	-
Depreciable Capital Assets, Net	81,747,845	97,634	81,845,479	-
<b>Total Assets</b>	<b>\$ 310,772,007</b>	<b>\$ 212,333</b>	<b>\$ 310,984,340</b>	<b>\$ 3,683,220</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 532,906	\$ 35,266	\$ 568,172	\$ 5,049
Accrued Compensation	7,634,080	24,872	7,658,952	-
Net OPEB Obligation	236,000	-	236,000	-
Contracts and Retainage Payable	1,259,593	-	1,259,593	-
State Foundation Payable	2,730,028	-	2,730,028	-
Estimated Claims Payable	30,000	-	30,000	-
Deferred Revenue	151,736,034	-	151,736,034	2,683,107
Noncurrent Liabilities:				
Due Within One Year	617,454	-	617,454	-
Due Within More Than One Year	1,318,528	-	1,318,528	-
<b>Total Liabilities</b>	<b>\$ 166,094,623</b>	<b>\$ 60,138</b>	<b>\$ 166,154,761</b>	<b>\$ 2,688,156</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, Net of Related Debt	\$ 88,073,945	\$ 97,634	\$ 88,171,579	\$ -
Restricted for:				
Enabling Legislation	21,771,829	-	21,771,829	-
Capital Projects	10,128,137	-	10,128,137	-
Unrestricted	24,703,473	54,561	24,758,034	995,064
<b>Total Net Assets</b>	<b>\$ 144,677,384</b>	<b>\$ 152,195</b>	<b>\$ 144,829,579</b>	<b>\$ 995,064</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2008

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities:			
Instruction:			
Regular	\$ 45,322,802	\$ 286,560	\$ 1,417,635
Special Education	13,221,764	61,113	1,998,812
Vocational	2,411,560	-	149,133
Other Instruction	476,151	-	-
Support Services:			
Pupil	11,137,692	179,571	336,829
Instructional Staff	7,546,679	4,124	2,373,686
General Administration	1,155,370	5,250	76,563
School Administration	5,851,548	103,801	8,616
Business	2,108,950	43,377	112,853
Operation and Maintenance of Plant	10,861,919	6,990	1,822
Pupil Transportation	6,152,348	1,868	-
Central	1,748,671	-	3,756
Other Support Services	2,829,937	-	176,880
Operation of Non-Instructional Services:			
Community Services	2,477,910	205,622	707,750
Debt Service:			
Interest on Long Term Debt	84,581	-	-
Total Governmental Activities	\$ 113,387,882	\$ 898,276	\$ 7,364,335
Business-type Activities:			
Food Service	\$ 3,323,556	\$ 2,092,833	\$ 904,897
Total Primary Government	\$ 116,711,438	\$ 2,991,109	\$ 8,269,232
Component Unit:			
BOCHES	\$ 2,745,248	\$ -	\$ -
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			
Interest			
Miscellaneous			
(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	
\$ (43,618,607)	\$ -	\$ (43,618,607)	\$ -	-
(11,161,839)	-	(11,161,839)	-	-
(2,262,427)	-	(2,262,427)	-	-
(476,151)	-	(476,151)	-	-
(10,621,292)	-	(10,621,292)	-	-
(5,168,869)	-	(5,168,869)	-	-
(1,073,557)	-	(1,073,557)	-	-
(5,739,131)	-	(5,739,131)	-	-
(1,952,720)	-	(1,952,720)	-	-
(10,853,107)	-	(10,853,107)	-	-
(6,150,480)	-	(6,150,480)	-	-
(1,744,915)	-	(1,744,915)	-	-
(2,653,057)	-	(2,653,057)	-	-
(1,564,538)	-	(1,564,538)	-	-
(84,581)	-	(84,581)	-	-
\$ (105,125,271)	\$ -	\$ (105,125,271)	\$ -	-
\$ -	\$ (325,826)	\$ (325,826)	\$ -	-
\$ (105,125,271)	\$ (325,826)	\$ (105,451,097)	\$ -	-
\$ -	\$ -	\$ -	\$ (2,745,248)	-
\$ 100,761,353	\$ -	\$ 100,761,353	\$ 2,731,022	-
56,466	-	56,466	-	-
4,752,745	-	4,752,745	-	-
8,346,057	-	8,346,057	-	-
3,204,151	6,361	3,210,512	23,289	-
793,537	-	793,537	-	-
(7,975)	-	(7,975)	-	-
(175,836)	175,836	-	-	-
\$ 117,730,498	\$ 182,197	\$ 117,912,695	\$ 2,754,311	-
\$ 12,605,227	\$ (143,629)	\$ 12,461,598	\$ 9,063	-
132,072,157	295,824	132,367,981	986,001	-
\$ 144,677,384	\$ 152,195	\$ 144,829,579	\$ 995,064	-

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2008**

	General Fund	"Q" Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 753,614	\$ -	\$ 861,094	\$ 1,614,708
Cash With Fiscal Agent	-	-	916,098	916,098
Temporary Investments	17,294,510	21,770,783	20,457,839	59,523,132
Taxes Receivable (net of allowance for uncollectibles)	147,663,976	-	4,770,821	152,434,797
Interest Receivable	803	1,046	706	2,555
Other Accounts Receivable	10,858	-	-	10,858
Due From Other Funds	694,719	-	409,322	1,104,041
Due From Other Governments	452,299	-	1,647,728	2,100,027
Inventories	738,317	-	388	738,705
<b>Total Assets</b>	<b>\$ 167,609,096</b>	<b>\$ 21,771,829</b>	<b>\$ 29,063,996</b>	<b>\$ 218,444,921</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 195,092	\$ -	\$ 69,890	\$ 264,982
Accrued Compensation	7,634,080	-	-	7,634,080
Net OPEB Obligation	236,000	-	-	236,000
Contracts and Retainage Payable	1,418	-	1,258,175	1,259,593
State Foundation Payable	2,730,028	-	-	2,730,028
Due To Other Funds	418,398	-	685,643	1,104,041
Deferred Revenue	146,992,204	-	4,851,842	151,844,046
<b>Total Liabilities</b>	<b>\$ 158,207,220</b>	<b>\$ -</b>	<b>\$ 6,865,550</b>	<b>\$ 165,072,770</b>
<b>FUND BALANCES</b>				
Reserved for:				
Encumbrances	\$ 294,626	\$ -	\$ 608,863	\$ 903,489
Enabling Legislation	-	21,771,829	-	21,771,829
Capital Projects	-	-	10,128,137	10,128,137
Unreserved:				
Designated for Capital Projects	-	-	2,502,441	2,502,441
Undesignated, Reported in:				
General Fund	9,107,250	-	-	9,107,250
Special Revenue Funds	-	-	6,243,936	6,243,936
Capital Projects Funds	-	-	2,715,069	2,715,069
<b>Total Fund Balances</b>	<b>\$ 9,401,876</b>	<b>\$ 21,771,829</b>	<b>\$ 22,198,446</b>	<b>\$ 53,372,151</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 167,609,096</b>	<b>\$ 21,771,829</b>	<b>\$ 29,063,996</b>	<b>\$ 218,444,921</b>

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, 2008

Total Governmental Fund Balances	\$ 53,372,151
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.	593,455
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Non-depreciable capital assets	7,872,449
Depreciable assets	161,193,153
Less: accumulated depreciation	<u>(79,445,308)</u>
	89,620,294
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 are included in the governmental activities in the statement of net assets. Internal Service Fund net assets are:	3,512,909
Unexpended hail 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.	(485,443)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Capital Leases Payable	1,546,349
Sick Leave Payable	<u>389,633</u>
	(1,935,982)
<b>Net Assets of Governmental Activities</b>	<b>\$ 144,677,384</b>

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, 2008

(Page 1 of 2)

	General Fund	"Q" Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 80,336,088	\$ -	\$ 4,787,785	\$ 85,123,873
Interest	1,790,861	534,908	739,772	3,065,541
Tuition and Fees	29,253	-	353,814	383,067
Rentals	-	-	65,307	65,307
Charges for Services	1,868	-	448,034	449,902
Contributions and Donations	64,800	-	246,234	311,034
Miscellaneous	72,176	-	420,158	492,334
<b>Total Local Sources</b>	<b>\$ 82,295,046</b>	<b>\$ 534,908</b>	<b>\$ 7,061,104</b>	<b>\$ 89,891,058</b>
County Sources:				
Taxes	\$ 20,155,889	\$ -	\$ 3,564	\$ 20,159,453
State Sources:				
Intergovernmental	\$ 2,531,100	\$ -	\$ 8,210,014	\$ 10,741,114
Federal Sources:				
Intergovernmental	\$ 113,619	\$ -	\$ 4,544,625	\$ 4,658,244
<b>Total Revenues</b>	<b>\$ 105,095,654</b>	<b>\$ 534,908</b>	<b>\$ 19,819,307</b>	<b>\$ 125,449,869</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	\$ 38,526,944	\$ -	\$ 2,303,311	\$ 40,830,255
Special Education	11,825,016	-	1,396,748	13,221,764
Vocational Education	2,262,772	-	148,788	2,411,560
Other Instruction	474,262	-	1,889	476,151
Support Services:				
Pupil	10,625,599	-	523,007	11,148,606
Instructional Staff	6,572,470	-	974,209	7,546,679
General Administration	917,369	49,420	32,677	999,466
School Administration	5,692,709	-	111,363	5,804,072
Business	2,018,136	-	100,410	2,118,546
Operation and Maintenance of Plant	9,657,511	-	1,007,244	10,664,755
Pupil Transportation	6,152,348	-	-	6,152,348
Central	1,222,150	-	148,774	1,370,924
Other Support	169,799	2,500,000	160,138	2,829,937
Operation of Non-Instructional Service:				
Community Services	185,774	-	2,837,019	3,022,793
Capital Outlay	738,431	-	8,660,976	9,399,407
Debt service:				
Interest	84,581	-	-	84,581
Principal	802,081	-	-	802,081
<b>Total Expenditures</b>	<b>\$ 97,927,952</b>	<b>\$ 2,549,420</b>	<b>\$ 18,406,553</b>	<b>\$ 118,883,925</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 7,167,702	\$ (2,014,512)	\$ 1,412,754	\$ 6,565,944

(Continued)



**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

Year Ended June 30, **2008**

(Page 2 of 2)

	General Fund	"Q" Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 3,614,390	\$ 11,894,461	\$ 6,934,008	\$ 22,442,859
Transfers (Out)	(13,334,314)	(3,665,147)	(6,135,383)	(23,134,844)
Proceeds From Capital Lease	738,431	-	-	738,431
Sale of Capital Assets	21,934	-	-	21,934
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (8,959,559)</b>	<b>\$ 8,229,314</b>	<b>\$ 798,625</b>	<b>\$ 68,380</b>
Net Change in Fund Balances	\$ (1,791,857)	\$ 6,214,802	\$ 2,211,379	\$ 6,634,324
<b>FUND BALANCES, BEGINNING JULY 1</b>	<b>11,193,733</b>	<b>15,557,027</b>	<b>19,987,067</b>	<b>46,737,827</b>
<b>FUND BALANCES, ENDING JUNE 30</b>	<b>\$ 9,401,876</b>	<b>\$ 21,771,829</b>	<b>\$ 22,198,446</b>	<b>\$ 53,372,151</b>

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, 2008

Net Change in Fund Balances - Total Governmental Funds	<b>\$ 6,634,324</b>
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.	<b>287,238</b>
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 capital outlays exceeded depreciation in the current period.	<b>4,731,258</b>
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.	<b>(79,108)</b>
Hail 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.	<b>301,203</b>
Capital lease proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets.	<b>(738,431)</b>
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 income of the internal service fund is reported with governmental activities.	<b>654,759</b>
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.	<b>802,081</b>
Decrease in long-term sick leave payable is not reflected in the governmental funds, but decreases long-term liabilities in the statement of net assets.	<b>11,903</b>
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 12,605,227</b>

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, 2008

(Page 1 of 2)

	Budgeted Amounts		Actual *	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 66,898,581	\$ 76,646,558	\$ 80,438,466	\$ 3,791,908
Interest	2,350,000	2,350,000	1,790,861	(559,139)
Tuition and Fees	30,000	30,000	29,253	(747)
Charges for Services	3,000	3,000	1,868	(1,132)
Contributions and Donations	104,370	104,370	64,800	(39,570)
Miscellaneous	60,000	71,564	76,869	5,305
<b>Total Local Revenues</b>	<b>\$ 69,445,951</b>	<b>\$ 79,205,492</b>	<b>\$ 82,402,117</b>	<b>\$ 3,196,625</b>
County Sources:				
Taxes	\$ 17,344,919	\$ 19,671,869	\$ 20,285,346	\$ 613,477
State Sources:				
Intergovernmental	\$ 8,017,013	\$ 3,732,971	\$ 2,531,100	\$ (1,201,871)
Federal Sources:				
Intergovernmental	\$ 95,000	\$ 99,725	\$ 113,619	\$ 13,894
<b>Total Revenues</b>	<b>\$ 94,902,883</b>	<b>\$ 102,710,057</b>	<b>\$ 105,332,182</b>	<b>\$ 2,622,125</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	\$ 45,394,860	\$ 40,417,768	\$ 38,526,944	\$ 1,890,824
Special Education	11,845,118	13,420,443	11,825,016	1,595,427
Vocational Education	-	2,262,776	2,262,772	4
Other Instruction	-	474,262	474,262	-
Support Services:				
Pupil	13,210,249	10,857,671	10,625,599	232,072
Instructional Staff	5,329,683	7,290,504	6,572,470	718,034
General Administration	1,982,946	1,603,702	917,369	686,333
School Administration	5,401,428	5,705,606	5,692,709	12,897
Business	1,972,103	2,071,847	2,018,136	53,711
Operation and Maintenance of Plant	10,136,292	10,415,395	9,657,511	757,884
Pupil Transportation	5,836,261	6,305,188	6,152,348	152,840
Central	4,423,519	4,364,685	1,222,150	3,142,535
Other Support	98,036	181,492	169,799	11,693
Operation of Non-Instructional Services				
Community Services	694,112	262,093	185,774	76,319
Capital Outlay	738,431	738,431	738,431	-
Debt service:				
Interest	85,378	85,378	84,581	797
Principal	802,081	802,081	802,081	-
<b>Total Expenditures</b>	<b>\$ 107,950,497</b>	<b>\$ 107,259,322</b>	<b>\$ 97,927,952</b>	<b>\$ 9,331,370</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (13,047,614)	\$ (4,549,265)	\$ 7,404,230	\$ 11,953,495

(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, **2008**

(Page 2 of 2)

	Budgeted Amounts		Actual *	Variance With Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ -	\$ 3,298,436	\$ 3,614,390	\$ 315,954
Transfers (Out)	(701,000)	(12,847,786)	(13,334,314)	(486,528)
Proceeds from Capital Lease	738,431	738,431	738,431	-
Sale of Capital Assets	11,000	11,000	21,934	10,934
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 48,431</b>	<b>\$ (8,799,919)</b>	<b>\$ (8,959,559)</b>	<b>\$ (159,640)</b>
Net Change in Fund Balance	\$ (12,999,183)	\$ (13,349,184)	\$ (1,555,329)	\$ 11,793,855
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>13,687,233</b>	<b>13,687,233</b>	<b>13,687,233</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 688,050</b>	<b>\$ 338,049</b>	<b>\$ 12,131,904</b>	<b>\$ 11,793,855</b>

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, 2008**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Interest	\$ 200,000	\$ 429,806	\$ 534,908	\$ 105,102
<b>EXPENDITURES</b>				
Current:				
Support Services:				
General Administration	\$ 200,000	\$ 200,000	\$ 49,420	\$ 150,580
Other Support	-	2,500,000	2,500,000	-
Total Expenditures	\$ 200,000	\$ 2,700,000	\$ 2,549,420	\$ 150,580
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ (2,270,194)	\$ (2,014,512)	\$ 255,682
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ -	\$ -	\$ 11,894,461	\$ 11,894,461
Transfers (Out)	-	(3,726,000)	(3,665,147)	60,853
Total Other Financing Sources (Uses)	\$ -	\$ (3,726,000)	\$ 8,229,314	\$ 11,955,314
Net Change in Fund Balance	\$ -	\$ (5,996,194)	\$ 6,214,802	\$ 12,210,996
FUND BALANCE, BEGINNING JULY 1	15,557,027	15,557,027	15,557,027	-
FUND BALANCE, ENDING JUNE 30	\$ 15,557,027	\$ 9,560,833	\$ 21,771,829	\$ 12,210,996

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF NET ASSETS  
ENTERPRISE FUND**

June 30, 2008

	<u>Business-Type Activities</u>
	Food Service
<b>ASSETS</b>	
Current Assets	
Cash	\$ 42,886
Temporary Investments	47
Accounts Receivable	4,378
Due From Other Governments	4,717
Inventories	62,671
Total Current Assets	\$ 114,699
Capital Assets, Net	\$ 97,634
Total Assets	\$ 212,333
<b>LIABILITIES</b>	
Accounts Payable	\$ 35,266
Accrued Compensation	24,872
Total Liabilities	\$ 60,138
<b>NET ASSETS</b>	
Invested in Capital Assets, Net of Related Debt	\$ 97,634
Unrestricted	54,561
Total Net Assets	\$ 152,195

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, 2008

	Business-Type Activities
	Food Service
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 2,092,833
<b>OPERATING EXPENSES</b>	
Salaries	\$ 1,111,806
Fringe Benefits	334,184
Purchased Services	5,082
Materials and Supplies	16,298
Direct Food Costs	1,832,985
Depreciation	15,017
Other	8,184
Total Operating Expenses	\$ 3,323,556
Operating (Loss)	\$ (1,230,723)
<b>NONOPERATING REVENUES</b>	
Donated Commodities	\$ 115,694
Operating Grants	789,203
Interest	6,361
Total Nonoperating Revenues	\$ 911,258
(Loss) Before Transfers	\$ (319,465)
<b>TRANSFERS</b>	
Transfers In	175,836
Change in Net Assets	\$ (143,629)
<b>NET ASSETS, BEGINNING JULY 1</b>	<b>295,824</b>
<b>NET ASSETS, ENDING JUNE 30</b>	<b>\$ 152,195</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF CASH FLOWS  
ENTERPRISE FUND**

Year Ended June 30, 2008

	Business-Type Activities
	Food Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers	\$ 2,092,404
Cash Payments to Employees for Services	(1,086,934)
Cash Payments for Employee Benefits	(334,184)
Cash Payments for Goods and Services	(1,766,348)
<b>Net Cash (Used in) Operating Activities</b>	<b>\$ (1,095,062)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Operating Grants Received	\$ 784,486
Transfers In	175,836
<b>Net Cash Provided by Noncapital Financing Activities</b>	<b>\$ 960,322</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Payments for Capital Acquisitions	\$ (50,486)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on Investments	\$ 6,557
Proceeds from Maturities of Investments	1,161,289
Purchase of Investments	(952,013)
<b>Net Cash Provided By Investing Activities</b>	<b>\$ 215,833</b>
<b>Net Increase in Cash</b>	<b>\$ 30,607</b>
Cash, Beginning July 1	12,279
<b>Cash, Ending June 30</b>	<b>\$ 42,886</b>
<b>Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities</b>	
Operating (Loss)	\$ (1,230,723)
Adjustments:	
Depreciation	15,017
Donated Commodities Used During Year	115,694
(Increase) in Assets:	
Accounts Receivable	(429)
Inventories	(24,207)
Increase in Liabilities:	
Accounts Payable	4,714
Accrued Compensation	24,872
<b>Net Cash (Used in) Operating Activities</b>	<b>\$ (1,095,062)</b>

See Notes to the Basic Financial Statements.



**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF NET ASSETS**

**INTERNAL SERVICE FUND**

June 30, 2008

	Self-Insurance Health Fund
<b>ASSETS</b>	
CURRENT ASSETS	
Cash	\$ 369
Temporary Investments	3,810,281
Interest Receivable	183
<b>Total Assets</b>	<b>\$ 3,810,833</b>
<b>LIABILITIES</b>	
CURRENT LIABILITIES	
Accounts Payable	\$ 267,924
Estimated Claims Payable	30,000
<b>Total Liabilities</b>	<b>\$ 297,924</b>
<b>NET ASSETS</b>	
Unrestricted	<b>\$ 3,512,909</b>

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, 2008

	Self-Insurance Health Fund
<b>OPERATING REVENUES</b>	<b>\$ 7,449,648</b>
<b>OPERATING EXPENSES</b>	
Salaries	\$ 23,036
Fringe Benefits	53,312
Claims and Contractual Services	7,373,300
<b>Total Operating Expenses</b>	<b>\$ 7,449,648</b>
<b>Operating Income (Loss)</b>	<b>\$ -</b>
<b>NONOPERATING REVENUES</b>	
Interest	\$ 138,610
<b>Income Before Transfers</b>	<b>\$ 138,610</b>
<b>TRANSFERS</b>	
Transfers In	516,149
<b>Changes In Net Assets</b>	<b>\$ 654,759</b>
<b>NET ASSETS, BEGINNING JULY 1</b>	<b>2,858,150</b>
<b>NET ASSETS, ENDING JUNE 30</b>	<b>\$ 3,512,909</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUND**

Year Ended June 30, 2008

	Self-Insurance Health Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers and Users	\$ 7,502,794
Cash Payments to Employees For Services	(23,036)
Cash Payments for Employee Benefits	(53,312)
Cash Payments for Goods and Services	(8,719,867)
<b>Net Cash (Used In) Operating Activities</b>	<b>\$ (1,293,421)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers In	\$ 516,149
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on Investments	\$ 142,031
Proceeds from Maturities of Investments	8,896,066
Purchase of Investments	(8,266,946)
<b>Net Cash Provided By Investment Activities</b>	<b>\$ 771,151</b>
<b>Net (Decrease) in Cash</b>	<b>\$ (6,121)</b>
Cash, Beginning July 1	6,490
<b>Cash, Ending June 30</b>	<b>\$ 369</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash (Used In) Operating Activities</b>	
Operating Income (Loss)	\$ -
Decrease in Assets:	
Other Accounts Receivable	53,146
Increase (Decrease) in Liabilities:	
Accounts Payable	37,433
Estimated Claims Payable	(1,384,000)
<b>Net Cash (Used In) Operating Activities</b>	<b>\$ (1,293,421)</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**

**FIDUCIARY FUNDS**

June 30, 2008

	Agency Funds
<b>ASSETS</b>	
Temporary Investments	\$ 4,379,455
Interest Receivable	234
<b>Total Assets</b>	<b>\$ 4,379,689</b>
<b>LIABILITIES</b>	
Due to Student Groups	\$ 322,586
Estimated Early Retirement Awards Payable	4,057,103
<b>Total Liabilities</b>	<b>\$ 4,379,689</b>

See Notes to the Basic Financial Statements.

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

**Note 1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

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

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

Discretely Presented Component Unit - The 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 and 2007-08 school years. The recapture limitation rebate was transferred from the general fund to a separate special revenue fund as a result of Wyoming Constitutional Amendment B which passed in the November, 2006 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 pending a hearing in front of the Wyoming Supreme Court. 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." As a result of this ruling, nearly \$11.8 million was transferred from the general fund to the "Q" fund in 2007-08. The contested balance in this fund now exceeds \$21.7 million.

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 dental plan and for payments of insurance premiums for the third party multiple employer welfare arrangement which provides medical benefits.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 1. Summary of Significant Accounting Policies (Continued)

**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.

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 within 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 excess property and production taxes previously collected by the Campbell County Treasurer for repayment of the District's General Obligation Bonds which were paid off in the previous fiscal year. 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 and the Capital Construction 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. 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 liabilities 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 2007 and prior years which are collectible during the year ended June 30, 2008. 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, other; 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 twice. 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	<b>\$ 105,332,182</b>
Adjustment for State Foundation Program payable at June 30, 2007	<b>2,493,500</b>
Adjustment for State Foundation Program payable at June 30, 2008	<b>(2,730,028)</b>
Generally accepted accounting principles basis	<b>\$ 105,095,654</b>

**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, 2008.

Investments - As of June 30, 2008 the District had the following investments:

Investment Type	Fair Value	Credit Quality Ratings <sup>(1)</sup>	Weighted Average Maturity (Days)
<b>Primary Government</b>			
Money Market Savings Account	\$ 2,332,675	N/A	N/A
Wyoming Government Investment Fund	4,037,560	AAAm	44
Wyoming State Investment Pool	56,963,225	N/A	1
<b>Total Primary Government Investments</b>	<b>\$ 63,333,460</b>		
<b>Fiduciary Funds</b>			
Wyoming State Investment Pool	\$ 4,379,455	N/A	1
<b>Component Unit</b>			
Wyoming Government Investment Fund	\$ 437,866	AAAm	44
<b>Total Investments</b>	<b>\$ 68,150,781</b>		

<sup>(1)</sup> 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 in the Money Market Savings Account and the Wyoming State Investment Pool are currently not rated by a nationally recognized statistical rating organization (NRSRO). The investments held by the Wyoming Government Investment Fund are rated by Standard and Poors.

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 44 days at June 30, 2008. 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 2007 and Prior Years	\$ 3,255,540	\$ 149,559	\$ 3,405,099
Estimated Taxes Receivable for 2008	146,407,496	4,720,000	151,127,496
Less: Allowance for uncollectibles	(1,999,060)	(98,738)	(2,097,798)
<b>Taxes Receivable, Net</b>	<b>\$ 147,663,976</b>	<b>\$ 4,770,821</b>	<b>\$152,434,797</b>

Net taxes receivable of \$152,434,797 for the primary government and \$2,697,990 for BOCHES, the discretely presented component unit on the statement of net assets includes 2008 property taxes of \$151,127,496 and \$2,675,000 respectively. These amounts represent estimated taxes based on the 2008 assessed valuation. 2008 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 2008 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, 2007 and prior years (General Fund)	\$ 564,941
Property taxes receivable, 2008 (General Fund)	146,407,496
Deferred grant revenue (General Fund)	19,767
Property taxes receivable, 2007 and prior years (Non-Major Funds)	28,514
Property taxes receivable, 2008 (Non-Major Funds)	4,720,000
Deferred grant revenue (Non-Major Funds)	46,939
Deferred lease revenue (Non-Major Funds)	56,389
<b>Total Deferred Revenue for Governmental Funds</b>	<b>\$151,844,046</b>

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2008 was as follows:

	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
<b>Governmental Activities</b>				
Non-depreciable capital assets:				
Land	\$ 4,032,454	\$ -	\$ -	\$ 4,032,454
Construction in progress	6,274,912	8,136,798	(10,571,715)	3,839,995
<b>Total non-depreciable capital assets</b>	<b>\$ 10,307,366</b>	<b>\$ 8,136,798</b>	<b>\$(10,571,715)</b>	<b>\$ 7,872,449</b>
Depreciable capital assets:				
Buildings and building improvements	\$ 121,661,083	\$ 9,926,253	\$ (272,516)	\$ 131,314,820
Improvements other than buildings	14,038,383	591,487	(66,497)	14,563,373
Equipment and vehicles	14,766,390	1,156,397	(607,827)	15,314,960
<b>Total depreciable capital assets</b>	<b>\$ 150,465,856</b>	<b>\$11,674,137</b>	<b>\$ (946,840)</b>	<b>\$ 161,193,153</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

	Balance June 30, 2007	Additions	Deductions	Balance June 30, 2008
Less accumulated depreciation for:				
Buildings and building improvements	\$ (53,969,775)	\$ (3,134,357)	\$ 218,738	\$ (56,885,394)
Improvements other than buildings	(12,005,464)	(227,884)	66,497	(12,166,851)
Equipment and vehicles	(9,829,839)	(1,145,721)	582,497	(10,393,063)
<b>Total accumulated depreciation</b>	<b>\$ (75,805,078)</b>	<b>\$ (4,507,962)</b>	<b>\$ 867,732</b>	<b>\$ (79,445,308)</b>
<b>Total depreciable capital assets, net</b>	<b>\$ 74,660,778</b>	<b>\$ 7,166,175</b>	<b>\$ (79,108)</b>	<b>\$ 81,747,845</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 84,968,144</b>	<b>\$15,302,973</b>	<b>\$ (10,650,823)</b>	<b>\$ 89,620,294</b>
<b>Business-type Activities</b>				
Depreciable capital assets:				
Equipment and vehicles	\$ 545,724	\$ 50,486	\$ (1,095)	\$ 595,115
Less accumulated depreciation	(483,559)	(15,017)	1,095	(497,481)
<b>Total depreciable capital assets, net</b>	<b>\$ 62,165</b>	<b>\$ 35,469</b>	<b>\$ -</b>	<b>\$ 97,634</b>

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

<b>Governmental Activities</b>	
Regular instruction	\$ 4,374,950
General administration	133,012
<b>Total depreciation expense - governmental activities</b>	<b>\$ 4,507,962</b>
<b>Business-type Activities</b>	
Food service	\$ 15,017

The construction in progress represents construction related to improvements at several schools and the construction of the new Hillcrest school. Actual signed contracts for these projects approximate \$14,690,000 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, the Minor Capital Projects Fund, and the Capital Recreation Capital Projects Fund. Contracts signed but not yet started approximated \$140,000 at June 30, 2008.

**D. Interfund Receivables, Payables and Transfers**

The composition of due to/from other funds as of June 30, 2008 are as follows:

	Receivable	Payable
Major Funds:		
General Fund	\$ 694,719	\$ 418,398

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

	Receivable	Payable
Non-Major Funds:		
Special Revenue Funds:		
"K" Fund	\$ 409,322	\$ -
Carl Perkins	-	29,147
Title I	-	97,451
Title I - Neglected and Delinquent	-	9,129
Title V	-	706
Drug Free Schools	-	20,278
Title II	-	102,006
Part B	-	97,662
Title III	-	1,108
McKinney Homeless	-	180
21 <sup>st</sup> Century CLC	-	53,940
Capital Project Funds:		
Capital Construction	-	308
Major Capital Projects	-	268,944
Minor Capital Projects	-	4,784
<b>Total Non-Major Funds</b>	<b>\$ 409,322</b>	<b>\$ 685,643</b>
	<b>\$ 1,104,041</b>	<b>\$ 1,104,041</b>

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	Internal Service Fund	Nonmajor Governmental	Total
Transfers In	\$ 3,614,390	\$ 11,894,461	\$ 175,836	\$ 516,149	\$ 6,934,008	\$ 23,134,844
Transfers (Out)	(13,334,314)	(3,665,147)	-	-	(6,135,383)	(23,134,844)
<b>Net interfund transfers</b>	<b>\$ (9,719,924)</b>	<b>\$ 8,229,314</b>	<b>\$ 175,836</b>	<b>\$ 516,149</b>	<b>\$ 798,625</b>	<b>\$ -</b>

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 (CCPRD) provided operating income to the "U" Fund to promote public recreation activities throughout the District and to the "P" Fund for funding of capital projects that promote recreation activities, 5) the General Fund made a transfer to the Depreciation Reserve Fund for reserve for current and future fixed asset replacement and repair, 6) the "Q" Fund made transfers to the General, Retirement, and "L" Funds to close out un-protested recapture limitation rebated funds, and 7) the General Fund made transfers to the Lunch Fund and the Internal Service Fund for operations.

**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 \$15,800,000 at June 30, 2008.

**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, 2008 is \$-0-. Amounts not due at year end approximating \$389,600 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 \$379,200 at June 30, 2008, 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, 2008.

**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	\$ 3,133,735
Less: Accumulated depreciation	(834,375)
<b>Total</b>	<b>\$ 2,299,360</b>

Payments on these obligations are being made by the General Fund. Annual debt service requirements as of June 30, 2008 are presented below:

Year Ending June 30,	Obligations Under Capital Lease
2009	\$ 675,803
2010	506,298
2011	317,613
2012	165,376
Total lease payments	\$ 1,665,090
Less interest portion	(118,741)
Present value of net minimum lease payments	<b>\$ 1,546,349</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 3. Detailed Notes on All Funds (Continued)**

G. Long-Term Debt

Long-term liability activity for the year ended June 30, 2008 was as follows:

	Balance June 30, 2007	Additions	Reductions	Balance June 30, 2008	Due Within One Year
Governmental Activities:					
Capital leases	\$ 1,609,999	\$ 738,431	\$ (802,081)	\$ 1,546,349	\$ 617,454
Sick Leave Payable	401,536	-	(11,903)	389,633	-
Long-term liabilities	\$ 2,011,535	\$ 738,431	\$ (813,984)	\$ 1,935,982	\$ 617,454

H. Legal Debt Margin

At June 30, 2008, the District did not exceed its legal debt margin as shown by the computation that follows:

Assessed valuation	<b>\$4,553,066,493</b>
Debt limit - 10% of total assessed valuation	<b>\$ 455,306,649</b>
Unused legal debt capacity	<b>\$ 455,306,649</b>

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 \$2,730,028 of amounts received during the year ended June 30, 2008 to the Foundation Program during the ensuing year.

J. 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. One-hundred thirteen individuals are receiving severance payments under these plans as of June 30, 2008.

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, 2008 are presented below at their present value assuming interest between 2.17% and 3.34%:

Years Ending June 30,

2009	\$ 1,349,991
2010	923,589
2011	772,536
2012	685,032
2013	498,957
2014	116,634
Total payments	\$ 4,346,739
Less interest portion	(289,636)
Present value of future payments	\$ 4,057,103



## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 3. Detailed Notes on All Funds (Continued)

#### K. 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 2007-2008 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. During 2008 it was determined in administrative hearings that the District would not have to repay approximately \$6.1 million; the District subsequently transferred that amount out of the "Q" Fund. An additional amount of approximately \$11.8 million was added to the "Q" Fund in 2008 for the FY 2007-2008 portion of disputed funds. The fund balance for the "Q" Special Revenue Fund as of June 30, 2008 was entirely reserved for Enabling Legislation.

### 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	\$ -
Uninsured motorist	\$ 250,000	\$ -
Under-insured motorist	\$ 250,000	\$ -
Property		
Building and contents	\$250,000,000	\$ 5,000
Business income without extra expense	\$ 5,000,000	\$ -
Extra expense (per occurrence)	\$ 5,000,000	\$ -
Earthquake	\$ 25,000,000	\$ 25,000
Flood/backup water	\$ 25,000,000	\$ 25,000
Supplemental Coverages		
Electronic data processing equipment, data and media	\$ 5,000,000	\$ -
Accounts receivable	\$ 5,000,000	\$ -
Errors and omissions	\$ 1,000,000	\$ -
Valuable papers	\$ 5,000,000	\$ -
Builders' risk	\$ 1,000,000	\$ -
All construction sites	\$ 10,000,000	\$ -
Contractors' equipment (per item)	\$ 3,000,000	\$ -
Vehicle damage	\$ 5,000,000	\$ -
Boiler and Machinery		
Total breakdown limit	\$ 50,000,000	\$ 5,000
Ordinance or law, demolition	\$ 10,000,000	\$ -
Hazardous substance	\$ 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 dental benefits through a self-insured program. The District uses an internal service fund to account for and finance its uninsured risks of loss in this program. The dental plan has no deductible for preventative and diagnostic services, \$45 deductible for single and \$90 per family for basic and major services. Basic is covered at 85%, and major at 50%. A third party administrator reviews all claims which the District then pays.

In prior years the District provided employee medical benefits through a self insured program. 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. 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. 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

The liability for unpaid claims cost of \$30,000 as estimated by the self insurance dental benefits third party administrator based upon claims filed subsequent to year end and historical experience, which is reported in the financial statements at June 30, 2008, 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, 2007 to June 30, 2008	\$ 1,414,000	\$ 419,585	\$ 1,803,585	\$ 30,000
June 30, 2006 to June 30, 2007	\$ 994,000	\$ 8,378,031	\$ 7,958,031	\$ 1,414,000

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, 2008, 2007 and 2006 were \$7,446,000, \$6,921,000 and \$5,923,000 respectively, which was equal to the required contribution for the years then ended.

#### C. Tax Revenues

Approximately 87% of tax revenue for the year ended June 30, 2008 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, 2008.

## 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. This facility is being constructed by a joint powers board consisting of Campbell County School District No. 1, Campbell County and the City of Gillette. This commitment runs through June, 2017 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 as of July 1, 2006, the actuarial date, was a self-insured medical plan, including prescription drugs, and a self-insured dental plan. Subsequently the District transferred the medical plan to a multiple employer welfare arrangement. 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
<b>Total participants</b>	<b>920</b>

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	<b>\$ 193,000</b>
Interest on Normal Cost	<b>10,000</b>
Amortization Payment	<b>276,000</b>
Interest on Amortization Payment	<b>14,000</b>
<b>Total</b>	<b>\$ 493,000</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

Net OPEB Obligation	
Net OPEB Obligation - Beginning of Year	\$ 236,000
ARC	\$ 493,000
Interest on Prior Year NOO	-
Adjustment to ARC	-
Annual OPEB Cost	\$ 493,000
Employer Contributions	(493,000)
Increase in Net OPEB Obligation	\$ -
Net OPEB Obligation - End of Year	\$ 236,000
Percentage of OPEB Cost Contributed	100%

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the OPEB obligation for the years ended June 30, 2008 and June 30, 2007 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/07	\$ 493,000	52.13%	\$ 236,000
6/30/08	\$ 493,000	100.00%	\$ 236,000

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. July 1, 2006 was the last actuarial valuation conducted, and therefore 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:

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 4. Other Information (Continued)**

*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.

*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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

*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.

*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, 2008**

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)**

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.

21<sup>st</sup> Century CLC - 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 principal and interest payments 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.

Capital Recreation Projects Fund - This fund accounts for the resources accumulated and payments made for the construction of projects used for recreational purposes. This fund is funded by transfers received from the Campbell County Community Public Recreation District (CCPRD).

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, 2008

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>ASSETS</b>				
Cash	\$ 861,094	\$ -	\$ -	\$ 861,094
Cash With Fiscal Agent	-	916,098	-	916,098
Temporary Investments	8,935,891	-	11,521,948	20,457,839
Taxes Receivable (net of allowance for uncollectibles)	4,752,162	18,659	-	4,770,821
Interest Receivable	236	-	470	706
Due From Other Funds	409,322	-	-	409,322
Due From Other Governments	459,934	-	1,187,794	1,647,728
Inventories	-	-	388	388
<b>Total Assets</b>	<b>\$ 15,418,639</b>	<b>\$ 934,757</b>	<b>\$12,710,600</b>	<b>\$ 29,063,996</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 28,549	\$ -	\$ 41,341	\$ 69,890
Contracts and Retainage Payable	421,252	-	836,923	1,258,175
Due To Other Funds	411,607	-	274,036	685,643
Deferred Revenue	4,826,954	18,659	6,229	4,851,842
<b>Total Liabilities</b>	<b>\$ 5,688,362</b>	<b>\$ 18,659</b>	<b>\$ 1,158,529</b>	<b>\$ 6,865,550</b>
<b>FUND BALANCES</b>				
Reserved For:				
Encumbrances	\$ 608,863	\$ -	\$ -	\$ 608,863
Capital Projects	375,037	916,098	8,837,002	10,128,137
Unreserved:				
Designated for Capital Projects	2,502,441	-	-	2,502,441
Undesignated	6,243,936	-	2,715,069	8,959,005
<b>Total Fund Balances</b>	<b>\$ 9,730,277</b>	<b>\$ 916,098</b>	<b>\$11,552,071</b>	<b>\$ 22,198,446</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 15,418,639</b>	<b>\$ 934,757</b>	<b>\$12,710,600</b>	<b>\$ 29,063,996</b>

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

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

Year Ended June 30, 2008

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 4,743,464	\$ 44,290	\$ 31	\$ 4,787,785
Interest	390,118	-	349,654	739,772
Tuition and Fees	353,814	-	-	353,814
Rentals	65,307	-	-	65,307
Charges for Services	448,034	-	-	448,034
Contributions and Donations	246,234	-	-	246,234
Miscellaneous	420,158	-	-	420,158
<b>Total Local Sources</b>	<b>\$ 6,667,129</b>	<b>\$ 44,290</b>	<b>\$ 349,685</b>	<b>\$ 7,061,104</b>
County Sources:				
Taxes	\$ 3,564	\$ -	\$ -	\$ 3,564
State Sources:				
Intergovernmental	\$ 3,385,253	\$ -	\$ 4,824,761	\$ 8,210,014
Federal Sources:				
Intergovernmental	\$ 4,544,625	\$ -	\$ -	\$ 4,544,625
<b>Total Revenues</b>	<b>\$ 14,600,571</b>	<b>\$ 44,290</b>	<b>\$ 5,174,446</b>	<b>\$ 19,819,307</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	\$ 2,303,311	\$ -	\$ -	\$ 2,303,311
Special Education	1,396,748	-	-	1,396,748
Vocational	148,788	-	-	148,788
Other Instruction	1,889	-	-	1,889
Support Services:				
Pupil	523,007	-	-	523,007
Instructional Staff	974,209	-	-	974,209
General Administration	32,677	-	-	32,677
School Administration	111,363	-	-	111,363
Business	100,410	-	-	100,410
Operation and Maintenance of Plant	1,007,244	-	-	1,007,244
Central	148,774	-	-	148,774
Other Support	160,138	-	-	160,138
Operation of Non-Instructional Services:				
Community Services	2,837,019	-	-	2,837,019
Capital Outlay	1,081,459	-	7,579,517	8,660,976
<b>Total Expenditures</b>	<b>\$ 10,827,036</b>	<b>\$ -</b>	<b>\$ 7,579,517</b>	<b>\$ 18,406,553</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 3,773,535	\$ 44,290	\$ (2,405,071)	\$ 1,412,754
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ 1,457,245	\$ -	\$ 5,476,763	\$ 6,934,008
Transfers (Out)	(6,099,008)	-	(36,375)	(6,135,383)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (4,641,763)</b>	<b>\$ -</b>	<b>\$ 5,440,388</b>	<b>\$ 798,625</b>
<b>Net Change in Fund Balances</b>	<b>\$ (868,228)</b>	<b>\$ 44,290</b>	<b>\$ 3,035,317</b>	<b>\$ 2,211,379</b>
<b>FUND BALANCES, BEGINNING JULY 1</b>	<b>10,598,505</b>	<b>871,808</b>	<b>8,516,754</b>	<b>19,987,067</b>
<b>FUND BALANCES, ENDING JUNE 30</b>	<b>\$ 9,730,277</b>	<b>\$ 916,098</b>	<b>\$ 11,552,071</b>	<b>\$ 22,198,446</b>

**SPECIAL REVENUE FUNDS**

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2008

(Page 1 of 2)

	"K" Fund	"U" Fund	Major Maintenance	Building (B)	Technology
<b>ASSETS</b>					
Cash	\$ -	\$ -	\$ 79,352	\$ 489,138	\$ -
Temporary Investments	-	1,113,139	4,037,560	-	1,178,001
Taxes Receivable (net of allowance for uncollectibles)	-	-	-	-	-
Interest Receivable	-	54	-	-	57
Due From Other Funds	409,322	-	-	-	-
Due From Other Governments	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 409,322</b>	<b>\$ 1,113,193</b>	<b>\$ 4,116,912</b>	<b>\$ 489,138</b>	<b>\$ 1,178,058</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 2,932	\$ 75	\$ 17,925	\$ -	\$ -
Contracts and Retainage Payable	-	55,693	365,559	-	-
Due To Other Funds	-	-	-	-	-
Deferred Revenue	56,389	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 59,321</b>	<b>\$ 55,768</b>	<b>\$ 383,484</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCES</b>					
Reserved For:					
Encumbrances	\$ 6,264	\$ 37,001	\$ 563,965	\$ -	\$ 1,633
Capital Projects	-	2,500	372,537	-	-
Unreserved:					
Designated For Capital Projects	-	-	-	-	-
Undesignated	343,737	1,017,924	2,796,926	489,138	1,176,425
<b>Total Fund Balances</b>	<b>\$ 350,001</b>	<b>\$ 1,057,425</b>	<b>\$ 3,733,428</b>	<b>\$ 489,138</b>	<b>\$ 1,178,058</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 409,322</b>	<b>\$ 1,113,193</b>	<b>\$ 4,116,912</b>	<b>\$ 489,138</b>	<b>\$ 1,178,058</b>

Sick Leave	CCCPRD	Carl Perkins	Title I	Title I Neglected & Delinquent	Title I - Even Start	Title V	Drug Free Schools	Title II
\$ -	\$ 292,604	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
419,766	2,187,425	-	-	-	-	-	-	-
-	4,752,162	-	-	-	-	-	-	-
20	105	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	29,147	97,451	9,129	-	706	28,561	103,119
\$ 419,786	\$ 7,232,296	\$ 29,147	\$ 97,451	\$ 9,129	\$ -	\$ 706	\$ 28,561	\$ 103,119
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	29,147	97,451	9,129	-	706	20,278	102,006
-	4,729,855	-	-	-	-	-	8,283	1,113
\$ -	\$ 4,729,855	\$ 29,147	\$ 97,451	\$ 9,129	\$ -	\$ 706	\$ 28,561	\$ 103,119
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	2,502,441	-	-	-	-	-	-	-
419,786	-	-	-	-	-	-	-	-
\$ 419,786	\$ 2,502,441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 419,786	\$ 7,232,296	\$ 29,147	\$ 97,451	\$ 9,129	\$ -	\$ 706	\$ 28,561	\$ 103,119

(Continued)

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2008

(Page 2 of 2)

	Part B	Title III	McKinney Homeless	21 <sup>st</sup> Century CLC
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ -	\$ -
Temporary Investments	-	-	-	-
Taxes Receivable (net of allowance for uncollectibles)	-	-	-	-
Interest Receivable	-	-	-	-
Due From Other Funds	-	-	-	-
Due From Other Governments	128,976	1,108	180	61,557
<b>Total Assets</b>	<b>\$ 128,976</b>	<b>\$ 1,108</b>	<b>\$ 180</b>	<b>\$ 61,557</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 7,617
Contracts and Retainage Payable	-	-	-	-
Due To Other Funds	97,662	1,108	180	53,940
Deferred Revenue	31,314	-	-	-
<b>Total Liabilities</b>	<b>\$ 128,976</b>	<b>\$ 1,108</b>	<b>\$ 180</b>	<b>\$ 61,557</b>
<b>FUND BALANCES</b>				
Reserves For:				
Encumbrances	\$ -	\$ -	\$ -	\$ -
Capital Projects	-	-	-	-
Unreserved				
Designated For Capital Projects	-	-	-	-
Undesignated	-	-	-	-
<b>Total Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 128,976</b>	<b>\$ 1,108</b>	<b>\$ 180</b>	<b>\$ 61,557</b>



Learn and Serve	Totals
\$ -	\$ 861,094
-	8,935,891
-	4,752,162
-	236
-	409,322
-	459,934
<hr/>	
\$ -	\$ 15,418,639
<hr/>	
\$ -	\$ 28,549
-	421,252
-	411,607
-	4,826,954
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\$ -	\$ 5,688,362
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\$ -	\$ 608,863
-	375,037
-	2,502,441
-	6,243,936
<hr/>	
\$ -	\$ 9,730,277
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\$ -	\$ 15,418,639
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**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, 2008

(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
<b>REVENUES</b>									
Local Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	1,058	992	(66)	70,000	52,917	(17,083)	125,000	192,618	67,618
Tuition and Fees	265,559	240,139	(25,420)	-	-	-	-	-	-
Rentals	25,535	43,377	17,842	-	-	-	-	-	-
Charges for Services	16,000	16,537	537	9,852	5,855	(3,997)	-	-	-
Contributions and Donations	120,504	138,938	18,434	3,000	3,000	-	-	-	-
Miscellaneous	-	-	-	-	158	158	-	-	-
<b>Total Local Sources</b>	<b>\$ 428,656</b>	<b>\$ 439,983</b>	<b>\$ 11,327</b>	<b>\$ 82,852</b>	<b>\$ 61,930</b>	<b>\$ (20,922)</b>	<b>\$ 125,000</b>	<b>\$ 192,618</b>	<b>\$ 67,618</b>
County Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:									
Intergovernmental	\$ -	\$ 854	\$ 854	\$ -	\$ -	\$ -	\$ 3,379,295	\$ 3,384,399	\$ 5,104
Federal Sources:									
Intergovernmental	\$ 10,038	\$ 10,855	\$ 817	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 438,694</b>	<b>\$ 451,692</b>	<b>\$ 12,998</b>	<b>\$ 82,852</b>	<b>\$ 61,930</b>	<b>\$ (20,922)</b>	<b>\$ 3,504,295</b>	<b>\$ 3,577,017</b>	<b>\$ 72,722</b>
<b>EXPENDITURES</b>									
Current:									
Instruction:									
Regular	\$ 168,074	\$ 41,938	\$ 126,136	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education	36,446	17,817	18,629	-	-	-	-	-	-
Vocational Education	-	-	-	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	3,539	2,721	818	-	-	-	-	-	-
Instructional Staff	25,221	9,312	15,909	-	-	-	-	-	-
General Administration	-	-	-	-	-	-	-	-	-
School Administration	1,164	1,164	-	-	-	-	-	-	-
Business	126,518	92,021	34,497	-	-	-	-	-	-
Operation and Maintenance of Plant	75,429	7,336	68,093	425	425	-	1,995,221	985,540	1,009,681
Central	-	-	-	-	-	-	166,986	96,033	70,953
Other Support	-	-	-	-	-	-	-	-	-
Operation of Non-Instructional Services:									
Community Services	298,609	178,197	120,412	3,073,629	1,591,025	1,482,604	-	-	-
Capital Outlay	-	-	-	-	-	-	3,733,593	1,081,459	2,652,134
<b>Total Expenditures</b>	<b>\$ 735,000</b>	<b>\$ 350,506</b>	<b>\$ 384,494</b>	<b>\$ 3,074,054</b>	<b>\$ 1,591,450</b>	<b>\$ 1,482,604</b>	<b>\$ 5,895,800</b>	<b>\$ 2,163,032</b>	<b>\$ 3,732,768</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (296,306)	\$ 101,186	\$ 397,492	\$(2,991,202)	\$(1,529,520)	\$ 1,461,682	\$(2,391,505)	\$ 1,413,985	\$ 3,805,490
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	\$ -	\$ -	\$ -	\$ 1,400,900	\$ 1,072,245	\$ (328,655)	\$ -	\$ -	\$ -
Transfers Out	-	-	-	(74,615)	(74,615)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,326,285</b>	<b>\$ 997,630</b>	<b>\$ (328,655)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ (296,306)</b>	<b>\$ 101,186</b>	<b>\$ 397,492</b>	<b>\$(1,664,917)</b>	<b>\$ (531,890)</b>	<b>\$ 1,133,027</b>	<b>\$(2,391,505)</b>	<b>\$ 1,413,985</b>	<b>\$ 3,805,490</b>
<b>FUND BALANCES,</b>									
<b>BEGINNING JULY 1</b>	<b>248,815</b>	<b>248,815</b>	<b>-</b>	<b>1,589,315</b>	<b>1,589,315</b>	<b>-</b>	<b>2,319,443</b>	<b>2,319,443</b>	<b>-</b>
<b>FUND BALANCES,</b>									
<b>ENDING JUNE 30</b>	<b>\$ (47,491)</b>	<b>\$ 350,001</b>	<b>\$ 397,492</b>	<b>\$ (75,602)</b>	<b>\$ 1,057,425</b>	<b>\$ 1,133,027</b>	<b>\$ (72,062)</b>	<b>\$ 3,733,428</b>	<b>\$ 3,805,490</b>

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,593,033	\$ 4,743,464	\$ 150,431
-	18,152	18,152	10,000	43,799	33,799	20,000	15,773	(4,227)	-	65,867	65,867
274,430	113,675	(160,755)	-	-	-	-	-	-	-	-	-
20,100	21,930	1,830	-	-	-	-	-	-	-	-	-
698,010	425,642	(272,368)	-	-	-	-	-	-	-	-	-
70,676	79,296	8,620	25,000	25,000	-	-	-	-	-	-	-
-	-	-	420,000	420,000	-	-	-	-	-	-	-
<b>\$ 1,063,216</b>	<b>\$ 658,695</b>	<b>\$ (404,521)</b>	<b>\$ 455,000</b>	<b>\$ 488,799</b>	<b>\$ 33,799</b>	<b>\$ 20,000</b>	<b>\$ 15,773</b>	<b>\$ (4,227)</b>	<b>\$ 4,593,033</b>	<b>\$ 4,809,331</b>	<b>\$ 216,298</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,564	\$ 3,564
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>\$ 1,063,216</b>	<b>\$ 658,695</b>	<b>\$ (404,521)</b>	<b>\$ 455,000</b>	<b>\$ 488,799</b>	<b>\$ 33,799</b>	<b>\$ 20,000</b>	<b>\$ 15,773</b>	<b>\$ (4,227)</b>	<b>\$ 4,593,033</b>	<b>\$ 4,812,895</b>	<b>\$ 219,862</b>
\$ 663,105	\$ 271,380	\$ 391,725	\$ 939,765	\$ 682,137	\$ 257,628	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
146,487	38,733	107,754	7,705	6,946	759	-	-	-	-	-	-
-	-	-	2,908	-	2,908	-	-	-	-	-	-
-	-	-	1,889	1,889	-	-	-	-	-	-	-
421,060	215,157	205,903	3,255	3,263	(8)	-	-	-	-	-	-
59,842	5,330	54,512	326,306	292,645	33,661	-	-	-	-	-	-
5,585	2,649	2,936	-	-	-	-	-	-	10,550	9,287	1,263
207,605	110,199	97,406	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
30,196	6,366	23,830	5,855	5,855	-	-	-	-	-	-	-
4,067	-	4,067	-	-	-	100,000	52,741	47,259	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
16,132	10,606	5,526	4,552	4,565	(13)	-	-	-	630,690	468,530	162,160
-	-	-	-	-	-	-	-	-	2,085,392	-	2,085,392
<b>\$ 1,554,079</b>	<b>\$ 660,420</b>	<b>\$ 893,659</b>	<b>\$ 1,292,235</b>	<b>\$ 997,300</b>	<b>\$ 294,935</b>	<b>\$ 100,000</b>	<b>\$ 52,741</b>	<b>\$ 47,259</b>	<b>\$ 2,726,632</b>	<b>\$ 477,817</b>	<b>\$ 2,248,815</b>
\$ (490,863)	\$ (1,725)	\$ 489,138	\$ (837,235)	\$ (508,501)	\$ 328,734	\$ (80,000)	\$ (36,968)	\$ 43,032	\$ 1,866,401	\$ 4,335,078	\$ 2,468,677
\$ -	\$ -	\$ -	\$ 385,000	\$ 385,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	(6,024,393)	(6,024,393)	-
\$ -	\$ -	\$ -	\$ 385,000	\$ 385,000	\$ -	\$ -	\$ -	\$ -	\$(6,024,393)	\$(6,024,393)	\$ -
\$ (490,863)	\$ (1,725)	\$ 489,138	\$ (452,235)	\$ (123,501)	\$ 328,734	\$ (80,000)	\$ (36,968)	\$ 43,032	\$(4,157,992)	\$(1,689,315)	\$ 2,468,677
490,863	490,863	-	1,301,559	1,301,559	-	456,754	456,754	-	4,191,756	4,191,756	-
\$ -	\$ 489,138	\$ 489,138	\$ 849,324	\$ 1,178,058	\$ 328,734	\$ 376,754	\$ 419,786	\$ 43,032	\$ 33,764	\$ 2,502,441	\$ 2,468,677

(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, 2008

(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
<b>REVENUES</b>									
Local Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-	-	-	-
Rentals	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
<b>Total Local Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
County Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ 157,005	\$ 153,312	\$ (3,693)	\$ 1,664,781	\$ 1,222,725	\$ (442,056)	\$ 149,253	\$ 133,534	\$ (15,719)
<b>Total Revenues</b>	<b>\$ 157,005</b>	<b>\$ 153,312</b>	<b>\$ (3,693)</b>	<b>\$ 1,664,781</b>	<b>\$ 1,222,725</b>	<b>\$ (442,056)</b>	<b>\$ 149,253</b>	<b>\$ 133,534</b>	<b>\$ (15,719)</b>
<b>EXPENDITURES</b>									
Current:									
Instruction:									
Regular	\$ -	\$ -	\$ -	\$ 1,266,611	\$ 933,176	\$ 333,435	\$ -	\$ -	\$ -
Special Education	-	-	-	-	-	-	128,837	114,401	14,436
Vocational Education	152,375	148,788	3,587	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	-	-	-	-	-	-	15,999	15,168	831
Instructional Staff	-	-	-	97,638	77,056	20,582	-	-	-
General Administration	-	-	-	-	-	-	-	-	-
School Administration	-	-	-	-	-	-	-	-	-
Business	-	-	-	11,046	8,389	2,657	-	-	-
Operation and Maintenance of Plant	-	-	-	-	-	-	-	-	-
Central	-	-	-	-	-	-	-	-	-
Other Support	4,630	4,524	106	71,103	33,852	37,251	4,417	3,965	452
Operation of Non-Instructional Services:									
Community Services	-	-	-	218,383	170,252	48,131	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 157,005</b>	<b>\$ 153,312</b>	<b>\$ 3,693</b>	<b>\$ 1,664,781</b>	<b>\$ 1,222,725</b>	<b>\$ 442,056</b>	<b>\$ 149,253</b>	<b>\$ 133,534</b>	<b>\$ 15,719</b>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCES, BEGINNING JULY 1</b>									
	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES, ENDING JUNE 30</b>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Title I - Even Start			Title V			Drug Free Schools			Title II		
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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 104,998	\$ 103,968	\$ (1,030)	\$ 39,441	\$ 39,441	\$ -	\$ 114,918	\$ 101,951	\$ (12,967)	\$ 1,088,633	\$ 907,974	\$ (180,659)
\$ 104,998	\$ 103,968	\$ (1,030)	\$ 39,441	\$ 39,441	\$ -	\$ 114,918	\$ 101,951	\$ (12,967)	\$ 1,088,633	\$ 907,974	\$ (180,659)
\$ -	\$ -	\$ -	\$ 33,400	\$ 33,400	\$ -	\$ 25,306	\$ 13,242	\$ 12,064	\$ 345,035	\$ 328,038	\$ 16,997
-	-	-	427	427	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
17,154	17,154	-	-	-	-	86,346	86,273	73	5,003	5,003	-
-	-	-	2,389	2,389	-	-	-	-	673,119	512,360	160,759
-	-	-	2,059	2,059	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	1,722	1,722	-
-	-	-	-	-	-	-	-	-	-	-	-
37,233	37,233	-	1,166	1,166	-	2,555	1,725	830	25,685	22,782	2,903
50,611	49,581	1,030	-	-	-	711	711	-	38,069	38,069	-
-	-	-	-	-	-	-	-	-	-	-	-
\$ 104,998	\$ 103,968	\$ 1,030	\$ 39,441	\$ 39,441	\$ -	\$ 114,918	\$ 101,951	\$ 12,967	\$ 1,088,633	\$ 907,974	\$ 180,659
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2008

(Page 3 of 3)

	Part B			Title III			McKinney Homeless		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>									
Local Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-	-
Tuition and Fees	-	-	-	-	-	-	-	-	-
Rentals	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
<b>Total Local Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
County Sources:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ 2,168,780	\$ 1,467,305	\$ (701,475)	\$ 48,640	\$ 35,951	\$ (12,689)	\$ 27,725	\$ 15,142	\$ (12,583)
<b>Total Revenues</b>	<b>\$ 2,168,780</b>	<b>\$ 1,467,305</b>	<b>\$ (701,475)</b>	<b>\$ 48,640</b>	<b>\$ 35,951</b>	<b>\$ (12,689)</b>	<b>\$ 27,725</b>	<b>\$ 15,142</b>	<b>\$ (12,583)</b>
<b>EXPENDITURES</b>									
Current:									
Instruction:									
Regular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education	1,689,778	1,176,274	513,504	15,885	12,157	3,728	-	-	-
Vocational Education	-	-	-	-	-	-	-	-	-
Other Instruction	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	174,579	172,966	1,613	-	-	-	5,326	3,417	1,909
Instructional Staff	216,952	54,442	162,510	27,748	19,033	8,715	4,459	-	4,459
General Administration	14,882	14,570	312	4,112	4,112	-	-	-	-
School Administration	-	-	-	-	-	-	-	-	-
Business	-	-	-	-	-	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-	-	-	-	-	-
Central	-	-	-	-	-	-	-	-	-
Other Support	62,008	43,561	18,447	895	649	246	1,125	453	672
Operation of Non-Instructional Services:									
Community Services	10,581	5,492	5,089	-	-	-	16,815	11,272	5,543
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 2,168,780</b>	<b>\$ 1,467,305</b>	<b>\$ 701,475</b>	<b>\$ 48,640</b>	<b>\$ 35,951</b>	<b>\$ 12,689</b>	<b>\$ 27,725</b>	<b>\$ 15,142</b>	<b>\$ 12,583</b>
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers Out	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>FUND BALANCES, BEGINNING JULY 1</b>									
	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES, ENDING JUNE 30</b>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

21 <sup>st</sup> Century CLC			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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,593,033	\$ 4,743,464	\$ 150,431
-	-	-	-	-	-	226,058	390,118	164,060
-	-	-	-	-	-	539,989	353,814	(186,175)
-	-	-	-	-	-	45,635	65,307	19,672
-	-	-	-	-	-	723,862	448,034	(275,828)
-	-	-	-	-	-	219,180	246,234	27,054
-	-	-	-	-	-	420,000	420,158	158
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,767,757	\$ 6,667,129	\$ (100,628)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,564	\$ 3,564
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,379,295	\$ 3,385,253	\$ 5,958
\$ 549,947	\$ 335,679	\$ (214,268)	\$ 16,788	\$ 16,788	\$ -	\$ 6,140,947	\$ 4,544,625	\$ (1,596,322)
\$ 549,947	\$ 335,679	\$ (214,268)	\$ 16,788	\$ 16,788	\$ -	\$ 16,287,999	\$ 14,600,571	\$ (1,687,428)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,441,296	\$ 2,303,311	\$ 1,137,985
29,993	29,993	-	-	-	-	2,055,558	1,396,748	658,810
-	-	-	-	-	-	155,283	148,788	6,495
-	-	-	-	-	-	1,889	1,889	-
16,984	1,885	15,099	-	-	-	749,245	523,007	226,238
2,274	1,642	632	-	-	-	1,435,948	974,209	461,739
-	-	-	-	-	-	37,188	32,677	4,511
-	-	-	-	-	-	208,769	111,363	97,406
-	-	-	-	-	-	137,564	100,410	37,154
-	-	-	-	-	-	2,108,848	1,007,244	1,101,604
-	-	-	-	-	-	271,053	148,774	122,279
16,669	9,720	6,949	508	508	-	227,994	160,138	67,856
484,027	292,439	191,588	16,280	16,280	-	4,859,089	2,837,019	2,022,070
-	-	-	-	-	-	5,818,985	1,081,459	4,737,526
\$ 549,947	\$ 335,679	\$ 214,268	\$ 16,788	\$ 16,788	\$ -	\$ 21,508,709	\$ 10,827,036	\$ 10,681,673
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,220,710)	\$ 3,773,535	\$ 8,994,245
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,785,900	\$ 1,457,245	\$ (328,655)
-	-	-	-	-	-	(6,099,008)	(6,099,008)	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,313,108)	\$ (4,641,763)	\$ (328,655)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,533,818)	\$ (868,228)	\$ 8,665,590
-	-	-	-	-	-	10,598,505	10,598,505	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,064,687	\$ 9,730,277	\$ 8,665,590

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**DEBT SERVICE FUND**

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**BALANCE SHEET**

**NONMAJOR DEBT SERVICE FUND**

June 30, 2008

<b>ASSETS</b>	
Cash With Fiscal Agent	\$ 916,098
Taxes Receivable (net of allowance for uncollectibles)	18,659
<hr/>	
Total Assets	\$ 934,757
<hr/>	
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Deferred Revenue	\$ 18,659
<hr/>	
<b>FUND BALANCE</b>	
Reserved for Capital Projects at South Campus	\$ 916,098
<hr/>	
Total Liabilities and Fund Balance	\$ 934,757
<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, 2008**

	Final Budget	Actual	Variance With Final Budget
REVENUES			
Local Sources			
Taxes	\$ 20,000	\$ 44,290	\$ 24,290
Net change in fund balance	\$ 20,000	\$ 44,290	\$ 24,290
FUND BALANCE, BEGINNING JULY 1	871,808	871,808	-
FUND BALANCE, ENDING JUNE 30	\$ 891,808	\$ 916,098	\$ 24,290

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**CAPITAL PROJECTS FUNDS**

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

June 30, 2008

	Capital Construction	Capital Recreation	Depreciation Reserve	Major Capital Projects	Minor Capital Projects	Totals
<b>ASSETS</b>						
Temporary Investments	\$ 5,940,009	\$ 4,177,452	\$ 1,404,487	\$ -	\$ -	\$ 11,521,948
Interest Receivable	202	201	67	-	-	470
Due From Other Governments	322,679	-	-	706,098	159,017	1,187,794
Inventories	388	-	-	-	-	388
<b>Total Assets</b>	<b>\$ 6,263,278</b>	<b>\$ 4,177,653</b>	<b>\$ 1,404,554</b>	<b>\$ 706,098</b>	<b>\$ 159,017</b>	<b>\$ 12,710,600</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 2,663	\$ 19,552	\$ -	\$ 17,644	\$ 1,482	\$ 41,341
Contracts and Retainage Payable	200,777	70,114	-	419,510	146,522	836,923
Due To Other Funds	308	-	-	268,944	4,784	274,036
Deferred Revenue	-	-	-	-	6,229	6,229
<b>Total Liabilities</b>	<b>\$ 203,748</b>	<b>\$ 89,666</b>	<b>\$ -</b>	<b>\$ 706,098</b>	<b>\$ 159,017</b>	<b>\$ 1,158,529</b>
<b>FUND BALANCES</b>						
Reserved For:						
Capital Projects	\$ 3,344,461	\$ 4,087,987	\$ 1,404,554	\$ -	\$ -	\$ 8,837,002
Unreserved:						
Undesignated	2,715,069	-	-	-	-	2,715,069
<b>Total Fund Balances</b>	<b>\$ 6,059,530</b>	<b>\$ 4,087,987</b>	<b>\$ 1,404,554</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,552,071</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 6,263,278</b>	<b>\$ 4,177,653</b>	<b>\$ 1,404,554</b>	<b>\$ 706,098</b>	<b>\$ 159,017</b>	<b>\$ 12,710,600</b>

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**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, 2008

	Capital Construction			Capital Recreation			Depreciation Reserve		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>									
Local Sources:									
Taxes	\$ -	\$ 31	\$ 31	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	300,000	218,489	(81,511)	40,000	77,988	37,988	75,000	53,177	(21,823)
Miscellaneous	9,664	-	(9,664)	-	-	-	-	-	-
<b>Total Local Sources</b>	<b>\$ 309,664</b>	<b>\$ 218,520</b>	<b>\$ (91,144)</b>	<b>\$ 40,000</b>	<b>\$ 77,988</b>	<b>\$ 37,988</b>	<b>\$ 75,000</b>	<b>\$ 53,177</b>	<b>\$ (21,823)</b>
State Sources:									
Intergovernmental	\$ -	\$ 322,679	\$ 322,679	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 309,664</b>	<b>\$ 541,199</b>	<b>\$ 231,535</b>	<b>\$ 40,000</b>	<b>\$ 77,988</b>	<b>\$ 37,988</b>	<b>\$ 75,000</b>	<b>\$ 53,177</b>	<b>\$ (21,823)</b>
<b>EXPENDITURES</b>									
Capital Outlay	\$ 7,326,256	\$ 1,583,943	\$ 5,742,313	\$ 5,781,203	\$ 1,016,764	\$ 4,764,439	\$ 1,901,926	\$ 476,728	\$ 1,425,198
Excess (deficiency) of revenues over (under) expenditures	\$ (7,016,592)	\$ (1,042,744)	\$ 5,973,848	\$ (5,741,203)	\$ (938,776)	\$ 4,802,427	\$ (1,826,926)	\$ (423,551)	\$ 1,403,375
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	\$ -	\$ 200,000	\$ 200,000	\$ 5,741,203	\$ 5,026,763	\$ (714,440)	\$ 250,000	\$ 250,000	\$ -
Transfers Out	-	-	-	-	-	-	(36,375)	(36,375)	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 5,741,203</b>	<b>\$ 5,026,763</b>	<b>\$ (714,440)</b>	<b>\$ 213,625</b>	<b>\$ 213,625</b>	<b>\$ -</b>
Net Change in Fund Balances	\$ (7,016,592)	\$ (842,744)	\$ 6,173,848	\$ -	\$ 4,087,987	\$ 4,087,987	\$ (1,613,301)	\$ (209,926)	\$ 1,403,375
<b>FUND BALANCES,</b>									
BEGINNING JULY 1	6,902,274	6,902,274	-	-	-	-	1,614,480	1,614,480	-
<b>FUND BALANCES,</b>									
ENDING JUNE 30	\$ (114,318)	\$ 6,059,530	\$ 6,173,848	\$ -	\$ 4,087,987	\$ 4,087,987	\$ 1,179	\$ 1,404,554	\$ 1,403,375



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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31	\$ 31
-	-	-	-	-	-	415,000	349,654	(65,346)
-	-	-	-	-	-	9,664	-	(9,664)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 424,664	\$ 349,685	\$ (74,979)
\$ 33,841,294	\$ 3,881,386	\$ (29,959,908)	\$ 3,855,600	\$ 620,696	\$ (3,234,904)	\$ 37,696,894	\$ 4,824,761	\$ (32,872,133)
\$ 33,841,294	\$ 3,881,386	\$ (29,959,908)	\$ 3,855,600	\$ 620,696	\$ (3,234,904)	\$ 38,121,558	\$ 5,174,446	\$ (32,947,112)
\$ 32,620,439	\$ 3,881,386	\$ 28,739,053	\$ 3,343,386	\$ 620,696	\$ 2,722,690	\$ 50,973,210	\$ 7,579,517	\$ 43,393,693
\$ 1,220,855	\$ -	\$ (1,220,855)	\$ 512,214	\$ -	\$ (512,214)	\$ (12,851,652)	\$ (2,405,071)	\$ 10,446,581
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,991,203	\$ 5,476,763	\$ (514,440)
-	-	-	-	-	-	(36,375)	(36,375)	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,954,828	\$ 5,440,388	\$ (514,440)
\$ 1,220,855	\$ -	\$ (1,220,855)	\$ 512,214	\$ -	\$ (512,214)	\$ (6,896,824)	\$ 3,035,317	\$ 9,932,141
-	-	-	-	-	-	8,516,754	8,516,754	-
\$ 1,220,855	\$ -	\$ (1,220,855)	\$ 512,214	\$ -	\$ (512,214)	\$ 1,619,930	\$ 11,552,071	\$ 9,932,141

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# 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.	73
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	80
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.	84
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.	87

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	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
	1999 (1)	2000 (1)	2001 (1)	2002	2003	2004	2005 (2)	2006 (2)	2007 (2)	2008 (2)
<b>Revenues</b>										
Local Sources:										
Taxes	\$ N/A	\$ N/A	\$ N/A	\$ 50,414,322	\$ 50,047,834	\$ 51,994,888	\$ 57,743,950	\$ 67,371,197	\$ 82,648,800	\$ 85,123,873
Interest	N/A	N/A	N/A	457,382	243,119	221,793	931,296	2,403,857	3,665,603	3,065,541
Tuition and Fees	N/A	N/A	N/A	441,855	469,864	385,972	443,528	528,323	430,981	383,067
Rentals	N/A	N/A	N/A	33,751	29,621	41,664	50,899	47,754	50,348	65,307
Charges for Services	N/A	N/A	N/A	503,441	448,400	511,732	394,464	480,781	509,228	449,902
Contributions and Donations	N/A	N/A	N/A	163,595	294,122	237,083	184,705	272,491	337,395	311,034
Other Local Revenue	N/A	N/A	N/A	4,602,926	5,483,836	5,699,311	0	0	0	0
Miscellaneous	N/A	N/A	N/A	442,456	395,756	2,120,369	378,247	2,217,249	454,343	492,334
County Sources										
Taxes	N/A	N/A	N/A	11,718,285	12,058,310	11,133,885	13,521,611	15,990,906	19,548,166	20,159,453
State Sources										
Taxes	N/A	N/A	N/A	3,450,299	4,066,544	3,123,263	29,579	0	0	0
Intergovernmental	N/A	N/A	N/A	1,403,884	478,511	391,842	7,035,151	4,290,852	11,344,356	10,741,114
Federal Sources										
Intergovernmental	N/A	N/A	N/A	5,010,559	5,076,803	5,804,466	5,850,154	6,556,265	6,044,559	4,658,244
Total Revenues	\$ N/A	\$ N/A	\$ N/A	\$ 78,642,755	\$ 79,092,720	\$ 81,666,268	\$ 86,563,584	\$ 100,159,675	\$ 125,033,779	\$ 125,449,869
<b>Expenditures</b>										
Current										
Instruction										
Regular	\$ N/A	\$ N/A	\$ N/A	\$ 25,179,634	\$ 25,598,476	\$ 25,500,183	\$ 26,861,682	\$ 32,108,659	\$ 37,473,385	\$ 40,830,255
Special Education	N/A	N/A	N/A	6,479,905	7,439,069	8,183,123	8,760,854	9,586,186	11,629,285	13,221,764
Vocational Education	N/A	N/A	N/A	2,711,936	3,027,131	2,786,631	2,518,501	2,166,194	2,318,771	2,411,560
Adult/Continuing	N/A	N/A	N/A	38,401	13,707	16,225	5,432	8,595	0	0
Other Instruction	N/A	N/A	N/A	0	0	0	0	0	0	476,151
Support Services										
Pupil	N/A	N/A	N/A	5,811,013	5,950,319	5,809,497	6,454,205	8,076,778	9,724,999	11,148,606
Instructional Staff	N/A	N/A	N/A	3,760,535	3,859,572	4,121,610	4,194,925	5,266,331	7,000,407	7,546,679
General Administration	N/A	N/A	N/A	660,097	714,826	823,411	848,066	1,080,347	856,650	999,466
School Administration	N/A	N/A	N/A	3,562,051	3,821,482	3,864,100	3,958,637	4,704,911	5,611,949	5,804,072
Business	N/A	N/A	N/A	1,111,936	1,257,101	1,563,941	1,536,943	1,768,015	2,148,965	2,118,546
Operation/Maintenance of Plant	N/A	N/A	N/A	6,841,752	7,133,378	7,606,965	7,659,891	9,317,673	10,552,909	10,664,755
Pupil Transportation	N/A	N/A	N/A	3,645,568	3,562,678	3,698,771	3,844,481	4,628,698	5,404,748	6,152,348
Central	N/A	N/A	N/A	7,826,354	7,289,859	7,335,729	1,490,994	1,682,479	1,737,303	1,370,924
Other Support	N/A	N/A	N/A	143,375	162,206	155,440	269,654	320,904	305,251	2,829,937
Other Non-Instructional Service										
Community Services	N/A	N/A	N/A	562,237	825,537	1,032,740	1,177,841	3,885,187	3,203,958	3,022,793
Capital Outlay	N/A	N/A	N/A	4,117,951	3,840,767	3,254,176	3,600,372	3,193,777	8,633,841	9,399,407

	Fiscal Year 1999 (1)	Fiscal Year 2000 (1)	Fiscal Year 2001 (1)	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005 (2)	Fiscal Year 2006 (2)	Fiscal Year 2007 (2)	Fiscal Year 2008 (2)
Debt Service										
Interest	N/A	N/A	N/A	1,009,194	897,798	768,418	606,617	444,791	277,765	84,581
Principal	N/A	N/A	N/A	2,889,944	3,190,519	3,725,122	3,709,593	3,762,216	4,238,123	802,081
Total Expenditures	\$ N/A	\$ N/A	\$ N/A	\$ 76,351,883	\$ 78,584,425	\$ 80,246,082	\$ 77,498,688	\$ 92,001,741	\$ 111,118,309	\$ 118,883,925
<b>Excess of revenues over(under) expenditures</b>	\$ N/A	\$ N/A	\$ N/A	\$ 2,290,872	\$ 508,295	\$ 1,420,186	\$ 9,064,896	\$ 8,157,934	\$ 13,915,470	\$ 6,565,944
<b>Other Financing Sources (Uses)</b>										
Transfers in										
Transfers (out)	\$ N/A	\$ N/A	\$ N/A	\$ 224,192	\$ 374,297	\$ 662,090	\$ 2,802,979	\$ 9,218,359	\$ 19,229,752	\$ 22,442,859
Proceeds from Capital Lease	N/A	N/A	N/A	-310,293	-379,297	-667,090	-2,987,129	-9,746,851	-19,291,127	-23,134,844
Sale of Capital Assets	N/A	N/A	N/A	987,500	925,643	964,560	771,176	853,609	679,019	738,431
Total Other Financing Sources (Uses)	\$ N/A	\$ N/A	\$ N/A	\$ 17,574	\$ 47,596	\$ 7,839	\$ 1,153,183	\$ 12,652	\$ 9,426	\$ 21,934
<b>Net Change in Fund Balance</b>	\$ N/A	\$ N/A	\$ N/A	\$ 918,973	\$ 968,239	\$ 967,399	\$ 1,740,209	\$ 337,769	\$ 627,070	\$ 68,380
	\$ N/A	\$ N/A	\$ N/A	\$ 3,209,845	\$ 1,476,534	\$ 2,387,585	\$ 10,805,105	\$ 8,495,703	\$ 14,542,540	\$ 6,634,324
<b>Debt Service as a percentage of noncapital expenditures</b>	N/A	N/A	N/A	5.382%	5.470%	5.836%	5.841%	4.737%	4.406%	0.817%

(1) N/A Not Available. With the GASB 34 reporting changes, the State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years' financials into the State's 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	Fiscal Year 2008
<b>Governmental Activities</b>											
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	\$ 88,073,945
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	31,899,966
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	24,703,473
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	\$ 144,677,384
<b>Business-type Activities</b>											
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	\$ 97,634
Restricted	N/A	N/A	N/A	0	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	54,561
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	\$ 152,195
<b>Primary government</b>											
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	\$ 88,171,579
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	31,899,966
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	24,758,034
Total primary government net assets	\$ N/A	\$ N/A	\$ N/A	\$ 75,583,571	\$ 82,269,118	\$ 83,383,776	\$ 87,820,388	\$ 101,020,920	\$ 110,215,118	\$ 132,367,981	\$ 144,829,579

(1) N/A Not Available. With the GASB 34 reporting changes, the State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years' financials into the State's 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 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	Fiscal Year 2008
<b>Expenses</b>										
Governmental activities										
Instruction	\$ N/A	\$ N/A	\$ N/A	\$ 37,965,142	\$ 39,563,194	\$ 40,308,574	\$ 41,968,805	\$ 47,854,598	\$ 56,300,657	\$ 61,432,277
Pupil and Instructional Staff	N/A	N/A	N/A	9,556,136	9,791,560	9,903,822	10,623,844	13,296,142	16,772,998	18,684,371
General, School & Business Administration	N/A	N/A	N/A	5,425,287	5,881,729	6,304,993	6,419,171	7,631,520	8,764,073	9,115,868
Operation/Maintenance of Plant	N/A	N/A	N/A	6,826,883	7,133,378	7,693,871	8,052,935	9,972,691	11,363,114	10,861,919
Pupil Transportation	N/A	N/A	N/A	3,645,568	3,562,678	3,698,771	3,844,481	4,628,698	5,468,797	6,152,348
Central	N/A	N/A	N/A	5,220,531	5,409,516	3,710,442	4,137,175	1,353,835	1,939,733	1,748,671
Other Support Services	N/A	N/A	N/A	143,375	162,706	155,440	267,673	320,904	305,251	2,829,937
Community Support - Non Instructional	N/A	N/A	N/A	557,877	807,865	1,014,168	1,172,495	3,401,251	2,639,060	2,477,910
Debt Service - Interest Only	N/A	N/A	N/A	1,009,194	897,798	768,418	606,617	444,791	277,765	84,581
Total governmental activities expenses	N/A	N/A	N/A	70,349,993	73,210,424	73,558,499	77,093,196	88,904,430	103,831,448	113,387,882
Business-type activities										
Enterprise Fund - Food Service	N/A	N/A	N/A	2,154,305	2,154,632	2,265,220	2,462,803	2,815,794	2,972,381	3,323,556
Total Business-type activities expenses	N/A	N/A	N/A	2,154,305	2,154,632	2,265,220	2,462,803	2,815,794	2,972,381	3,323,556
Total primary government expenses	N/A	N/A	N/A	72,504,298	75,365,056	75,823,719	79,555,999	91,720,224	106,803,829	116,711,438
<b>Program Revenues</b>										
Governmental activities										
Charges for Services										
Instruction	\$ N/A	\$ N/A	\$ N/A	\$ 421,804	\$ 435,757	\$ 402,537	\$ 375,956	\$ 461,634	\$ 410,816	\$ 347,673
Support Services	N/A	N/A	N/A	423,055	378,335	386,177	364,039	425,051	390,274	344,981
Operation of Non-Instructional Services	N/A	N/A	N/A	134,188	133,793	150,654	148,896	170,173	189,467	205,622
Operating Grants & Contributions	N/A	N/A	N/A	3,674,684	4,460,219	4,770,890	5,619,723	6,764,857	6,723,873	7,364,335
Capital Grants & Contributions	N/A	N/A	N/A	500,000	0	0	0	0	0	0
Total governmental activities program revenues	N/A	N/A	N/A	5,153,731	5,408,104	5,710,258	6,508,614	7,821,715	7,714,430	8,262,611
Business-type activities										
Charges for Services	N/A	N/A	N/A	1,473,778	1,437,485	1,628,421	1,765,661	1,887,160	2,081,475	2,092,833
Operating Grants & Contributions	N/A	N/A	N/A	510,876	518,659	612,410	750,330	771,855	744,703	904,897
Total business-type activities program revenues	N/A	N/A	N/A	1,984,654	1,956,144	2,240,831	2,515,991	2,659,015	2,826,178	2,997,730
Total primary government program revenues	N/A	N/A	N/A	7,138,385	7,364,248	7,951,089	9,024,605	10,480,730	10,540,608	11,260,341
Net (expense)/revenue	\$ N/A	\$ N/A	\$ N/A	\$ -65,196,262	\$ -67,802,320	\$ -67,848,241	\$ -70,584,582	\$ -81,082,715	\$ -96,117,018	\$ -105,125,271
Governmental activities	N/A	N/A	N/A	-169,651	-198,488	-24,389	53,188	-156,779	-146,203	-325,826
Business-type activities	N/A	N/A	N/A	-65,365,913	-68,000,808	-67,872,630	-70,531,394	-81,239,494	-96,263,221	-105,451,097
Total primary government net expenses	N/A	N/A	N/A	\$ -65,365,913	\$ -68,000,808	\$ -67,872,630	\$ -70,531,394	\$ -81,239,494	\$ -96,263,221	\$ -105,451,097



	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	Fiscal Year 2008
<b>General Revenues and</b>										
<b>Other Changes in Net Assets</b>										
Governmental activities										
Taxes										
Property Taxes, general purposes	\$ N/A	\$ N/A	\$ N/A	\$ 59,261,502	\$ 56,181,202	\$ 60,325,775	\$ 66,535,976	\$ 78,284,359	\$ 97,112,444	\$ 100,761,353
Property Taxes, debt service	N/A	N/A	N/A	3,126,894	3,472,106	2,665,903	87,102	183,135	276,766	56,466
Property Taxes, capital construction	N/A	N/A	N/A	3,145	1,379	4,020	0	0	0	0
Property Taxes, major building & facility maintenance	N/A	N/A	N/A	3,415,660	4,044,178	3,093,138	0	0	0	0
Property Taxes, public recreation	N/A	N/A	N/A	1,177,391	1,353,401	1,382,454	3,336,195	3,841,178	4,488,702	4,752,745
Grants & Contribution not restricted to specific programs	N/A	N/A	N/A	1,153,353	139,218	162,501	8,886,948	2,854,751	9,132,437	8,346,057
Capital Grant restricted for debt service	N/A	N/A	N/A	1,250,000	1,250,000	1,500,000	1,500,000	1,500,000	1,870,000	0
Interest	N/A	N/A	N/A	457,382	243,119	221,793	975,584	2,546,754	3,919,975	3,204,151
Other Local Revenue	N/A	N/A	N/A	1,709,158	1,960,143	2,018,820	2,176,045	0	0	0
Miscellaneous	N/A	N/A	N/A	442,456	395,756	917,291	874,195	1,184,306	1,581,033	793,537
Gain/(loss) on sale of capital assets	N/A	N/A	N/A	45,998	71,622	16,183	-643,948	27,605	19,488	-7,975
Transfers	N/A	N/A	N/A	-86,101	-5,000	-5,000	-93,625	-191,782	-61,375	-175,836
Total Governmental activities	N/A	N/A	N/A	71,956,838	69,107,124	72,302,878	83,634,472	90,230,306	118,339,470	117,730,498
Business-type activities										
Interest	N/A	N/A	N/A	8,521	3,717	1,364	3,829	11,604	15,759	6,361
Gain/(loss) on sale of capital assets	N/A	N/A	N/A	0	-375	0	0	0	-520	0
Transfers	N/A	N/A	N/A	86,101	5,000	5,000	93,625	191,782	61,375	175,836
Total business-type activities	N/A	N/A	N/A	94,622	8,342	6,364	97,454	203,386	76,614	182,197
Total primary government	\$ N/A	\$ N/A	\$ N/A	\$ 72,051,460	\$ 69,115,466	\$ 72,309,242	\$ 83,731,926	\$ 90,433,692	\$ 118,416,084	\$ 117,912,695
<b>Change in Net Assets</b>										
Government activities	\$ N/A	\$ N/A	\$ N/A	\$ 6,760,576	\$ 1,304,804	\$ 4,454,637	\$ 13,049,890	\$ 9,147,591	\$ 22,222,452	\$ 12,605,227
Business-type activities	N/A	N/A	N/A	-75,029	-190,146	-18,025	150,642	46,607	-69,589	-143,629
Total primary government	\$ N/A	\$ N/A	\$ N/A	\$ 6,685,547	\$ 1,114,658	\$ 4,436,612	\$ 13,200,532	\$ 9,194,198	\$ 22,152,863	\$ 12,461,598

(1) N/A Not Available. With the GASB 34 reporting changes, the State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years' financials into the State's new GASB 34 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 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	Fiscal Year 2008
<b>General Fund</b>										
Reserved	\$ 226,283	\$ 400,773	\$ 287,927	\$ 351,393	\$ 351,013	\$ 62,933	\$ 195,768	\$ 217,127	\$ 165,993	\$ 294,626
Unreserved	2,795,259	2,536,016	-1,836,971	478,863	-74,183	752,302	7,935,036	13,958,990	11,027,740	9,107,250
Total general fund	\$ 3,021,542	\$ 2,936,789	\$ -1,549,044	\$ 830,256	\$ 276,830	\$ 815,235	\$ 8,130,804	\$ 14,176,117	\$ 11,193,733	\$ 9,401,876
<b>All other governmental funds</b>										
Reserved	\$ 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	\$ 32,508,829
Unreserved	0	0	0	0	0	0	0	0	4,000,000	2,502,441
Designated for Capital Projects										
Undesignated, Reported in:										
Capital Construction	960,612	1,994,001	353,511	0	0	0	1,135,403	1,913,336	0	0
Special revenue funds	489,566	584,883	688,865	-565,446	2,456,290	1,301,275	7,193,475	6,918,449	13,101,169	6,243,936
Capital Projects Funds	0	0	0	0	0	0	0	0	1,097,783	2,715,069
Total all other governmental funds	\$ 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	\$ 43,970,275

**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
1999	1998	\$ 47,087,601	\$ 45,961,087	97.61%	\$ 1,058,957	\$ 47,020,044	99.86%
2000	1999	45,215,867	44,000,188	97.31%	1,168,822	45,169,010	99.90%
2001	2000	51,846,678	51,038,175	98.44%	661,705	51,699,880	99.72%
2002	2001	69,835,665	67,152,670	96.16%	2,130,630	69,283,300	99.21%
2003	2002	80,810,637	79,244,072	98.06%	833,409	80,077,481	99.09%
2004	2003	84,598,369	83,457,249	98.65%	351,353	83,808,602	99.07%
2005	2004	104,269,723	104,058,464	99.80%	(103,664)	103,954,800	99.70%
2006	2005	117,076,280	116,418,254	99.44%	508,971	116,927,225	99.87%
2007	2006	133,173,074	132,259,567	99.31%	876,724	133,136,291	99.97%
2008	2007	145,941,864	145,351,658	99.60%	0	145,351,658	99.60%

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					
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%
2008	2007	177,548,564	55,905,267	328,196,433	3,991,416,229	4,553,066,493	10,580,504,775	43.03%

Source: Campbell County 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. Assessed value for Real and Personal Property for tax year 2008 are estimates based on a 9 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	School District Debt Service Millage	Total County Millage	State School Millage		Special Districts
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
2008	2007	8.000	0.000	8.000	12.000	0.000	12.000	32.000	0.000	32.000	12.000	3.805	67.805

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	
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	5,010,559	5,076,803	78,642,755	
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	5,076,803	5,804,466	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	5,804,466	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	5,850,154	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	6,556,265	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	6,044,559	6,044,559	125,033,779	
2008	85,123,873	3,065,541	383,067	65,307	449,902	311,034	0	492,334	20,159,453	0	10,741,114	4,658,244	4,658,244	125,449,869	

(1) N/A Not Available. With the GASB 34 reporting changes, the State of Wyoming's Department of Education reclassified function groupings and expanded certain categories. Restating past years' financials into the State's new GASB 34 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 2007			Tax Year 1998		
		ASSESSED VALUE	RANK	% of Total Taxable Assessed Value	ASSESSED VALUE	RANK	% of Total Taxable Assessed Value
Powder River Coal Company	Coal	\$ 713,398,916	1	15.67%	\$ 241,091,289	1	16.12%
Thunder Basin Coal Company	Coal	606,964,972	2	13.33%	195,780,244	2	13.09%
Foundation Coal West Inc	Coal	323,970,622	3	7.12%			
Lance Oil & Gas Company	Oil/Gas	254,586,831	4	5.59%			
Jacobs Ranch Coal Company	Coal	218,621,893	5	4.80%	109,806,011	4	7.34%
Williams Production RMT Company	Gas	210,032,215	6	4.61%			
AMAX Coal West Inc	Coal				177,390,401	3	11.86%
Caballo Coal Company	Coal				89,542,298	5	5.99%
<b>Total</b>		<b>2,327,575,449</b>		<b>51.12%</b>	<b>813,610,243</b>		<b>54.40%</b>
<b>Assessed Value</b>		<b>4,553,066,493</b>			<b>1,495,260,165</b>		

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

**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

(Unaudited)

TABLE 10

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Fiscal Year										
Tax Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
<b>Assessed Valuation</b>	\$ 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	\$ 4,553,066,493
Debt Limit (1)	\$ 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	\$ 455,306,649
Total Net Debt Applicable to the Limit on June 30, fiscal year	\$ 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	\$ 0
Legal debt margin	\$ 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	\$ 455,306,649
Total net debt applicable to the limit as a percentage of debt limit	13.10%	12.48%	9.78%	6.22%	4.51%	3.34%	1.92%	0.93%	0.00%	0.00%

(1) The debt limitation for unified school districts in Wyoming is 10% of the valuation of the taxable property in the district as certified by the 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
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%	34,528	421
2002	13,775,000	2,687,291	11,087,709	5,729,823,768	0.19%	35,867	309
2003	11,560,000	4,463,883	7,096,117	6,775,004,265	0.10%	36,080	197
2004	8,980,000	5,370,375	3,609,625	7,108,629,105	0.05%	36,251	100
2005	6,255,000	3,789,189	2,465,811	7,870,968,065	0.03%	37,053	67
2006	3,395,000	2,296,280	1,098,720	8,564,715,607	0.01%	38,480	29
2007	0	871,808	-871,808	9,508,052,813	-0.01%	40,433	-22
2008	0	916,098	-916,098	10,580,504,775	-0.01%	41,040	-22

(1) State Agency - Economic Analysis & Campbell County Economic Development Corporation 2008 est.

(2) Campbell County Assessor

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**LAST TEN FISCAL YEARS**

(Unaudited)

TABLE 12

As of June 30,	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Debt Outstanding</b>										
Campbell County School District - Net Debt Obligation	\$ 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	\$ 0
Campbell County Memorial Hospital District (1)	7,905,000	7,905,000	7,905,000	0	0	0	0	0	0	0
Total direct and overlapping dept	\$ 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	\$ 0
Percentage overlapping	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Campbell County Treasurer

(1) Hospital Bond paid off in their bonds 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 (2)	Per Capita Personal Income (2)	Median Age (1)	Education Attainment in Years of Formal Schooling (1)	Average Daily Membership	Students as % of Population	Unemployment Rate
1999	32,450	848,647	25,839	N/A	N/A	7,546	23.25%	4.6%
2000	33,698	929,611	27,357	32.2	N/A	7,549	22.40%	3.2%
2001	34,528	1,053,236	30,504	N/A	N/A	7,430	21.52%	2.7%
2002	35,867	1,082,145	30,171	N/A	N/A	7,436	20.73%	3.0%
2003	36,080	1,135,190	31,463	N/A	N/A	7,294	20.22%	3.4%
2004	36,251	1,244,311	34,325	N/A	N/A	7,155	19.74%	2.9%
2005	37,053	1,398,967	37,756	N/A	N/A	7,141	19.27%	2.5%
2006	38,480	1,636,870	42,538	33.3	N/A	7,350	19.10%	1.5%
2007	40,433	N/A	N/A	N/A	N/A	7,566	18.71%	1.9%
2008	41,040	N/A	N/A	N/A	N/A	7,534	18.36%	2.0%

(1) Information at this level for each year could not be found for Campbell County Wyoming. 2000 Information from the United States Census Bureau's 2000 Census.

(2) State of Wyoming, Department of Administration and Information Economic Analysis Division

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

(Unaudited)

TABLE 14

Employer	Product	2008			1999		
		Employees	Rank	Percentage of Total County Labor Force as of 6/2008	Employees	Rank	Percentage of Total County Labor Force as of 8/1999
Rio Tinto Energy America	Coal Mining	1,855	1	6.93%	776	4	3.87%
Campbell County School District	Education	1,707	2	6.38%	1,471	1	7.34%
Peabody Energy	Coal Mining	1,583	3	5.91%	941	2	4.70%
ARCH Coal, Inc./Thunder Basin Coal Company	Coal Mining	1,263	4	4.72%	444	5	2.22%
Campbell County Memorial Hospital	Hospital	950	5	3.55%	690	3	3.44%
Foundation Coal West	Coal Mining	580	7	2.17%			
Campbell County Government	Government	579	6	2.16%			
Hettinger Welding	Welding	454	8	1.70%			
Wal-mart	Retail	430	9	1.61%	225	8	1.12%
Buckskin Mining	Coal Mining	300	10	1.12%			
Gillette City Government	Government	235	11	0.88%			
L&H Industrial, Incorporated	Welding	200	12	0.75%	110	11	0.55%
Burlington Northern - Sante Fe Railroad	Railroad				417	6	2.08%
Cyprus Amax Coal West	Coal Mining				420	7	2.10%

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

Note: County labor force statistics from State of Wyoming. 8/1999 20,040 6/2008 26,770

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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
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	
<b>Number of Schools</b>											
Elementary (5 rural)	13	13	13	13	13	13	13	13	13	13	
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	20	20	20	20	20	20	20	20	20	20	
<b>High School Graduates</b>											
Campbell County School District	453	475	455	440	452	375	384	356	378	299	
Wright Jr/Sr High	38	41	53	48	38	46	41	28	87	98	
Westwood High School	35	43	36	47	28	72	53	76	22	43	
Total Graduates	526	559	544	535	518	493	478	460	487	440	
<b>Student / Teacher Ratios</b>											
Elementary	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	18.73:1	
Secondary	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	14.58:1	
<b>Student Membership/Attendance</b>											
Average Daily Membership	7,546	7,549	7,430	7,436	7,294	7,155	7,141	7,350	7,565	7,534	
Average Daily Attendance	7,127	7,139	6,998	7,005	6,891	6,744	6,702	6,842	7,077	7,060	
Percent of Attendance	94.45%	94.57%	94.19%	94.20%	94.47%	94.26%	93.85%	93.09%	93.55%	93.71%	
General Fund Cost per Pupil based on ADM	\$ 6,614	\$ 6,956	\$ 7,024	\$ 7,575	\$ 8,866	\$ 9,257	\$ 8,848	\$ 10,156	\$ 11,777	\$ 12,998	

	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	Fiscal Year 2008
<b>School District Employees</b>										
Instructional Services										
Central Office Administrators	4	5	5	5	4	4	5	5	9	9
Principals & Assistant Principals	24	25	23	24	25	25	25	27	26	26
Teaching Staff	553	542	547	575	571	585	604	620	616	635
Substitute Teachers	158	128	132	228	205	205	144	180	213	202
Guidance Counselors	19	16	16	16	17	17	17	19	16	18
Media Specialists	12	12	12	12	12	12	12	13	13	13
Support Services										
Central Office Administrators	5	5	5	5	5	5	5	5	4	4
Specialists/Coordinators/Directors	0	0	0	0	0	0	0	7	8	8
Nurses, Psychologists, and Social Workers	24	23	25	25	28	28	28	48	43	43
Pupil Transportation	108	159	130	131	126	126	147	135	115	119
Personnel Services	7	5	6	5	5	5	5	6	6	6
Operation and Maintenance	113	102	116	104	107	107	109	103	101	116
Finance, Fiscal Services and Data Processing	16	17	15	14	14	14	15	16	16	16
School Bldg Clerical & Aides Support	354	338	352	272	269	269	314	421	426	425
General Laborer / Science Center	3	3	2	2	2	2	2	2	2	2
Print Shop	6	6	6	6	6	6	5	5	5	4
Purchasing/Warehouse/Mail Services	5	5	6	6	6	6	6	6	6	6
Food Service	60	43	57	52	51	51	56	68	54	55
Total School District Employees	1,471	1,434	1,455	1,482	1,453	1,467	1,499	1,686	1,679	1,707
<b>Teacher Salaries</b>										
Minimum	\$ 21,214	\$ 21,500	\$ 21,500	\$ 24,550	\$ 28,000	\$ 28,100	\$ 28,100	\$ 30,303	\$ 40,500	\$ 42,500
Maximum	47,939	49,410	51,385	54,604	55,095	56,450	56,730	59,899	74,900	77,400
Average	35,100	35,240	35,686	39,398	39,877	40,164	40,664	42,528	55,381	57,735

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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 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, 2008, which collectively comprise **Campbell County School District No. 1's** basic financial statements and have issued our report thereon dated December 4, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered **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 opinions 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.

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 questioned costs as Findings IC 08-1 and IC 08-2 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. Of the significant deficiencies described above, we do not consider either 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, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain other matters that we reported to management of **Campbell County School District No. 1** in a separate letter dated December 4, 2008.

The **District's** response to the findings identified in our audit are 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 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  
December 4, 2008

**SHUCK, BENNETT & WEBER**  
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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* that are applicable to each of its major federal programs for the year ended June 30, 2008. 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, 2008.

## 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 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 08-1 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.

*SILVER, BENNETT + WEBER*

Gillette, Wyoming  
December 4, 2008

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

Year Ended June 30, 2008

(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-2005-5966	\$ 8,962
Impact Aid Section 8003(b)	84.041B	S041B-2007-5966	3,705
Impact Aid Section 8003(b)	84.041B	S041B-2008-5966	45,617
Passed Through State of Wyoming Department of Education			
Carl Perkins, Vocational Education, FY07	84.048A	070VEA2569	5,799
Carl Perkins, Vocational Education, FY08	84.048A	080VEA2569	147,513
Title I, FY06	84.010A	060T1A256S	20,154
Title I, FY07	84.010A	070T1A256S	360,220
Title I, FY08	84.010A	080T1A256S	842,351
Title I, Neglected and Delinquent, FY07	84.010A	07NDS2256V	99,001
Title I, Neglected and Delinquent, FY08	84.010A	08NDS2256V	33,309
Title I, Neglected and Delinquent, FY08	84.013A	08NDS2256V	1,224
Title I, Even Start, FY06	84.213C	06EVST001X	10,862
Title V, FY07	84.298A	0700T5256U	5,053
Title V, FY08	84.298A	0800T5256U	34,388
Drug Free Schools, FY08	84.186A	08SDFS256H	87,998
Drug Free Schools, WHSSM Funding	84.186A	-	13,953
Title II D, Technology, FY07	84.318X	070T2D2566	4,791
Title II D, Technology, FY07	84.318X	07TIIDCMPA	6,415
Title II D, Technology, FY08	84.318X	08TIIDCMP3	102,348
Title II D, Technology, FY08	84.318X	080T2D2566	29,634
Title II A, FY07	84.367A	070T2A2569	144,854
Title II A, FY08	84.367A	080T2A2569	619,932
Part B, FY07	84.027A	07VIBA2566	487,462
Part B, FY08	84.027A	08VIBA2566	966,662
Part B, FY07	84.173A	07VIBP256M	8,865
Part B, FY08	84.173A	08VIBP256M	4,316
Title III, FY07	84.365A	0700T3256W	20,656
Title III, FY08	84.365A	0800T3256W	14,952
Title III, Immigrant Subgrant FY 07	84.365A	071MMSUB03	343
McKinney Homeless, FY06	84.196A	06HMLS022W	4,690
McKinney Homeless, FY08	84.196A	08HMLS00301	10,452
21 <sup>st</sup> Century CLC, FY07	84.287C	0721C3C03A	94,519
21 <sup>st</sup> Century CLC, FY07	84.287C	0721CLC03A	24,860
21 <sup>st</sup> Century CLC, FY07	84.287C	0721SIG02A	62,234
21 <sup>st</sup> Century CLC, FY08	84.287C	0821CLC03A	44,353
21 <sup>st</sup> Century CLC, FY08	84.287C	0821C3C03A	86,019
21 <sup>st</sup> Century CLC, FY08	84.287C	0821C4C02A	23,694
Grants for State Assistance and Related Activities	84.369A	-	7,004
Special Education-State Personnel Development	84.323A	-	1,000
Passed Through Wyoming Community College Commission			
Title I, Even Start FY07	84.213	-	19,136
Title I, Even Start FY08	84.213	-	73,970
Total U.S. Department of Education			\$ 4,583,270

(Continued)

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

Year Ended June 30, 2008

(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	-	\$ 483
<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 FY07	94.004	0715LASO1A	\$ 1,788
Learn and Service America, School and Community Based Programs FY 08	94.004	0815LASO1A	15,000
Total Corporation for National and Community Service			\$ 16,788
<u>Department of Agriculture</u>			
Passed Through the State of Wyoming Department of Education			
Food Distribution Program	10.550	-	\$ 115,694
National Breakfast Program	10.553	-	156,034
National School Lunch Program	10.555	-	622,980
Summer Food Service Program for Children	10.559	-	10,189
Child and Adult Care Food Program	10.558	-	8,093
Total U.S. Department of Agriculture			\$ 912,990
<u>Department of Interior</u>			
Passed Through Campbell County, Wyoming			
Treasurer's Office Taylor Grazing Act	15.227	-	\$ 49,610
Total Expenditures of Federal Awards			\$ 5,563,141

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, 2008**

(Page 1 of 4)

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

Noncompliance material to financial statements noted?  yes  no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?  yes  no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?  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?  yes  no

Identification of major programs:

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Amount Expended</i>
84.318	Title IID	<u>\$ 143,188</u>
84.186	Drug Free Schools	<u>\$ 101,951</u>
84.287	21 <sup>st</sup> Century CLC	<u>\$ 335,679</u>
84.213	Title I, Even Start	<u>\$ 103,968</u>
84.027	Part B	\$ 1,454,124
84.173	Part B	<u>13,181</u>
	Part B Cluster Total	<u>\$ 1,467,305</u>

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee?  yes  no

(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2008**

(Page 2 of 4)

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**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 08-1 - 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 08-2 - 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).

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2008**

(Page 3 of 4)

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**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.

B. Compliance Findings

There were no compliance findings.

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**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2008**

(Page 4 of 4)

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**Section III. Findings and Questioned Costs for Federal Awards**

FA 08-1 - 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.

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**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

Year Ended June 30, 2008

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1) Prior Year Findings:

Segregation of Duties in the Data Processing Department

Criteria

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Condition

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Recommendation

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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, Brooke Neibauer, Norma Miller & Staff

***Campbell County Treasurer***

Shirley Study, Becky Brazelton, Jackie Blikre & Staff

***Campbell County Assessor***

Troy Clements & Staff