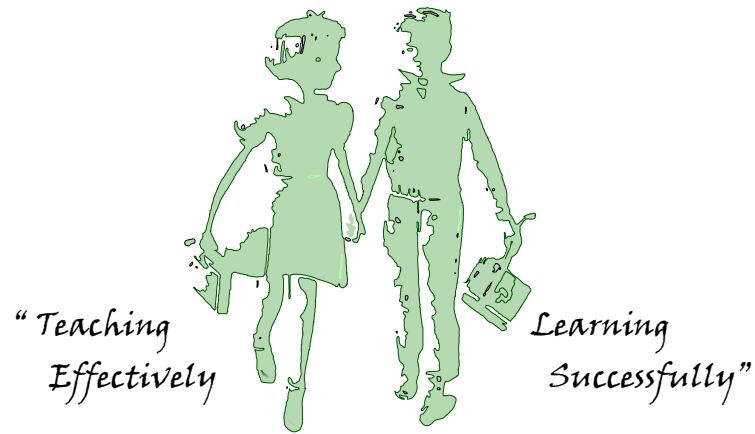




Campbell County  
School District No.1  
Gillette, Wyoming



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Comprehensive  
Annual  
Financial  
Report  
**CAFR**

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Fiscal Year Ended  
June 30, 2012

Prepared by the:

*Instructional Support Division,  
Accounting Department*

*Rhea J. Betts, MBA*  
Accounting Manager

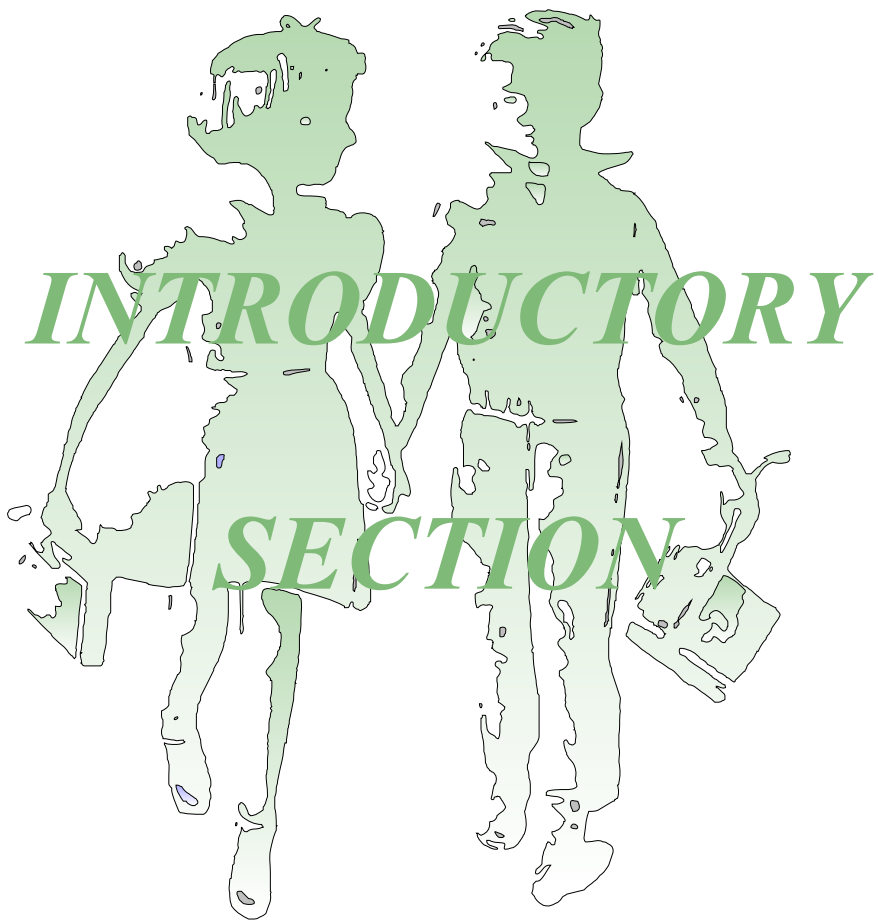
**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT  
OF  
CAMPBELL COUNTY SCHOOL DISTRICT NO. 1  
GILLETTE, WYOMING  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2012**



**RICHARD STRAHORN, Ed.D., Superintendent of Schools**  
**ALEX AYERS, 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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FINANCIAL SECTION (Continued)**

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SINGLE AUDIT SECTION**

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November 13, 2012

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 2012 Comprehensive Annual Financial Report (CAFR) of Campbell County School District No. 1, for the fiscal year ended June 30, 2012. Pursuant to Wyoming State Statute 16-4-121 and 16-4-122 an annual audit was performed by independent auditors in accordance with generally accepted auditing standards and using “Government Auditing Standards” audit procedures, with copies of this CAFR being submitted to the Wyoming State Department of Education before December 15, 2012 as required by Wyoming State Statute 9-1-507. 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 LLP, Certified Public Accountants, this report was prepared by the District's Instructional Support Division, Accounting Department, in accordance with accounting principles generally accepted in the United States of America and reporting standards of the Governmental Accounting Standards Board. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management.

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

### ORGANIZATION OF THE REPORT

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

- The **introductory section** includes this transmittal letter, the list of principal officials, the organizational structure of Campbell County School District No. 1 and a copy of the Certificate of Excellence from fiscal year 2011.
- The **financial section** includes the government-wide financial statements; the fund financial statements; the combining statements and individual fund schedules; the independent auditor's report 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 its 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 8,368 students are taught in one senior high school split into two campuses, one alternative high school, one junior/senior high school, two junior high schools and fifteen elementary schools (five of which are rural).

Among the District's assets, are thirty-one essential buildings with an average age of 32 years. In addition to twenty-one school buildings, the District has ten main buildings: the Aquatic Center; support facility buildings which house offices and departments of Transportation, Buildings and Grounds-Maintenance, Central Warehouse, Lakeway Learning Center and the Educational Services Center; as well as a building housing community support service programs such as Even Start, Kinder Tots and the Virtual School program.

In the State of Wyoming, School District buildings are replaced with the approval and funding of the State of Wyoming's School Facilities Commission. Recent replacement school buildings for Campbell County School District include the rural elementary school, Recluse in fiscal year 2008-2009, Hillcrest Elementary in fiscal year 2009-2010 and the Stocktrail Elementary school replacement, renamed Prairie Wind Elementary, in fiscal year 2010-2011. The new Buffalo Ridge Elementary school opened for the 2012-2013 fiscal year. The District is working with the School Facilities Commission for replacement of the current Lakeview Elementary and the alternative high school, Westwood.

School staff, including part time, totaled 1,607 in 2011-2012. Of the total, 789 were certified staff including teachers, specialists, and administrators. Non certified staff including clerical, custodial, food services, aides, maintenance, and bus drivers totaled 818. 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).

At first glance the national recession is not all that apparent when looking at the District’s financial statements. The average daily membership has risen 14.7 % over the past ten years, and the District enrollment projection, provided by the Middle Cities Education Association, is for this trend to continue for at least the next five years. Campbell County’s assessed valuation has more than doubled to \$5,425,565,207 over the past ten years. The June 2012 unemployment rates were 8.4% nationally, 5.6% for the State of Wyoming, and 4.6% for Campbell County, Wyoming. However, when comparing the percent of District students eligible for the Free/Reduced Federal Food Program, signs of the national recession may be seen. Over the past ten years the percent of the student population eligible for the Free/Reduced Federal Food Program went from 22.64 % to 32.48%. (See Table 15 in the Statistical Section, Operating Information for Campbell County School District, for more information)

### 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 and math were administered to students in grades three through eight and grade eleven. Science tests are only administered in grades four, eight, and eleven. The figure below indicates the percentage of students who scored proficient or better on PAWS. A comparison of district versus statewide percentages is provided.

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	2.5%	4.5%	2.0%	1.2%	1.8%	3.2%	0.5%	1.4%	4.2%	3.2%	3.7%	3.3%	3.9%	5.5%
Basic	26.7%	25.9%	17.7%	15.1%	16.4%	17.7%	15.6%	14.7%	25.8%	21.8%	22.7%	19.3%	18.7%	18.0%
Proficient	62.0%	59.1%	46.6%	47.4%	53.7%	50.3%	59.6%	56.0%	62.7%	64.7%	64.4%	61.7%	61.8%	55.9%
Advanced	8.8%	10.5%	33.6%	35.8%	28.0%	28.8%	20.4%	27.9%	7.4%	10.3%	9.3%	15.8%	15.6%	20.7%
<b>Math</b>														
Below Basic	0.9%	2.1%	5.0%	4.0%	2.6%	4.1%	3.2%	4.9%	9.7%	6.3%	9.6%	9.5%	3.1%	4.1%
Basic	6.9%	7.5%	15.6%	13.8%	17.6%	14.0%	10.7%	12.68	19.2%	17.6%	17.0%	17.9%	29.4%	29.7%
Proficient	57.1%	49.3%	57.1%	55.0%	54.0%	51.0%	56.9%	52.5%	48.3%	48.9%	56.2%	51.8%	55.4%	51.4%
Advanced	35.2%	41.1%	22.3%	27.2%	25.8%	30.1%	29.1%	30.0%	22.9%	27.1%	17.2%	20.9%	12.1%	14.8%
<b>Science</b>														
Below Basic			3.8%	5.0%							14.5%	12.0%	19.6%	15.0%
Basic			34.7%	31.0%							38.5%	37.0%	37.7%	34.0%
Proficient			51.2%	52.0%							42.2%	41.0%	32.2%	36.0%
Advanced			10.4%	12.0%							4.8%	10.0%	10.5%	15.0%

The average American College Testing (ACT) composite score for Campbell County School District No.1 graduating class of 2012 was 19.3; 19.8 for the Campbell County High School, 17.7 for Wright Junior/Senior High School and 16.1 for Westwood High School. State and national averages were 20.3 and 21.1, respectively.

During 2011-2012, an average of 94.17% of Campbell County School District No. 1 students attended class each day, compared to 93.71% in 2010-2011, 93.63% in 2009-2010 and 94.26% in 2008-2009. Students absent for school-sponsored academic or athletic activities were not considered absent for attendance purposes.

School district dropout rates are calculated by the Wyoming State Department of Education. The District's last calculated secondary enrollment drop out rate for the 2009-2010 school year was 2.96%. Several interventions contribute to this relatively low dropout rate. The District's alternative high school, Westwood High School has been very successful in recruiting students at high risk of becoming dropouts. Many students complete their education in this alternative setting who would not have succeeded or returned to our other high schools. Over the past ten years, 853 students have graduated with regular diplomas from this school.

### ***GASB 34 Reporting Model and GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions***

The Governmental Accounting Standards Board (GASB) established a 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 reporting model for its fiscal year 2003 annual report.

GASB Statement No. 34 basically established 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 Auditor's 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 one major fund, the General Fund, meeting the major fund criteria for these reports.
- *Required Supplementary Information (RSI)* other than the MD&A includes the Funding Progress for Retiree Health Plan, Combining Statement & Individual Fund Schedules.

GASB Statement No. 54, issued March 2009, enhances how fund balance information is reported on the financial statements. It established newly defined fund balance categories of; ***non spendable***, for assets such as inventories; ***restricted***, for constitutional stipulated specific purposes, external resource providers, or enabling legislation; ***committed***, for money to be spent by formal District actions; ***assigned*** and ***unassigned*** based on the relative strength of the constraints of how they can be spent. June 14, 2011, Campbell County School District No.1 adopted Policy 3101 Spending Prioritization, committing to the new fund balance classifications.

## **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.

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

## **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 2011-2012 school year for all governmental funds of \$87,243 represented 0.0564 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 105 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

<b>Summary of Insurance Coverage</b>		
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	\$200,000,000	\$ 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 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, 2012, employees taking the District's insurance were given two plan coverage options, a high deductible plan, or an HSA eligible 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

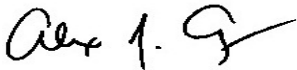
The Association of School Business Officials International (ASBO) awarded Campbell County School District No.1 a Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Reports for all fiscal years ended June 30, 1991 through June 30, 2011 consecutively.

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,



Alex Ayers, 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, 2012  
 LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS - BOARD OF TRUSTEES



Chairman  
 David Fall  
 (2008-2012)



Vice-Chairman  
 Susan Shippy  
 (2010-2014)



Treasurer  
 Linda Jennings  
 (2008-2012)



Clerk/Asst. Treasurer  
 Deb Hepp  
 (2008-2012)



Trustee  
 Lisa Durgin  
 (2008-2012)

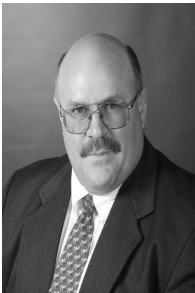


Trustee  
 Joseph Lawrence  
 (2010-2014)



Trustee  
 Anne Ochs  
 (2010-2014)

APPOINTED OFFICIALS



Associate Superintendent for  
 Instruction  
 Boyd Brown, Ed.D.



Superintendent  
 Richard Strahorn, Ed.D.



Associate Superintendent for  
 Instructional Support  
 Alex Ayers, Ed.D.

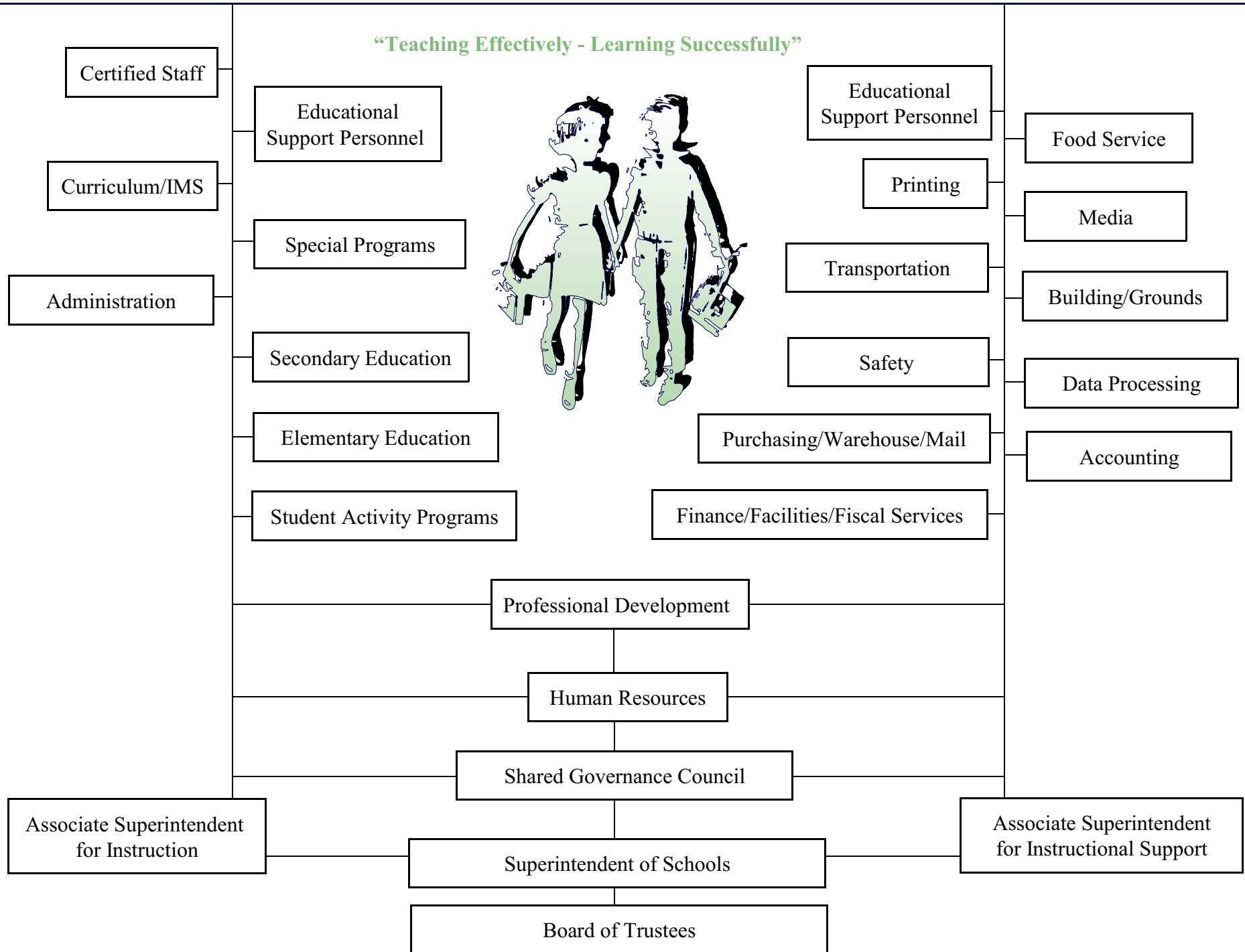


Assistant Superintendent for  
 Curriculum & Assessment  
 Stephen Fenton,



Assistant Superintendent for  
 Technology Education  
 Lyla Downey

# Students of Campbell County School District No.1



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



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

**Campbell County School District No 1**



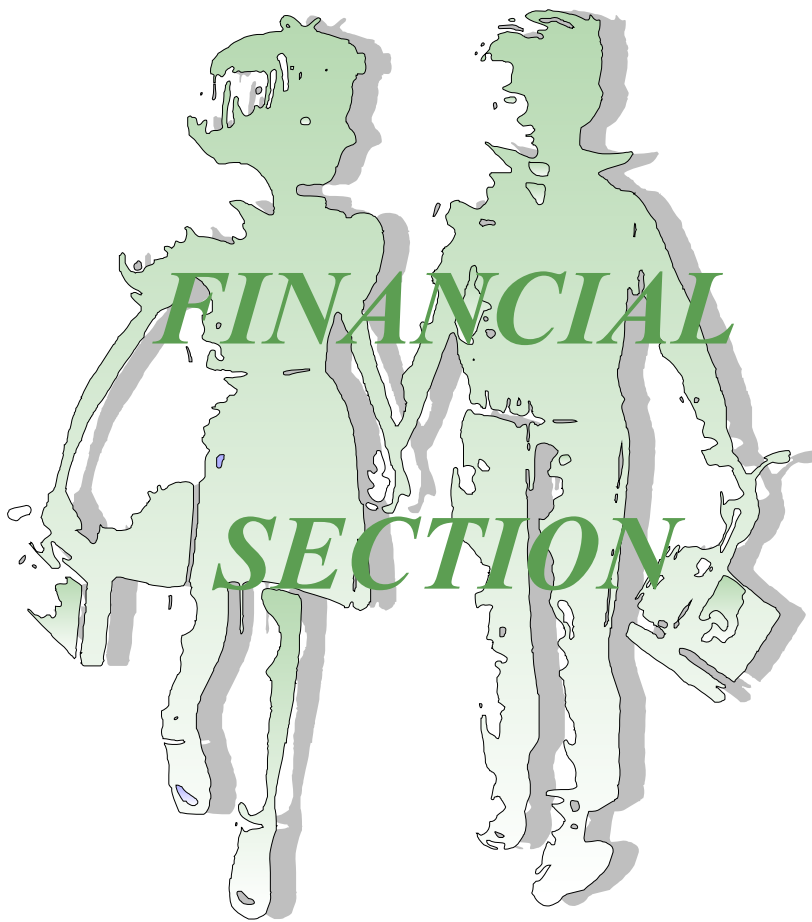
For its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2011  
upon recommendation of the Association's Panel of Review  
which has judged that the Report substantially conforms  
to principles and standards of ASBO's Certificate of Excellence

A handwritten signature in black ink, appearing to read 'Bill Nsee'.

President

A handwritten signature in black ink, appearing to read 'John D. Musso'.

Executive Director



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# SHUCK, BENNETT & WEBER, LLP

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

319 S. Gillette Avenue, Suite 200

P.O. Box 2256

Gillette, WY 82717-2256

Telephone (307)682-5250

Fax (307) 682-6938

sbw@sbwcpas.com

Michael R. Bennett, CPA  
Rauland J. Weber, CPA  
Tamara J. Hermstad, CPA

Michael L. Shuck, CPA  
Amanda J. Fiedor, CPA  
Ryan J. Gemar, CPA

## INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying basic 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 (District)** as of and for the year ended June 30, 2012, 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of **Campbell County School District No. 1**, as of June 30, 2012, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2012, 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 should be considered in assessing the results of our audit.



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 12 and the schedule of funding progress for the Retiree Health Plan on page 47 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **Campbell County School District No. 1's** financial statements as a whole. The introductory section, combining and individual and 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. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

*SHULIK, BENNETT + WEBER, LLP*

Gillette, Wyoming  
October 23, 2012

# CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

(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, 2012. 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 2012 are as follows:

- The District's financial status improved. In total, net assets increased \$13,230,932 which represents a 7.417 percent increase from fiscal year 2011.
- Overall revenues of \$160,407,611 exceeded expenses of \$147,176,679 .
- General Revenues accounted for \$143,280,607 in revenue or 89.323 percent of all revenues. Program specific revenues in the form of charges for services, and operating grants and contributions for \$17,127,004 or 10.677 percent of total revenues of \$160,407,611.
- As shown in Note 3 G of the Notes to the Basic Financial Statements, the District increased its outstanding long-term debt by \$142,655 or 4.0382 percent.
- The District had \$147,176,679 in expenses; only \$17,127,004 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$143,280,607 were adequate to provide for these programs.
- The General Fund had \$123,267,428 in revenues and \$122,445,272 in expenditures. After Other Financing Sources of \$131,603, the General Fund's fund balance increased \$953,759 over 2011.
- The net assets of governmental activities increased by 7.4323 percent or \$13,244,296 and the net assets of the business-type activity decreased 7.0366 percent or \$13,364.

### 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 *government-wide financial statements* and the *fund financial 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, 2012**

**(Unaudited - Continued)**

***Reporting the District as a Whole***

***Government-wide financial statements***

The Statement of Net Assets and the Statement of Activities are the two government-wide financial statements presented. The government-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 reader's question, "How did Campbell County School District No.1 do financially during fiscal year 2012?" 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 is two business-type activities, the Enterprise Fund-Food Service and the Enterprise Fund - CAT/Preschool. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting considers all the current year's revenues and expenses regardless of when cash is received or paid. These two statements also report the net 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 government-wide statements. Fund financial statements focus on the most significant funds with all other non-major funds presented in total in one column. Campbell County School District No.1 uses many funds to account for a multitude of financial transactions. The General Fund was the only major governmental fund for fiscal year 2012.

***Fund Types***

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

***Governmental funds statements***

Most of the District activities are reported in governmental funds, which generally focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net 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 government-wide statements which offer short and long-term financial information about the activities the District operates like a business. The District has two Enterprise Fund programs, the Food Service and the - CAT/Preschool. The other type of a proprietary fund is an Internal Service Fund. An Internal Service Fund may be used to report activities that provide supplies and services for other programs and activities. The District currently uses the Internal Service Fund to account for the financing and operations of its Health Insurance Fund.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**(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 the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its own operations.

**Financial Analysis of the District as a Whole**

The Statement of Net Assets provides the perspective of the District as whole. Figure A provides a summary of the District's net assets for 2012 compared to 2011:

Figure A

Condensed Statement of Net Assets							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2011	2012	2011	2012	2011	2012	
Current and other assets	\$ 238,185,484	\$ 240,343,177	\$ 177,109	\$ 127,379	\$ 238,362,593	\$ 240,470,556	.884 %
Capital assets	139,143,264	160,526,517	65,515	144,616	139,208,779	160,671,133	15.417%
<b>Total Assets</b>	<b>377,328,748</b>	<b>400,869,694</b>	<b>242,624</b>	<b>271,995</b>	<b>377,571,372</b>	<b>401,141,689</b>	<b>6.243 %</b>
Long-Term Liabilities	2,617,868	2,639,714	0	0	2,617,868	2,639,714	0.834 %
Other Liabilities	196,510,751	206,785,555	52,702	95,437	196,563,453	206,880,992	5.249 %
<b>Total Liabilities</b>	<b>199,128,619</b>	<b>209,425,269</b>	<b>52,702</b>	<b>95,437</b>	<b>199,181,321</b>	<b>209,520,706</b>	<b>5.191 %</b>
<b>Net Assets</b>							
Invested in capital assets, Net of related debt	136,526,203	157,758,844	65,515	144,616	136,591,718	157,903,460	15.603 %
Restricted	19,993,570	14,114,875	0	0	19,993,570	14,114,875	(29.403)%
Unrestricted	21,680,356	19,570,706	124,407	31,942	21,804,763	19,602,648	(10.099)%
<b>Total Net Assets</b>	<b>\$ 178,200,129</b>	<b>\$ 191,444,425</b>	<b>\$ 189,922</b>	<b>\$ 176,558</b>	<b>\$178,390,051</b>	<b>\$191,620,983</b>	<b>7.417%</b>

The District's combined net assets were greater on June 30, 2012, than they were on June 30, 2011, increasing by 7.417 percent to \$191,620,983 (See Figure A). This overall increase in the District's financial position came from its governmental activities, with its net assets increasing \$13,244,296 and also from a net assets decrease of \$13,434 in its business-type activities.

***Changes in net assets***

The District's total revenues were \$160,407,611. (See Figure B)

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**(Unaudited - Continued)**

Figure B

Changes in Net Assets from Operating Results							
	Governmental Activities		Business-type Activities		Total School District		Total Percentage Change
	2011	2012	2011	2012	2011	2012	2011-2012
<b>Revenues</b>							
Program revenues:							
Charges for Services	\$ 1,997,712	\$ 1,717,928	\$ 2,731,836	\$ 2,724,666	\$ 4,729,548	\$ 4,442,594	(6.067)%
Operating Grants and Contributions	12,900,803	11,138,051	1,424,314	1,546,359	14,325,117	12,684,410	(11.453)%
General Revenues:							
Taxes: Property levied - specific	112,917,317	125,323,079	-	-	112,917,317	125,323,079	10.987 %
Grants and Contributions not restricted	9,699,083	17,438,448	-	-	9,699,083	17,438,448	79.795 %
Interest	123,969	88,627	304	209	124,273	88,836	(28.515)%
Miscellaneous	686,077	430,244	-	-	686,077	430,244	(37.289)%
Gain (loss) on Sale of Capital Assets	0	0	0	0	0	0	100.000%
<b>Total Revenues</b>	<b>138,324,961</b>	<b>156,136,377</b>	<b>4,156,454</b>	<b>4,271,234</b>	<b>142,481,415</b>	<b>160,407,611</b>	<b>12.581 %</b>
<b>Expenses</b>							
Governmental Activities							
Instruction	77,763,448	78,211,197	-	-	77,763,448	78,211,197	0.576 %
Pupil and Instructional Staff	24,564,408	23,188,529	-	-	24,564,408	23,188,529	(5.601)%
General, School & Business Administration	10,787,619	10,389,118	-	-	10,787,619	10,389,118	(3.694)%
Operation and Maintenance of Plant	14,487,926	12,891,865	-	-	14,487,926	12,891,865	(11.016)%
Pupil Transportation	7,888,565	8,029,636	-	-	7,888,565	8,029,636	1.788 %
Central	2,376,918	1,548,050	-	-	2,376,918	1,548,050	(34.872)%
Other Support Services	356,611	426,575	-	-	356,611	426,575	19.619 %
Community Support - Non Instruct. Services	8,551,304	7,130,590	-	-	8,551,304	7,130,590	(16.614)%
Debt Service	114,587	114,855	-	-	114,587	114,855	0.234 %
Other - Enterprise Funds	0	0	4,987,949	5,246,264	4,987,949	5,246,264	5.179 %
<b>Total Expenses</b>	<b>146,891,386</b>	<b>141,930,415</b>	<b>4,987,949</b>	<b>5,246,264</b>	<b>151,879,335</b>	<b>147,176,679</b>	<b>(3.096)%</b>
Excess (deficiency) before transfers	(8,566,425)	14,205,962	(831,495)	(975,030)	(9,397,920)	13,230,932	(240.786)%
Transfers	(679,309)	(961,666)	679,309	961,666	0	0	-
<b>Increase (decrease) in Net Asset:</b>	<b>(9,245,734)</b>	<b>13,244,296</b>	<b>(152,186)</b>	<b>(13,364)</b>	<b>(9,397,920)</b>	<b>13,230,932</b>	<b>(240.786)%</b>
Net Assets - Beginning Fiscal Year	187,445,863	178,200,129	342,108	189,922	187,787,971	178,390,051	(5.005)%
Net Assets - Ending Fiscal Year	\$178,200,129	\$191,444,425	\$ 189,922	\$ 176,558	\$178,390,051	\$191,620,983	7.417 %

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

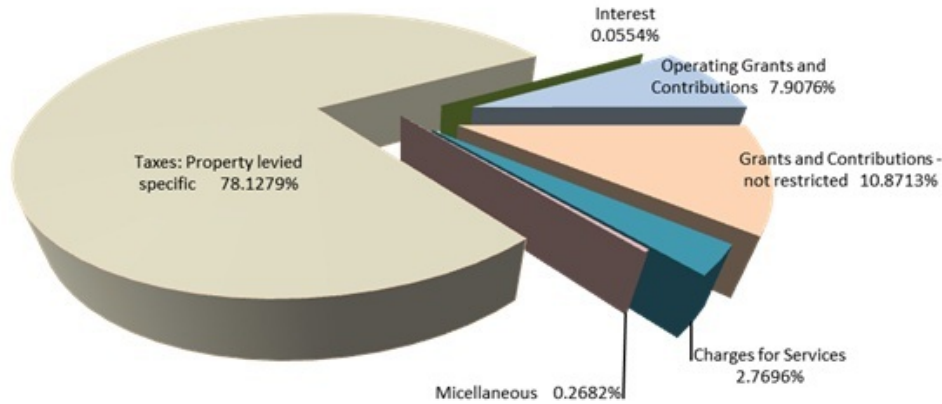
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**(Unaudited - Continued)**

Of total revenues, property taxes of \$125,323,079 accounted for most of the District's revenue, or 78.1279 percent. Local, state and federal aid for specific programs contributed \$12,684,410 or 7.9076 percent, with charges for service of \$4,442,594 or 2.7696 percent, grants and contributions not restricted of \$17,438,448 or 10.8713 percent. The remainder \$519,080 or .3236 percent, resulted from interest earnings, other local revenue, and miscellaneous sources.

**REVENUE SOURCES FOR FISCAL YEAR 2012**

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

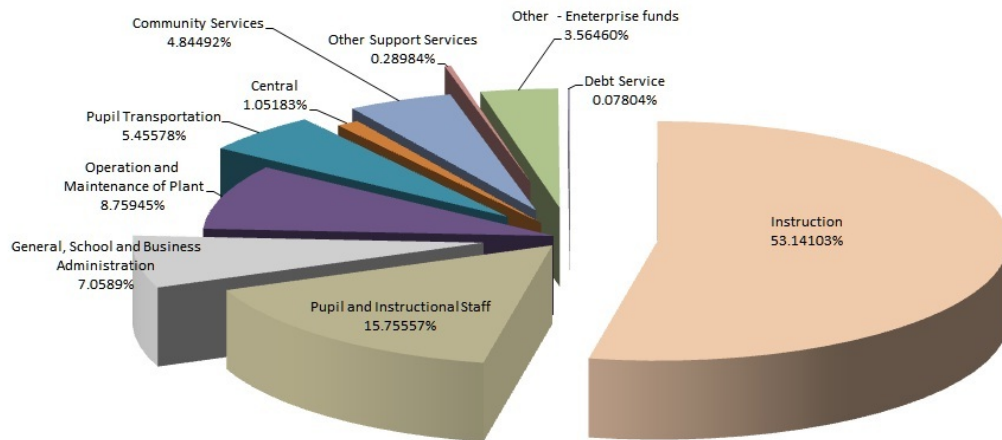


Local, state and federal aid for specific programs contributed \$12,684,410 or 7.9076 percent, with charges for service of \$4,442,594 or 2.7696 percent, grants and contributions not restricted of \$17,438,448 or 10.8713 percent. The remainder \$519,080 or .3236 percent, resulted from interest earnings, other local revenue, and miscellaneous sources.

The total cost of all programs and services totaled \$147,176,679. Of the District's expenses, \$101,399,726 or 68.89660 percent are directly related to the areas of instruction, and pupil and instructional staff. Pupil transportation with costs of \$8,029,636 represents 5.45578 percent, operational and maintenance of plant services costs totaled \$12,891,865 or 8.75945 percent of total expenses. The areas of administration: general, school and business, had expenses totaling \$10,389,118 or 7.05894 percent. Central, which is the office of human resources and the costs associated with the Health Insurance Fund, totaled \$1,548,050 or 1.05183 percent of total expenses, debt service expenses totaled \$114,855 or .07804 percent. Other support services and community services expenses totaling \$7,557,165 represent 5.13476 percent while the enterprise funds totaled \$5,246,264 or 3.56460 percent of total District expenses.

**Expenses for Fiscal Year 2012**

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



operational and maintenance of plant services costs totaled \$12,891,865 or 8.75945 percent of total expenses. The areas of administration: general, school and business, had expenses totaling \$10,389,118 or 7.05894 percent. Central, which is the office of human resources and the costs associated with the Health Insurance Fund, totaled \$1,548,050 or 1.05183 percent of total expenses, debt service expenses totaled \$114,855 or .07804 percent. Other support services and community services expenses totaling \$7,557,165 represent 5.13476 percent while the enterprise funds totaled \$5,246,264 or 3.56460 percent of total District expenses.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

**(Unaudited - Continued)**

Total School District expenses surpassed revenues, increasing net assets by \$13,230,932. This year the governmental activities contributed \$13,244,296 to the School District's financial health while the business-type activities of the Enterprise Funds ended with a reduction of \$13,364 to its net assets.

***Governmental Activities***

***Revenues***

When reviewing Total Governmental specific revenue source changes for 2011-2012 compared to 2010-2011 changes were:

- From local and county sources, an additional \$7,710,243 was received in 2011-2012 over 2010-2011. Increases of \$8,568,514 came from increased assessed valuation taxes, \$12,968 in Rentals and \$3,262 in Charges for Services. These increases were offset by decreases of \$300,318 in Contributions and Donations, \$285,900 in the Miscellaneous area, \$253,541 for Tuition and Fees, and \$34,742 in Interest.
- Revenues from the State of Wyoming increased \$7,366,902 in 2011-2012 compared to 2010-2011. An increase of \$8,788,565 in the Non-Major Capital Projects Funds was offset by decreases of \$397,180 in the General Fund and \$1,024,483 in the Non-Major Special Revenue Funds.
- A reduction of \$1,116,661 was seen in the revenue area from federal sources in 2011-2012 compared to 2010-2011. An increase of \$20,274 in the major governmental fund, General Fund and a decrease in grant funding in the Non-Major Special Revenue Funds of \$1,136,935.

***Expenses***

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

Figure C

<b>Net Cost of Governmental Activities</b>						
	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2011	2012		2011	2012	
Instruction	\$ 77,763,448	\$ 78,211,197	0.5758 %	\$70,117,777	\$ 72,447,057	3.3220%
Pupil and Instructional Staff	24,564,408	23,188,529	(5.6011)%	20,881,094	19,180,597	(8.1437)%
General, School and Business Administration	10,787,619	10,389,118	(3.6941)%	10,464,120	10,145,573	(3.0442)%
Operation and Maintenance of Plant	14,487,926	12,891,865	(11.0165)%	14,161,352	12,810,386	(9.5398)%
Pupil Transportation	7,888,565	8,029,636	1.7883 %	7,740,933	7,964,831	2.8924 %
Central	2,376,918	1,548,050	(34.8715)%	2,250,650	1,278,470	(43.1955)%
Other Support Services	356,611	426,575	19.6191 %	101,093	171,353	69.5004 %
Operation on Non- Instructional Service - Community	8,551,304	7,130,590	(16.6140)%	6,161,265	4,961,314	(19.4757)%
Debt Service	114,587	114,855	0.2339 %	114,587	114,855	0.2339 %
<b>Total</b>	<b>\$ 146,891,386</b>	<b>\$ 141,930,415</b>	<b>(3.3773)%</b>	<b>\$ 131,992,871</b>	<b>\$ 129,074,436</b>	<b>(2.2111)%</b>

# CAMPBELL COUNTY SCHOOL DISTRICT NO. 1

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012 (Unaudited - Continued)

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

Total cost of governmental activities for 2011-2012 totaled \$141,930,415. 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 \$11,138,051 and Charges for Services of \$1,717,928 are deducted, bringing the total net cost of services to \$129,074,436.

Specific fund expenditure changes before GASB 34 adjustments for 2011-2012 compared to 2010-2011 showed:

- Expenditures for the Non-Major Special Revenue Funds in total increased by \$404,647 in 2011-2012 compared to 2010-2011. Of the three Non-Major Special Revenue Funds groupings only the Major Maintenance had increased spending of \$3,170,358. Decrease spending was seen by the Campbell County Public Recreation District of \$1,628,776 and an overall decrease in award funding from federal and state grant sources of \$1,136,935.
- General Fund expenditures in total decreased by \$729,932 in 2011-2012 compared to 2010-2011. Spending in areas directly in contact with students had an overall decrease of \$1,108,649; an increase of \$735,514 in the Instruction areas and a decrease of \$1,844,163 in the Pupil and Instructional Staff areas. Other areas with spending increases were; \$47,457 in General Administration, \$1,948 in Business, \$171,409 in Pupil Transportation, \$360,141 in Central, \$49,197 in Other Support Services, \$103,057 in Community Services and in the Debt Service area \$131,634. Areas with spending decreases included School Administration by \$185,468, Operation and Maintenance of Plant by \$35,648 and \$265,010 in Capital Outlay.
- The District had an overall increase in Capital Outlay spending of \$10,377,391. All four Non-Major Capital Projects Funds saw increases; \$182,949 in Capital Construction, \$2,898,038 Depreciation Reserve, \$8,722,156 Major Capital Projects and \$66,409 in the Minor Capital Projects fund. These Non-Major Capital Projects Funds increases totaling \$11,869,552 were reduced by Capital Outlay spending in other areas totaling \$1,492,161; \$265,010 in the General Fund, \$1,171,981 in Special Revenue Funds and \$55,170 in the Debt Service Fund.

### *Business-Type Activities*

Revenues of the District's business-type activities increased 2.762 percent to \$4,271,234 and expenses rose 5.179 percent to \$5,246,264. (refer to Figure B) Expenses exceeded revenues by \$975,030, before transfers. When including transfers, net assets of the business-type activities decreased \$13,364 or 7.037 percent.

## **Financial Analysis of the District's Funds**

### *General Fund Budgetary Highlights*

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

Although the District's final budget for the General Fund anticipated that revenues and expenditures would result with a deficit of \$16,450,460 which were to be covered by contingency funding, the actual results for the year show a decrease of \$3,722,902. The actual revenues were \$118,722,370 or \$1,493,619 higher than expected. Local and County sources brought in an additional \$4,056,325 while Federal and State sources brought in \$2,562,706 less than budgeted.



**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(Unaudited - Continued)**

Actual General Fund expenditures were \$122,445,272, or \$11,233,939 below budget. With the anticipated budget containing a \$1,170,175 contingency, actual expenditures show a savings of \$10,063,764. The General Fund expenditures had no areas exceeding its budget appropriations for fiscal year 2011-2012.

**Capital Asset and Debt Administration**

**Capital Assets**

As of June 30, 2012 the District's governmental activities had invested \$261,272,829 before depreciation, in a broad range of Capital Assets, including land, school buildings, athletic facilities, computer and audio-visual equipment, vehicles and administrative offices. This represents an increase of \$28,104,314 or 12.05% from fiscal year 2010-2011. Total depreciation expense for the year was \$7,540,031 which brings total accumulated depreciation to \$100,746,312 for fiscal year ending June 30, 2012. (See Figure D)

Governmental Activities in Capital Assets had net increases in land holdings of \$0; \$3,955,449 in Buildings and Building Improvements; \$144,716 in Improvements other than Buildings; and \$413,159 for vehicles and new equipment. And a net increase totaling \$16,869,929 in the area of Construction in Progress.

At fiscal year end, the District had contractual purchase commitments approximately totaling \$29,339,000, which will be funded by the Special Revenue Fund - Major Maintenance, and the Non-Major Capital Project Funds: Depreciation Reserve Fund and 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
	2011	2012	2011	2012	2011	2012	2011-2012
Land	\$8,027,589	\$8,027,589	-	-	\$8,027,589	\$8,027,589	0.000 %
Buildings and Building Improvements	104,945,215	108,900,664	-	-	104,945,215	108,900,664	3.769 %
Improvements other than Buildings	12,230,048	12,374,764	-	-	12,230,048	12,374,764	1.183 %
Equipment and Vehicles	6,211,896	6,625,055	65,515	144,616	6,277,411	6,769,671	7.842 %
Construction in Progress	7,728,516	24,598,445	-	-	7,728,516	24,598,445	218.282 %
<b>Total</b>	<b>\$139,143,264</b>	<b>\$160,526,517</b>	<b>\$ 65,515</b>	<b>\$ 144,616</b>	<b>\$139,208,779</b>	<b>\$160,671,133</b>	<b>15.417 %</b>

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2012  
(Unaudited - Continued)**

**Debt Administration / Long Term Debt**

On June 30, 2012 the District had \$3,675,260 in other long-term debt outstanding or an increase of 4.038 % from June 30, 2011 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, 2012, the District’s overall legal debt limit was \$542,556,521 leaving a legal debt margin of \$542,556,521 available.

Figure E

<b>Outstanding Long Term Debt</b>			
	Total School District		Total Percentage Change
	2011	2012	2011-2012
Other general obligation debt - Capital leases	2,617,061	2,767,673	5.755 %
Other general obligation debt - Sick Leave Payable (anticipated)	422,544	414,587	(1.883)%
Net OPEB Obligation	493,000	493,000	0.000 %
<b>Total</b>	<b>\$3,532,605</b>	<b>\$3,675,260</b>	<b>4.0382%</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 still 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 increased by 120 students for Fiscal Year 2011-2012 from Fiscal Year 2010-2011. 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. Two new replacement schools, the new Hillcrest Elementary school, on which construction began in 2008, was ready for occupancy the first day of the 2009-2010 school year, while in September of 2008, construction started on a second new elementary school, Prairie Wind Elementary, which was ready for occupancy in the first day of the 2010-2011 school year. A new, non-replacement school, Buffalo Ridge Elementary, with construction started in May 2011, was ready for occupancy the first day of the 2012-2013 school year. A third elementary replacement school site and design is slowly progressing with school officials hoping for it to be ready for classes in the fall 2014.
- The District’s health insurance costs increased significantly during the 2009-2010 fiscal year. District insured claims processed exceeded total premium contributions into the Wyoming School Boards Insurance Trust (WSBAIT) by \$5,441,769. The District’s Administration and Board of Trustees covered this overage. District employees saw premium increases starting September 2011 and changes in the Insurance coverage plan options available starting January 2011. On January 1, 2012, the District insurance coverage plans offered to employees changed from either a regular plan or a high deductible plan option to either a high deductible/indemnity plan or a qualified high deductible health plan with health saving account (HSA) plan.

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

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012 (Unaudited - Continued)**

- In order for Wyoming school districts to receive full school foundation state funding for the upcoming school year, districts must meet the new Wyoming State Statute 21-13-307(a)(iv) [House Enrolled Act 98 (HEA 98) of 2011] 16:1 student-to-teacher class size ratio for Kindergarten through Grade Three. School districts not meeting this new student-to-teacher ratio will be notified each year on or before the first day of March by the Wyoming State Department of Education. Any Wyoming school district not meeting the new class size ratio may request a (a)(iv)(1) waiver, under four conditions: insufficient school facility capacity, positive school performance, positive student achievement, or for other reasons related to the delivery of the education program to students. Campbell County School District was notified by the Wyoming Department of Education it did not meet the 16:1 student-to-teacher ratio required for 2012-2013 fiscal year school foundation state funding. Campbell County School District No.1 applied for and was granted an (a)(iv)(1) waiver for fiscal year 2012-2013 from Wyoming Department of Education on March 19, 2012.

If the District had not been granted the (a)(iv)(1) waiver, the estimated additional cost to meet the 16:1 student-to-teacher ratio for the 2012-2013 school year would have been \$2,125,000 in salary and benefits for 28 additional teachers and classroom set up costs of \$475,000 for textbooks, equipment and supplies.

### **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.campbellcountyschools.net](http://www.campbellcountyschools.net).

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF NET ASSETS**

June 30, 2012

	Primary Government			Component
	Governmental	Business-	Total	Unit
	Activities	Type		BOCHES
		Activities		
<b>ASSETS</b>				
Cash	\$ 2,079,956	\$ 48,461	\$ 2,128,417	\$ 738,362
Cash With Fiscal Agent	1,014,687	-	1,014,687	-
Temporary Investments	43,754,018	-	43,754,018	105,061
Taxes Receivable (net of allowance for uncollectibles)	189,486,284	-	189,486,284	3,802,126
Accounts Receivable	1,580,139	59,855	1,639,994	-
Due From Other Entities	117,797	-	117,797	-
Due From Other Governments	1,560,171	-	1,560,171	-
Inventories	750,125	19,063	769,188	-
Capital Assets:				
Non-depreciable Capital Assets	32,626,034	-	32,626,034	-
Depreciable Capital Assets, Net	127,900,483	144,616	128,045,099	-
<b>Total Assets</b>	<b>\$ 400,869,694</b>	<b>\$ 271,995</b>	<b>\$ 401,141,689</b>	<b>\$ 4,645,549</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 539,553	\$ 61,269	\$ 600,822	\$ 22,052
Accrued Compensation	9,864,009	8,923	9,872,932	7,619
Contracts and Retainage Payable	4,670,336	-	4,670,336	-
State Foundation Payable	3,686,400	-	3,686,400	-
Internal Balances	(25,245)	25,245	-	-
Estimated Claims Payable	40,000	-	40,000	-
Unearned Revenue	186,974,956	-	186,974,956	3,766,953
Noncurrent Liabilities:				
Due Within One Year	1,035,546	-	1,035,546	-
Due Within More Than One Year	2,639,714	-	2,639,714	-
<b>Total Liabilities</b>	<b>\$ 209,425,269</b>	<b>\$ 95,437</b>	<b>\$ 209,520,706</b>	<b>\$ 3,796,624</b>
<b>NET ASSETS</b>				
Invested in Capital Assets, net of related debt	\$ 157,758,844	\$ 144,616	\$ 157,903,460	\$ -
Restricted for:				
Capital Projects	8,451,009	-	8,451,009	-
Public Recreation	5,663,866	-	5,663,866	-
Unrestricted	19,570,706	31,942	19,602,648	848,925
<b>Total Net Assets</b>	<b>\$ 191,444,425</b>	<b>\$ 176,558</b>	<b>\$ 191,620,983</b>	<b>\$ 848,925</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF ACTIVITIES**

Year Ended June 30, 2012

	Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities:			
Instruction:			
Regular	\$ 56,307,090	\$ 1,574,206	\$ 546,135
Special Education	18,929,112	-	3,633,897
Vocational	2,508,614	-	9,902
Other Instruction	466,381	-	-
Support Services:			
Pupil	12,317,213	-	395,389
Instructional Staff	10,871,316	78,917	3,533,626
General Administration	1,380,870	-	76,938
School Administration	6,425,193	-	36,894
Business	2,583,055	-	129,713
Operation and Maintenance of Plant	12,891,865	-	81,479
Pupil Transportation	8,029,636	64,805	-
Central	1,548,050	-	269,580
Other Support Services	426,575	-	255,222
Operation of Non-Instructional Services:			
Community Services	7,130,590	-	2,169,276
Debt Service:			
Interest on Long Term Debt	114,855	-	-
Total Governmental Activities	\$ 141,930,415	\$ 1,717,928	\$ 11,138,051
Business-type Activities:			
Food Service	\$ 5,061,027	\$ 2,557,793	\$ 1,540,644
Children After School Together	185,237	166,873	5,715
Total Business-type Activities	\$ 5,246,264	\$ 2,724,666	\$ 1,546,359
Total Primary Government	\$ 147,176,679	\$ 4,442,594	\$ 12,684,410
Component Unit:			
BOCHES	\$ 3,993,322	\$ -	\$ -
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			
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	
\$ (54,186,749)	\$ -	\$ (54,186,749)	\$ -	-
(15,295,215)	-	(15,295,215)	-	-
(2,498,712)	-	(2,498,712)	-	-
(466,381)	-	(466,381)	-	-
(11,921,824)	-	(11,921,824)	-	-
(7,258,773)	-	(7,258,773)	-	-
(1,303,932)	-	(1,303,932)	-	-
(6,388,299)	-	(6,388,299)	-	-
(2,453,342)	-	(2,453,342)	-	-
(12,810,386)	-	(12,810,386)	-	-
(7,964,831)	-	(7,964,831)	-	-
(1,278,470)	-	(1,278,470)	-	-
(171,353)	-	(171,353)	-	-
(4,961,314)	-	(4,961,314)	-	-
(114,855)	-	(114,855)	-	-
\$ (129,074,436)	\$ -	\$ (129,074,436)	\$ -	-
\$ -	\$ (962,590)	\$ (962,590)	\$ -	-
-	(12,649)	(12,649)	-	-
\$ -	\$ (975,239)	\$ (975,239)	\$ -	-
\$ -	\$ (975,239)	\$ (130,049,675)	\$ -	-
\$ -	\$ -	\$ -	\$ (3,993,322)	-
\$ 119,635,711	\$ -	\$ 119,635,711	\$ 3,826,129	-
4,610	-	4,610	-	-
5,682,758	-	5,682,758	-	-
17,438,448	-	17,438,448	-	-
88,627	209	88,836	737	-
430,244	-	430,244	-	-
(961,666)	961,666	-	-	-
\$ 142,318,732	\$ 961,875	\$ 143,280,607	\$ 3,826,866	-
\$ 13,244,296	\$ (13,364)	\$ 13,230,932	\$ (166,456)	-
178,200,129	189,922	178,390,051	1,015,381	-
\$ 191,444,425	\$ 176,558	\$ 191,620,983	\$ 848,925	-

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2012**

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash	\$ 329,348	\$ 158,938	\$ 488,286
Cash With Fiscal Agent	-	1,014,687	1,014,687
Temporary Investments	25,211,555	18,412,734	43,624,289
Taxes Receivable (net of allowance for uncollectibles)	183,564,775	5,921,509	189,486,284
Accounts Receivable	406,498	-	406,498
Due From Other Entities	117,797	-	117,797
Due From Other Funds	614,335	159,098	773,433
Due From Other Governments	252,361	1,307,810	1,560,171
Inventories	750,125	-	750,125
<b>Total Assets</b>	<b>\$211,246,794</b>	<b>\$ 26,974,776</b>	<b>\$238,221,570</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 299,925	\$ 38,429	\$ 338,354
Accrued Compensation	9,847,611	16,398	9,864,009
Contracts and Retainage Payable	41,358	4,628,978	4,670,336
State Foundation Payable	3,686,400	-	3,686,400
Due To Other Funds	208,890	539,298	748,188
Deferred Revenue	183,057,796	5,913,444	188,971,240
<b>Total Liabilities</b>	<b>\$197,141,980</b>	<b>\$ 11,136,547</b>	<b>\$208,278,527</b>
<b>FUND BALANCES</b>			
Nonspendable	\$ 750,125	\$ -	\$ 750,125
Restricted	-	15,838,229	15,838,229
Committed	2,611,000	-	2,611,000
Unassigned	10,743,689	-	10,743,689
<b>Total Fund Balances</b>	<b>\$ 14,104,814</b>	<b>\$ 15,838,229</b>	<b>\$ 29,943,043</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$211,246,794</b>	<b>\$ 26,974,776</b>	<b>\$238,221,570</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, 2012

Total Governmental Fund Balances	<b>\$ 29,943,043</b>
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.	<b>1,996,284</b>
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Non-depreciable capital assets	<b>32,626,034</b>
Depreciable assets	<b>228,646,795</b>
Less: accumulated depreciation	<b><u>(100,746,312)</u></b>
	<b>160,526,517</b>
An Internal Service Fund is used by Campbell County School District No. 1 to charge the cost of the District's health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net assets.	
Internal Service Fund net assets are:	<b>2,653,841</b>
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Capital Leases Payable	<b>2,767,673</b>
Sick Leave Payable	<b>414,587</b>
Net OPEB Obligation	<b><u>493,000</u></b>
	<b>(3,675,260)</b>
<b>Net Assets of Governmental Activities</b>	<b>\$ 191,444,425</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, 2012

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Local Sources:			
Taxes	\$ 94,113,456	\$ 5,672,708	\$ 99,786,164
Interest	72,932	14,311	87,243
Tuition and Fees	49,845	-	49,845
Rentals	57,580	-	57,580
Charges for Services	606,482	-	606,482
Contributions and Donations	438,373	-	438,373
Miscellaneous	565,530	-	565,530
<b>Total Local Sources</b>	<b>\$ 95,904,198</b>	<b>\$ 5,687,019</b>	<b>\$ 101,591,217</b>
County Sources:			
Taxes	\$ 24,028,699	\$ -	\$ 24,028,699
State Sources:			
Intergovernmental	\$ 3,172,194	\$ 17,337,512	\$ 20,509,706
Federal Sources:			
Intergovernmental	\$ 162,337	\$ 8,340,394	\$ 8,502,731
<b>Total Revenues</b>	<b>\$ 123,267,428</b>	<b>\$ 31,364,925</b>	<b>\$ 154,632,353</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular	\$ 47,158,844	\$ 1,365,479	\$ 48,524,323
Special Education	16,232,164	2,696,948	18,929,112
Vocational Education	2,506,739	1,875	2,508,614
Other Instruction	466,381	-	466,381
Support Services:			
Pupil	12,059,388	395,390	12,454,778
Instructional Staff	8,802,943	1,404,017	10,206,960
General Administration	1,189,193	56,284	1,245,477
School Administration	6,415,623	-	6,415,623
Business	2,631,358	-	2,631,358
Operation and Maintenance of Plant	12,098,112	880,925	12,979,037
Pupil Transportation	8,056,002	-	8,056,002
Central	1,553,427	6,411,124	7,964,551
Other Support	224,126	202,450	426,576
Operation of Non-Instructional Service:			
Community Services	455,375	6,529,388	6,984,763
Capital Outlay	1,315,677	22,081,192	23,396,869
Debt service:			
Principal	1,165,065	-	1,165,065
Interest	114,855	-	114,855
<b>Total Expenditures</b>	<b>\$ 122,445,272</b>	<b>\$ 42,025,072</b>	<b>\$ 164,470,344</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 822,156	\$ (10,660,147)	\$ (9,837,991)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	\$ 309,394	\$ 71,636	\$ 381,030
Transfers (Out)	(1,493,468)	(309,394)	(1,802,862)
Proceeds From Capital Lease	1,315,677	-	1,315,677
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 131,603</b>	<b>\$ (237,758)</b>	<b>\$ (106,155)</b>
Net Change in Fund Balances	\$ 953,759	\$ (10,897,905)	\$ (9,944,146)
<b>FUND BALANCES, BEGINNING JULY 1</b>	<b>13,151,055</b>	<b>26,736,134</b>	<b>39,887,189</b>
<b>FUND BALANCES, ENDING JUNE 30</b>	<b>\$ 14,104,814</b>	<b>\$ 15,838,229</b>	<b>\$ 29,943,043</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, 2012

Net Change in Fund Balances - Total Governmental Funds	<b>\$ (9,944,146)</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>1,486,294</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>21,388,827</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 disposed assets. This is the amount of the net book value of the disposed assets.	<b>(5,574)</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>(1,315,677)</b>
An Internal Service Fund is used by Campbell County School District No. 1 to charge the cost of the District's health insurance to individual funds. The net income of the internal service fund is reported with governmental activities.	<b>461,550</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>1,165,065</b>
Decrease in long-term sick leave payable is not reflected in the governmental funds, but increases long-term liabilities in the statement of net assets.	<b>7,957</b>
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 13,244,296</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, 2012

	Budgeted Amounts		Actual *	Variance With Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 87,646,023	\$ 87,573,442	\$ 90,700,452	\$ 3,127,010
Interest	60,000	86,200	72,932	(13,268)
Tuition and Fees	30,000	30,000	49,845	19,845
Rentals	43,250	52,430	57,580	5,150
Charges for Services	640,933	781,342	606,482	(174,860)
Contributions and Donations	267,219	269,409	438,373	168,964
Miscellaneous	432,767	481,157	576,488	95,331
<b>Total Local Revenues</b>	<b>\$ 89,120,192</b>	<b>\$ 89,273,980</b>	<b>\$ 92,502,152</b>	<b>\$ 3,228,172</b>
County Sources:				
Taxes	\$ 22,094,683	\$ 22,077,264	\$ 22,905,417	\$ 828,153
State Sources:				
Intergovernmental	\$ 3,501,652	\$ 3,691,652	\$ 3,172,194	\$ (519,458)
Federal Sources:				
Intergovernmental	\$ 2,185,855	\$ 2,185,855	\$ 142,607	\$ (2,043,248)
<b>Total Revenues</b>	<b>\$ 116,902,382</b>	<b>\$ 117,228,751</b>	<b>\$ 118,722,370</b>	<b>\$ 1,493,619</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	\$ 54,141,208	\$ 50,702,768	\$ 47,158,844	\$ 3,543,924
Special Education	17,984,342	18,594,272	16,232,164	2,362,108
Vocational Education	-	2,506,739	2,506,739	-
Other Instruction	677,712	683,078	466,381	216,697
Support Services:				
Pupil	13,111,529	13,192,533	12,059,388	1,133,145
Instructional Staff	9,502,294	9,419,342	8,802,943	616,399
General Administration	1,780,957	1,465,458	1,189,193	276,265
School Administration	6,564,812	6,752,441	6,415,623	336,818
Business	2,720,173	2,767,232	2,631,358	135,874
Operation and Maintenance of Plant	13,238,922	12,954,845	12,098,112	856,733
Pupil Transportation	8,013,683	8,253,116	8,056,002	197,114
Central	1,565,050	2,034,532	1,553,427	481,105
Other Support	1,217,587	1,221,921	224,126	997,795
Operation of Non-Instructional Services:				
Community Services	387,835	535,337	455,375	79,962
Capital Outlay	1,315,677	1,315,677	1,315,677	-
Debt service:				
Principal	1,165,065	1,165,065	1,165,065	-
Interest	114,855	114,855	114,855	-
<b>Total Expenditures</b>	<b>\$ 133,501,701</b>	<b>\$ 133,679,211</b>	<b>\$ 122,445,272</b>	<b>\$ 11,233,939</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ (16,599,319)</b>	<b>\$ (16,450,460)</b>	<b>\$ (3,722,902)</b>	<b>\$ 12,727,558</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ -	\$ 310,116	\$ 309,394	\$ (722)
Transfers (Out)	(425,884)	(1,518,165)	(1,493,468)	24,697
Proceeds from Capital Lease	1,315,677	1,315,677	1,315,677	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 889,793</b>	<b>\$ 107,628</b>	<b>\$ 131,603</b>	<b>\$ 23,975</b>
<b>Net Change in Fund Balance</b>	<b>\$ (15,709,526)</b>	<b>\$ (16,342,832)</b>	<b>\$ (3,591,299)</b>	<b>\$ 12,751,533</b>
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>21,382,513</b>	<b>21,382,513</b>	<b>21,382,513</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ 5,672,987</b>	<b>\$ 5,039,681</b>	<b>\$ 17,791,214</b>	<b>\$ 12,751,533</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 NET ASSETS  
PROPRIETARY FUNDS**

June 30, 2012

	Business-Type Activities Enterprise Funds		Total Enterprise Funds	Internal Service Fund	Total
	CAT/ Preschool	Food Service		Health Insurance	
<b>ASSETS</b>					
Current Assets					
Cash	\$ -	\$ 48,461	\$ 48,461	\$ 1,591,670	\$ 1,640,131
Temporary Investments	-	-	-	129,729	129,729
Accounts Receivable	-	59,855	59,855	1,173,641	1,233,496
Due From Other Funds	49,755	-	49,755	-	49,755
Inventories	-	19,063	19,063	-	19,063
<b>Total Current Assets</b>	<b>\$ 49,755</b>	<b>\$ 127,379</b>	<b>\$ 177,134</b>	<b>\$ 2,895,040</b>	<b>\$ 3,072,174</b>
Capital Assets, Net	\$ -	\$ 144,616	\$ 144,616	\$ -	\$ 144,616
<b>Total Assets</b>	<b>\$ 49,755</b>	<b>\$ 271,995</b>	<b>\$ 321,750</b>	<b>\$ 2,895,040</b>	<b>\$ 3,216,790</b>
<b>LIABILITIES</b>					
CURRENT					
Accounts Payable	\$ -	\$ 61,269	\$ 61,269	\$ 201,199	\$ 262,468
Estimated Claims Payable	-	-	-	40,000	40,000
Accrued Compensation	-	8,923	8,923	-	8,923
Due To Other Funds	-	75,000	75,000	-	75,000
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 145,192</b>	<b>\$ 145,192</b>	<b>\$ 241,199</b>	<b>\$ 386,391</b>
<b>NET ASSETS</b>					
Invested in Capital Assets	\$ -	\$ 144,616	\$ 144,616	\$ -	\$ 144,616
Unrestricted	49,755	(17,813)	31,942	2,653,841	2,685,783
<b>Total Net Assets</b>	<b>\$ 49,755</b>	<b>\$ 126,803</b>	<b>\$ 176,558</b>	<b>\$ 2,653,841</b>	<b>\$ 2,830,399</b>

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF REVENUES, EXPENSES AND CHANGE IN FUND NET ASSETS  
PROPRIETARY FUNDS**

Year Ended June 30, 2012

	Business-Type Activities Enterprise Funds		Total Enterprise Funds	Internal Service Fund	Total
	CAT/ Preschool	Food Service		Health Insurance	
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 166,873	\$ 2,557,793	\$ 2,724,666	\$ 18,051,682	\$ 20,776,348
<b>OPERATING EXPENSES</b>					
Salaries	\$ 107,636	\$ 1,364,561	\$ 1,472,197	\$ 35,445	\$ 1,507,642
Fringe Benefits	69,178	790,017	859,195	5,062	864,257
Claims and Contractual Services	-	-	-	18,011,175	18,011,175
Purchased Services	584	32,814	33,398	-	33,398
Materials and Supplies	7,729	88,473	96,202	-	96,202
Direct Food Costs	-	2,767,867	2,767,867	-	2,767,867
Depreciation	-	12,723	12,723	-	12,723
Other	110	4,463	4,573	-	4,573
Total Operating Expenses	\$ 185,237	\$ 5,060,918	\$ 5,246,155	\$ 18,051,682	\$ 23,297,837
Operating (Loss)	\$ (18,364)	\$ (2,503,125)	\$ (2,521,489)	\$ -	\$ (2,521,489)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Donated Commodities	\$ -	\$ 107,415	\$ 107,415	\$ -	\$ 107,415
Operating Grants	5,715	1,433,229	1,438,944	-	1,438,944
Interest	-	209	209	1,384	1,593
(Loss) on sale of capital assets	-	(109)	(109)	-	(109)
Total Nonoperating Revenues	\$ 5,715	\$ 1,540,744	\$ 1,546,459	\$ 1,384	\$ 1,547,843
Income (Loss) Before Transfers	\$ (12,649)	\$ (962,381)	\$ (975,030)	\$ 1,384	\$ (973,646)
<b>TRANSFERS</b>					
Transfers In	9,778	951,888	961,666	460,166	1,421,832
Change in Net Assets	\$ (2,871)	\$ (10,493)	\$ (13,364)	\$ 461,550	\$ 448,186
NET ASSETS, BEGINNING JULY 1	52,626	137,296	189,922	2,192,291	2,382,213
NET ASSETS, ENDING JUNE 30	\$ 49,755	\$ 126,803	\$ 176,558	\$ 2,653,841	\$ 2,830,399

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF CASH FLOWS**

**PROPRIETARY FUNDS**

Year Ended June 30, 2012

	Business-Type Activities Enterprise Funds		Total Enterprise Funds	Internal Service Fund	Total
	CAT/ Preschool	Food Service		Health Insurance	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ 166,873	\$ 2,528,788	\$ 2,695,661	\$ 18,317,240	\$ 21,012,901
Cash Payments to Employees for Services	(107,636)	(1,361,585)	(1,469,221)	(35,445)	(1,504,666)
Cash Payments for Employee Benefits	(69,178)	(790,017)	(859,195)	(5,062)	(864,257)
Cash Payments for Goods and Services	(8,436)	(2,632,379)	(2,640,815)	(18,865,070)	(21,505,885)
Net Cash (Used in) Operating Activities	\$ (18,377)	\$ (2,255,193)	\$ (2,273,570)	\$ (588,337)	\$ (2,861,907)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Operating Grants Received	\$ 5,715	\$ 1,433,229	\$ 1,438,944	\$ -	\$ 1,438,944
Transfers In	9,778	951,888	961,666	460,166	1,421,832
Net Cash Provided by Noncapital Financing Activities	\$ 15,493	\$ 2,385,117	\$ 2,400,610	\$ 460,166	\$ 2,860,776
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Payments for Capital Acquisitions	\$ -	\$ (91,933)	\$ (91,933)	\$ -	\$ (91,933)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest on Investments	\$ -	\$ 209	\$ 209	\$ 1,384	\$ 1,593
Proceeds from Maturities of Investments	-	787,183	787,183	21,950,810	22,737,993
Purchase of Investments	-	(787,183)	(787,183)	(20,425,718)	(21,212,901)
Decrease in Cash Pooled in General Fund	2,884	-	2,884	-	2,884
Net Cash Provided By Investing Activities	\$ 2,884	\$ 209	\$ 3,093	\$ 1,526,476	\$ 1,529,969
Net Increase in Cash	\$ -	\$ 38,200	\$ 38,200	\$ 1,398,305	\$ 1,436,505
Cash, Beginning July 1	-	10,261	10,261	193,365	203,626
Cash, Ending June 30	\$ -	\$ 48,461	\$ 48,461	\$ 1,591,670	\$ 1,640,131
<b>Reconciliation of Operating (Loss) to Net Cash (Used in) Operating Activities</b>					
Operating (Loss)	\$ (18,364)	\$ (2,503,125)	\$ (2,521,489)	\$ -	\$ (2,521,489)
Adjustments:					
Depreciation	-	12,723	12,723	-	12,723
Donated Commodities Used During Year	-	107,415	107,415	-	107,415
(Increase) Decrease in Assets:					
Accounts Receivable	-	(29,005)	(29,005)	265,558	236,553
Inventories	-	64,296	64,296	-	64,296
Increase (Decrease) in Liabilities:					
Accounts Payable	(13)	14,527	14,514	(704,753)	(690,239)
Estimated Claims Payable	-	-	-	(149,142)	(149,142)
Accrued Compensation	-	2,976	2,976	-	2,976
Due to Other Funds	-	75,000	75,000	-	75,000
Net Cash (Used in) Operating Activities	\$ (18,377)	\$ (2,255,193)	\$ (2,273,570)	\$ (588,337)	\$ (2,861,907)

See Notes to the Basic Financial Statements.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**

**FIDUCIARY FUNDS**

June 30, 2012

	Agency Funds
<b>ASSETS</b>	
Cash	\$ 130,577
Temporary Investments	603,192
Due From Other Entity	117,797
<b>Total Assets</b>	<b>\$ 851,566</b>
<b>LIABILITIES</b>	
Due to Student Groups	\$ 460,270
Estimated Early Retirement Awards Payable	391,296
<b>Total Liabilities</b>	<b>\$ 851,566</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 activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and 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 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 fund:

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

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

#### Nonmajor Special Revenue Funds

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

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

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

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

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

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

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

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

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

*School-Based Health Centers* - This fund accounts for federal revenues made available by the Patient Protection and Affordable Care Act in order to support school-based health center efforts to expand capacity to provide primary healthcare services to school-aged children through capital improvements.

*ED Jobs* - This fund accounts for federal revenues used to save or create education jobs.

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

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

*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.

*Safe Schools/Healthy Students* - This fund accounts for federal revenues from the SSHS Grant. The SSHS Grant is a collaborative effort in response to rising concerns about youth violence, substance abuse, and school safety. The grant provides solutions through evidenced based programs to fighting, bullying, alcohol and substance abuse, weapons, and other problems so children can better learn, grow and succeed.

*Title IID* - This fund accounts for federal revenues used to improve student achievement through the use of technology in elementary and secondary schools.

*Juvenile Mentoring Program* - This fund accounts for federal revenues used to support one-on-one mentoring programs for youth at risk of educational failure, dropping out of school, or involvement in delinquent activities, including gangs and drug abuse.

*NASA Wind Energy* - This fund accounts for federal revenues used to infuse NASA-themed science, technology, engineering and math content and activities to middle school students.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

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

#### Nonmajor Capital Projects Funds

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

*Capital Construction Fund* - This fund represents monies that was used to add an enhancement, a multi-use room/cafeteria, to the third elementary school. By agreement with the Wyoming School Facilities Department (SFD), the District was responsible for five percent of the construction costs associated with the third elementary school. The remainder of the funding came from the SFD. The District closed this fund during the 2011-2012 fiscal year.

*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 funded by transfers from the General Fund.

*Major Capital Projects Fund* - This fund was established in accordance with Wyoming Statutes. It accounts for money received from the State School Facilities Department which is used to construct new schools.

*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 Department. This fund is being funded by the State of Wyoming.

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

**Fiduciary 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

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

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

#### D. Assets, Liabilities, 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.

##### 2. Cash With Fiscal Agent

Cash with fiscal agent represents excess property and production taxes collected by the Campbell County Treasurer for repayment of the District's General Obligation Bonds which were paid off in a previous year. The excess property and production taxes collected and held by the Campbell County Treasurer are to be used for remodeling, 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.

##### 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

#### 5. Capital Assets

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

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

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

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

#### 6. Compensated Absences

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

The District's sick leave reimbursement policy allows an employee who leaves the District to be reimbursed for unused accumulated sick leave. The amount that is actually due at year-end is recorded as a payable in the General Fund. Due means the employee has applied for the leave but has not received payment at year end. Amounts not due at year end are recorded as long-term debt in the government-wide statement of net 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, the portion of sick leave payable, and the unfunded net OPEB (other than pension postemployment benefits) obligation 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 reports fund balance in its governmental funds based on hierarchy of classifications that are primarily based on the extent to which the District is bound to honor constraints on the specific purpose for which amounts can be spent. The fund balance classifications used by the District's governmental funds are as follows:

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

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

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

*Assigned fund balances* - Those balances representing amounts that are constrained by the District to be used for a specified purpose. These amounts are neither restricted nor committed. The authority for making or changing an assignment of fund balance is not required to be made by the District's highest level of decision making as are committed fund balances. Assigned fund balances represent all remaining amounts that are reported in all the governmental funds except for the General Fund. Assigned fund balances are not classified as nonspendable and are neither restricted or committed.

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

#### 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

#### 10. Property and Production Tax Revenues

Property and production tax revenues represent property and production taxes for 2011 and prior years which are collectible during the year ended June 30, 2012. 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.

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

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

Unexpended budgeted amounts lapse at the end of the budget year. Budgetary control is established at the department level (instruction: regular, special, 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; capital outlay; debt service: principal and interest) for the General Fund and at the fund level for the Special Revenue Funds, Debt Service Fund and Capital Projects Funds. Management control is exercised at the budgetary line item level. The District may amend its budget after it is approved using the same procedures necessary to approve the original budget. Over the course of the year, the District revised the annual budget once. These budget amendments fall into two categories: budget transfers between function classifications to properly record expenditures and increases in appropriations to recognize actual funding received from state and federal sources and to prevent budget over runs. The amounts reported as the original 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.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**Note 2. Stewardship, Compliance and Accountability (Continued)**

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>\$ 118,722,370</b>
Adjustment for State Foundation Program payable at June 30, 2011	<b>8,231,458</b>
Adjustment for State Foundation Program payable at June 30, 2012	<b>(3,686,400)</b>
Generally accepted accounting principles basis	<b>\$ 123,267,428</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.

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, 2012.

Investments - As of June 30, 2012 the District had the following investments:

Investment Type	Fair Value	Credit Quality Ratings	Weighted Average Maturity (Days)
Primary Government			
Wyoming Government Investment Fund	<b>\$43,754,018</b>	<b>AAAm</b>	<b>52</b>
Fiduciary Funds			
Wyoming Government Investment Fund	<b>\$ 603,192</b>	<b>AAAm</b>	<b>52</b>
Component Unit			
Wyoming Government Investment Fund	<b>\$ 105,061</b>	<b>AAAm</b>	<b>52</b>
<b>Total Investments</b>	<b>\$44,462,271</b>		

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 investments held by the Wyoming Government Investment Fund are rated by Standard and Poors.



## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

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 52 days at June 30, 2012.

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

#### B. Taxes Receivable

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

	General Fund	Non-Major Funds	Total
Taxes Receivable for 2011 and Prior Years	\$ 4,237,363	\$ 137,395	\$ 4,374,758
Estimated Taxes Receivable for 2012	181,011,000	5,839,000	186,850,000
Less: Allowance for uncollectibles	(1,683,588)	(54,886)	(1,738,474)
<b>Taxes Receivable, Net</b>	<b>\$ 183,564,775</b>	<b>\$ 5,921,509</b>	<b>\$189,486,284</b>

Net taxes receivable of \$189,486,284 for the primary government and \$3,802,126 for BOCHES, the discretely presented component unit on the statement of net assets includes 2012 property taxes of \$186,850,000 and \$3,739,000 respectively. These amounts represent estimated taxes based on the 2012 assessed valuation. 2012 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 2012 taxes are included in unearned revenue on the statement of net assets and deferred revenue 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. 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, 2011 and prior years (General Fund)	\$ 1,933,775
Property taxes receivable, 2012 (General Fund)	181,011,000
Other (General Fund)	113,021
Property taxes receivable, 2011 and prior years (Non-Major Funds)	62,509
Property taxes receivable, 2012 (Non-Major Funds)	5,839,000
Other (Non-Major Funds)	11,935
<b>Total Deferred/Unearned Revenue for Governmental Funds</b>	<b>\$188,971,240</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
<b>Governmental Activities</b>				
Non-depreciable capital assets:				
Land	\$ 8,027,589	\$ -	\$ -	\$ 8,027,589
Construction in progress	7,728,516	27,116,177	(10,246,248)	24,598,445
Total non-depreciable capital assets	\$ 15,756,105	\$27,116,177	\$ (10,246,248)	\$ 32,626,034
Depreciable capital assets:				
Buildings and building improvements	\$ 173,615,075	\$ 9,211,129	\$ -	\$ 182,826,204
Improvements other than buildings	26,162,869	1,035,119	-	27,197,988
Equipment and vehicles	17,634,466	1,812,681	(824,544)	18,622,603
Total depreciable capital assets	\$ 217,412,410	\$12,058,929	\$ (824,544)	\$ 228,646,795
Less accumulated depreciation for:				
Buildings and building improvements	\$ (68,669,860)	\$ (5,255,680)	\$ -	\$ (73,925,540)
Improvements other than buildings	(13,932,821)	(890,403)	-	(14,823,224)
Equipment and vehicles	(11,422,570)	(1,393,948)	818,970	(11,997,548)
Total accumulated depreciation	\$ (94,025,251)	\$ (7,540,031)	\$ 818,970	\$ (100,746,312)
Total depreciable capital assets, net	\$ 123,387,159	\$ 4,518,898	\$ (5,574)	\$ 127,900,483
Governmental activities capital assets, net	\$ 139,143,264	\$31,635,075	\$ (10,251,822)	\$ 160,526,517
<b>Business-type Activities</b>				
Depreciable capital assets:				
Equipment and vehicles	\$ 562,003	\$ 91,933	\$ (345,033)	\$ 308,903
Less accumulated depreciation	(496,488)	(12,723)	344,924	(164,287)
Total depreciable capital assets, net	\$ 65,515	\$ 79,210	\$ (109)	\$ 144,616

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

<b>Governmental Activities</b>	
Regular instruction	\$ 7,424,493
General administration	115,538
Total depreciation expense - governmental activities	\$ 7,540,031
<b>Business-type Activities</b>	
Food service	\$ 12,723

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

Construction in progress represents construction related to improvements at several schools and the construction of a new elementary school. Actual signed contracts for these projects approximate \$28,628,000 and will be funded by the Major Maintenance Special Revenue Fund, the CCCPRD Special Revenue Fund, the Depreciation Reserve Fund, the Major Capital Projects Fund and the Minor Capital Projects Fund. Contracts signed but not yet started approximated \$711,000 at June 30, 2012.

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

The composition of due to/from other funds as of June 30, 2012 are as follows:

	Receivable	Payable
Major Funds:		
General Fund	\$ 614,335	\$ 208,890
Enterprise Funds:		
CAT/Preschool Fund	\$ 49,755	-
Food Service	-	75,000
Total Enterprise Funds	\$ 49,755	\$ 75,000
Non-Major Funds:		
Special Revenue Funds:		
CCCPRD	\$ 158,898	-
Title I - Neglected and Delinquent	-	10,480
Title IIA	-	13,061
Carl Perkins	-	106
Part B	-	15,598
School-Based Health Centers	-	31,145
ED Jobs	-	439,103
Title III	-	3,743
21 <sup>st</sup> Century CLC	-	875
Safe Schools/Healthy Students	-	23,762
Title IID	-	1
NASA Wind Energy	200	-
Capital Project Funds:		
Major Capital Projects	-	1,424
Total Non-Major Funds	\$ 159,098	\$ 539,298
	<b>\$ 823,188</b>	<b>\$ 823,188</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	Enterprise Funds	Internal Service Fund	Nonmajor Governmental	Total
Transfers In	\$ 309,394	\$ 961,666	\$ 460,166	\$ 71,636	\$ 1,802,862
Transfers (Out)	(1,493,468)	-	-	(309,394)	(1,802,862)
Net interfund transfers	<b>\$ (1,184,074)</b>	<b>\$ 961,666</b>	<b>\$ 460,166</b>	<b>\$ (237,758)</b>	<b>\$ -</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

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

The primary purpose of material interfund transfers was for the General Fund to make operational transfers to the Lunch Fund and Internal Service Fund.

#### E. Compensated Absences

The District allows its employees one day of sick leave for each month of employment, with the employees being allowed to accumulate sick leave indefinitely. The District allows its employees two days of convenience leave for each year of employment, changing to three days after ten years of employment, with the employees being allowed to accumulate a maximum of three days. The accumulated unpaid convenience leave over the maximum three days allowed will be converted to sick leave at the end of the fiscal year. The accumulated unpaid sick and convenience leave approximated \$17,500,000 at June 30, 2012.

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, 2012 is \$-0-. Amounts not due at year end approximating \$415,000 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 \$498,000 at June 30, 2012, 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, 2012.

#### 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.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

The assets acquired through capital leases are as follows:

	Governmental Activities
Equipment and vehicles	\$ 5,187,880
Less: Accumulated depreciation	(1,248,127)
Total	\$ 3,939,753

Payments on these obligations are being made by the General Fund. Annual debt service requirements as of June 30, 2012 are presented below:

Year Ending June 30,	Obligations Under Capital Lease
2013	\$ 1,114,544
2014	900,776
2015	625,886
2016	283,871
Total lease payments	\$ 2,925,077
Less interest portion	(157,404)
Present value of net minimum lease payments	\$ 2,767,673

**G. Long-Term Debt**

Long-term liability activity for the year ended June 30, 2012 was as follows:

	Balance June 30, 2011	Additions	Reductions	Balance June 30, 2012	Due Within One Year
Governmental Activities:					
Capital leases	\$ 2,617,061	\$ 1,315,677	\$ (1,165,065)	\$ 2,767,673	\$ 1,035,546
Sick Leave Payable	422,544	36,045	(44,002)	414,587	-
Net OPEB Obligation	493,000	-	-	493,000	-
Long-term liabilities	\$ 3,532,605	\$ 1,351,722	\$ (1,209,067)	\$ 3,675,260	\$ 1,035,546

**H. Legal Debt Margin**

At June 30, 2012, the District did not exceed its legal debt margin as shown by the computation that follows:

Assessed valuation	\$ 5,425,565,207
Debt limit - 10% of total assessed valuation	\$ 542,556,521
Unused legal debt capacity	\$ 542,556,521

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

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 \$3,686,400 of amounts received during the year ended June 30, 2012 to the Foundation Program during the ensuing year.

J. Early Retirement Agency Fund

During prior years the District 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. Forty-nine individuals are receiving severance payments under these plans as of June 30, 2012.

Annual amounts required to retire the early retirement payable at June 30, 2012 are presented below at their present value assuming interest between .1% and .2%:

Year Ending June 30,	
2013	\$ 391,590
Less interest portion	(294)
Present value of future payments	\$ 391,296

K. Classifications of Equity

Classifications of equity at June 30, 2012, not disclosed elsewhere and not apparent from the descriptions in the fund statements includes: \$2,292,000 committed for Healthy Schools Education and \$319,000 committed to fund the District's vested sick leave obligation based on District policy, \$1,014,843 restricted for capital projects in the Debt Service fund, and \$7,436,322 reserved for capital projects in the nonmajor capital projects funds.

**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:

Type of Claim	Amount of Coverage	Deductible
Commercial General Liability		
Occurrence	\$ 2,000,000	\$ -
Personal and advertising injury	\$ 2,000,000	\$ -
Products-completed operations aggregate	\$ 2,000,000	\$ -
School board legal liability	\$ 2,000,000	\$ 2,500
Auto Liability		
Each accident	\$ 2,000,000	\$ -
Uninsured motorist	\$ 2,000,000	\$ -
Under-insured motorist	\$ 2,000,000	\$ -

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

Type of Claim	Amount of Coverage	Deductible
Property		
Building and contents	\$200,000,000	\$ 5,000
Business income without extra expense	\$ 5,000,000	\$ -
Extra expense (per occurrence)	\$ 5,000,000	\$ -
Earthquake	\$ 25,000,000	\$ 5,000
Flood/backup water	\$ 25,000,000	\$ 5,000
Supplemental Coverages		
Electronic data processing equipment, data and media	\$ 50,000,000	\$ -
Accounts receivable	\$ 5,000,000	\$ -
Errors and omissions	\$ 5,000,000	\$ -
Valuable papers	\$ 5,000,000	\$ -
Builders' risk	\$ 10,000,000	\$ -
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.

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 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 four levels of available coverage: single, employee plus spouse, family, and employee plus minor children. Participants have two plan coverage options: a high deductible plan or a high deductible/HSA eligible plan. Both plans have a \$2,500 deductible for single coverage and a \$2,500/\$5,000 deductible for all other coverages. For term life insurance and also accidental death and dismemberment insurance, the District covers one times an employee's annual salary, minimum at \$10,000 and maximum at \$50,000. The District also provides short term and long term disability coverage, which provides 60% of an employee's monthly salary with a maximum of \$5,000 per month.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

The liability for unpaid claims cost of \$40,000 as estimated by the self insurance dental benefits third party administrator based upon claims filed subsequent to year end and historical experience, which is reported in the financial statements at June 30, 2012, 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, 2011 to June 30, 2012	\$ 47,000	\$ 791,250	\$ 798,250	\$ 40,000
June 30, 2010 to June 30, 2011	\$ 49,000	\$ 843,798	\$ 845,798	\$ 47,000

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 14.12% 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, 2012, 2011 and 2010 were \$10,886,000, \$10,571,000 and \$8,358,000 respectively, which were equal to the required contributions for the years then ended.

**C. Tax Revenues**

Approximately 85% of tax revenue for the year ended June 30, 2012 represents production tax based on the value of minerals extracted which may vary from year to year.



## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

#### 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, 2012.

#### E. Commitment

The District has committed \$29.6 million toward a new recreation center in Campbell County, Wyoming. This amount includes \$26.4 million of lease payments and \$3.2 million in cash. This facility was constructed by a joint powers board consisting of Campbell County School District No. 1, Campbell County and the City of Gillette. Through June 30, 2012 the District has paid approximately \$15.3 million in lease and cash payments toward this commitment. This commitment runs through June, 2019 and is anticipated to be funded by the CCCPRD's mill levy. The building is owned by Campbell County.

#### F. Recent Pronouncements

In June 2012, the Governmental Accounting Standards Board issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which replaces GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers* for most government pensions. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information (RSI).

GASB Statement No. 68 is effective for years beginning after June 15, 2014 with the effects of changes made to comply with this statement reported as adjustments to prior periods. The effect that the adoption of GASB Statement No. 68 will have on the financial statements has not been determined.

#### G. Postemployment Health Care Plan

Plan Description - The retiree benefits offered by the District as of July 1, 2010, the actuarial date, were a choice of two medical plans under a multiple employer welfare arrangement and a dental plan. As of July 1, 2007 any District retiree who was hired after June 30, 2007, has been with the District for twenty or more years (the years may be either consecutive or a total accumulation) and is at least 55 years of age is eligible to continue under this plan. Any District employee hired prior to July 1, 2007 who has been with the District for ten or more years (the years may be either consecutive or a total accumulation) and is at least 50 years of age upon retirement is eligible to continue under this Plan. Benefits under these retiree programs cease for the employee and covered dependent(s) once an employee or dependent becomes eligible for Medicare. An employee and/or covered dependent(s) must exhaust all COBRA benefits prior to being eligible for this retiree benefit program. Eligible retirees receive a medical 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, 2010.

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

<b>Number of Participants</b>	
Actives (fully eligible)	389
Actives (not fully eligible)	1,245
Retirees	66
<b>Total participants</b>	<b>1,700</b>

Funding Policy - The contribution requirements of plan members and the District are established and may be amended by the board of trustees. Contribution amounts differ depending on the selected plan. Members receiving benefits contribute \$955, \$881 or \$800 per month for retiree only coverage, \$1,909, \$1,760, or \$1,599 per month for retiree and spouse coverage, \$1,739, \$1,603, or \$1,456 per month for retiree and child coverage, and \$2,315, \$2,125, or \$2,043 per month for family coverage.

Period OPEB Cost and Net OPEB Obligation - The District's period other postemployment benefit (OPEB) cost (expense) is calculated based on the period 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).

<b>Period Required Contribution (ARC)</b>	
Normal Cost	\$ 173,000
Interest on Normal Cost	8,000
Amortization Payment	146,000
Interest on Amortization Payment	7,000
<b>Total</b>	<b>\$ 334,000</b>

<b>Net OPEB Obligation</b>	
Net OPEB Obligation - Beginning of Period	\$ 456,000
ARC	\$ 334,000
Interest on Prior Year NOO	21,000
Adjustment to ARC	(17,000)
<b>Period OPEB Cost</b>	<b>\$ 338,000</b>
<b>Employer Contributions</b>	<b>301,000</b>
<b>Increase in Net OPEB Obligation</b>	<b>\$ 37,000</b>
<b>Net OPEB Obligation - End of Period</b>	<b>\$ 493,000</b>
<b>Percentage of OPEB Cost Contributed</b>	<b>89%</b>

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

The District's period OPEB cost, the percentage of period OPEB cost contributed to the plan, and the OPEB obligation for the period ended June 30, 2012 and the two preceding fiscal periods were as follows:

Fiscal Period Ended	Period OPEB Cost	Percentage of Period OPEB Cost Contributed	Net OPEB Obligation
6/30/10	\$ 265,000	106.04%	\$ 456,000
6/30/11	\$ 338,000	89.05%	\$ 493,000
6/30/12	\$ 338,000	89.05%	\$ 493,000

Funded Status and Funding Progress - As of July 1, 2010, the most recent actuarial valuation date, the Plan was unfunded. The actuarial accrued liability (AAL) for benefits was \$3,812,000, and the actuarial value of assets was \$0-, resulting in an unfunded actuarial accrued liability (UAAL) of \$3,812,000. The covered payroll (annual payroll of active employees covered by the Plan) was \$70,437,579, and the ratio of the UAAL to the covered payroll was 5.14%.

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 period 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.

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

*Valuation Date* - July 1, 2010.

*Discount Rate* - A 4.5% period 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.

*Actuarial Cost 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 Rate* - The following annual trend rates are applied on a select and ultimate basis:

Benefit	Select	Ultimate
Medical	11%	5%

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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

*Per Capita Health Claim Costs* - Per capita health claim costs are developed from the historical claim experience provided by the District. The expected age 60 per capita health claim costs are presented in the table below:

Per Capita Cost	Age 60
Retiree	\$ 11,642
Spouse	\$ 11,642

*Age Based Morbidity* - The assumed per capita health claim costs are adjusted to reflect expected increases related to age. The increase in per capita health claim costs related to age are assumed to be the following:

Age	Increase	Age	Increase
42-46	3.19%	65-69	3.00%
47-51	3.89%	70-74	2.50%
52-56	3.58%	75-79	2.00%
57-61	4.52%	80-84	1.00%
62-64	5.06%	85-89	0.05%

*Retiree Contributions* - Retiree contributions are assumed to increase with healthcare cost trend.

*Non-Claim Expenses* - Non-claim costs are assumed to be 15% of the blended premium equivalent rates. The administrative cost assumed in this valuation is \$1,001 per member per year. The cost is assumed to increase with medical admin trend.

*Retirement Age* - The probabilities of retirement were developed from the Wyoming State Public Employee Pension Plan as of July 1, 2010. Sample retirement ages and associated probabilities are as follows:

Attained Age	10 Years Of Service
50	10%
60	15%
61	17%
62	25%
63	17%
64	20%
65	35%
66	20%
70	100%

*Termination* - The rates of withdrawal were developed from the Wyoming Public Employee Pension Plan as of July 1, 2010. Sample termination rates are provided below:

Service	Withdrawal	
	First Five Years	
	Male	Female
1	25%	28%
2	18%	22%
3	12%	15%
4	10%	13%
5	10%	12%

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### Note 4. Other Information (Continued)

Age	Withdrawal	
	Ultimate	
	Male	Female
20	10.00%	11.00%
25	10.00%	11.00%
30	10.00%	11.00%
35	4.83%	5.83%
40	4.43%	5.43%
45	4.21%	5.21%
50	4.40%	5.09%
55	4.02%	5.03%
60	4.00%	5.00%

*Plan Participation Percentage* - It is assumed that 30% of all future employees and their dependents who are eligible for benefits participate in the postemployment benefit plan.

*Spousal Coverage* - The assumed number of eligible spouses is based on the current census information.

*Salary Increase Assumption* - 3.5% 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 period required contribution of the employer, and the period OPEB cost *without reduction* for RDS payments. For this reason, we have excluded the Medicare Part D employer subsidy from the actuarial valuation.

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREMENT HEALTH PLAN  
June 30, 2012**

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, 2008	\$ -	\$ 3,472,000	\$ 3,472,000	0.00%	\$ 42,973,053	8.07%
July 1, 2010	\$ -	\$ 3,812,000	\$ 3,812,000	0.00%	\$ 70,437,579	5.41%

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2012

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>ASSETS</b>				
Cash	\$ 158,938	\$ -	\$ -	\$ 158,938
Cash With Fiscal Agent	-	1,014,687	-	1,014,687
Temporary Investments	8,746,389	-	9,666,345	18,412,734
Taxes Receivable (net of allowance for uncollectibles)	5,921,353	156	-	5,921,509
Due From Other Funds	159,098	-	-	159,098
Due From Other Governments	558,662	-	749,148	1,307,810
<b>Total Assets</b>	<b>\$ 15,544,440</b>	<b>\$ 1,014,843</b>	<b>\$ 10,415,493</b>	<b>\$ 26,974,776</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 33,700	\$ -	\$ 4,729	\$ 38,429
Accrued Compensation	16,398	-	-	16,398
Contracts and Retainage Payable	1,655,960	-	2,973,018	4,628,978
Due To Other Funds	537,874	-	1,424	539,298
Deferred Revenue	5,913,288	156	-	5,913,444
<b>Total Liabilities</b>	<b>\$ 8,157,220</b>	<b>\$ 156</b>	<b>\$ 2,979,171</b>	<b>\$ 11,136,547</b>
<b>FUND BALANCES</b>				
Restricted	\$ 7,387,220	\$ 1,014,687	\$ 7,436,322	\$ 15,838,229
<b>Total Liabilities and Fund Balances</b>	<b>\$ 15,544,440</b>	<b>\$ 1,014,843</b>	<b>\$ 10,415,493</b>	<b>\$ 26,974,776</b>

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

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

Year Ended June 30, 2012

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b>REVENUES</b>				
Local Sources:				
Taxes	\$ 5,668,098	\$ 4,610	\$ -	\$ 5,672,708
Interest	8,200	-	6,111	14,311
<b>Total Local Sources</b>	<b>\$ 5,676,298</b>	<b>\$ 4,610</b>	<b>\$ 6,111</b>	<b>\$ 5,687,019</b>
State Sources:				
Intergovernmental	\$ 2,969,968	\$ -	\$ 14,367,544	\$ 17,337,512
Federal Sources:				
Intergovernmental	\$ 8,340,394	\$ -	\$ -	\$ 8,340,394
<b>Total Revenues</b>	<b>\$ 16,986,660</b>	<b>\$ 4,610</b>	<b>\$ 14,373,655</b>	<b>\$ 31,364,925</b>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	\$ 1,365,479	\$ -	\$ -	\$ 1,365,479
Special Education	2,696,948	-	-	2,696,948
Vocational Education	1,875	-	-	1,875
Support Services:				
Pupil	395,390	-	-	395,390
Instructional Staff	1,404,017	-	-	1,404,017
General Administration	56,284	-	-	56,284
Operation and Maintenance of Plant	880,925	-	-	880,925
Central	6,411,124	-	-	6,411,124
Other Support	202,450	-	-	202,450
Operation of Non-Instructional Services:				
Community Services	6,529,388	-	-	6,529,388
Capital Outlay	536,681	-	21,544,511	22,081,192
<b>Total Expenditures</b>	<b>\$ 20,480,561</b>	<b>\$ -</b>	<b>\$ 21,544,511</b>	<b>\$ 42,025,072</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (3,493,901)	\$ 4,610	\$ (7,170,856)	\$ (10,660,147)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	\$ -	\$ -	\$ 71,636	\$ 71,636
Transfers (Out)	-	-	(309,394)	(309,394)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (237,758)</b>	<b>\$ (237,758)</b>
Net Change in Fund Balances	\$ (3,493,901)	\$ 4,610	\$ (7,408,614)	\$ (10,897,905)
FUND BALANCES, BEGINNING JULY 1	10,881,121	1,010,077	14,844,936	26,736,134
FUND BALANCES, ENDING JUNE 30	\$ 7,387,220	\$ 1,014,687	\$ 7,436,322	\$ 15,838,229



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**NONMAJOR SPECIAL REVENUE FUNDS**

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2012

(Page 1 of 2)

	Major Maintenance	CCCPRD	Title I- Neglected & Delinquent	Title IIA	Drug-Free Schools	Carl Perkins	Part B	School-Based Health Centers	ED Jobs
<b>ASSETS</b>									
Cash	\$ 111,895	\$ 47,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporary Investments	3,230,044	5,516,345	-	-	-	-	-	-	-
Taxes Receivable (net of allowance for uncollectibles)	-	5,921,353	-	-	-	-	-	-	-
Due From Other Funds	-	158,898	-	-	-	-	-	-	-
Due From Other Governments	-	-	10,781	13,342	-	107	17,285	37,734	439,103
<b>Total Assets</b>	<b>\$ 3,341,939</b>	<b>\$ 11,643,639</b>	<b>\$ 10,781</b>	<b>\$ 13,342</b>	<b>\$ -</b>	<b>\$ 107</b>	<b>\$ 17,285</b>	<b>\$ 37,734</b>	<b>\$ 439,103</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts Payable	\$ 18,005	\$ 13,231	\$ 301	\$ 281	\$ -	\$ 1	\$ 1,687	\$ -	\$ -
Accrued Compensation	-	16,398	-	-	-	-	-	-	-
Contracts and Retainage Payable	1,600,580	48,791	-	-	-	-	-	6,589	-
Due To Other Funds	-	-	10,480	13,061	-	106	15,598	31,145	439,103
Deferred Revenue	-	5,901,353	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 1,618,585</b>	<b>\$ 5,979,773</b>	<b>\$ 10,781</b>	<b>\$ 13,342</b>	<b>\$ -</b>	<b>\$ 107</b>	<b>\$ 17,285</b>	<b>\$ 37,734</b>	<b>\$ 439,103</b>
<b>FUND BALANCES</b>									
Restricted	\$ 1,723,354	\$ 5,663,866	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,341,939</b>	<b>\$ 11,643,639</b>	<b>\$ 10,781</b>	<b>\$ 13,342</b>	<b>\$ -</b>	<b>\$ 107</b>	<b>\$ 17,285</b>	<b>\$ 37,734</b>	<b>\$ 439,103</b>

(Continued)

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS**

June 30, 2012

(Page 2 of 2)

	Title III	McKinney Homeless	21 <sup>st</sup> Century CLC	Learn And Serve	Safe Schools/ Healthy Students	Title IID	Juvenile Mentoring Program	NASA Wind Energy	Totals
<b>ASSETS</b>									
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,938
Temporary Investments	-	-	-	-	-	-	-	-	8,746,389
Taxes Receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-	-	5,921,353
Due From Other Funds	-	-	-	-	-	-	-	200	159,098
Due From Other Governments	3,777	-	897	-	35,497	1	-	138	558,662
<b>Total Assets</b>	<b>\$ 3,777</b>	<b>\$ -</b>	<b>\$ 897</b>	<b>\$ -</b>	<b>\$ 35,497</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 338</b>	<b>\$ 15,544,440</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>LIABILITIES</b>									
Accounts Payable	\$ 34	\$ -	\$ 22	\$ -	\$ -	\$ -	\$ -	\$ 138	\$ 33,700
Accrued Compensation	-	-	-	-	-	-	-	-	16,398
Contracts and Retainage Payable	-	-	-	-	-	-	-	-	1,655,960
Due To Other Funds	3,743	-	875	-	23,762	1	-	-	537,874
Deferred Revenue	-	-	-	-	11,735	-	-	200	5,913,288
<b>Total Liabilities</b>	<b>\$ 3,777</b>	<b>\$ -</b>	<b>\$ 897</b>	<b>\$ -</b>	<b>\$ 35,497</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 338</b>	<b>\$ 8,157,220</b>
<b>FUND BALANCES</b>									
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,387,220
<b>Total Liabilities and Fund Balances</b>	<b>\$ 3,777</b>	<b>\$ -</b>	<b>\$ 897</b>	<b>\$ -</b>	<b>\$ 35,497</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 338</b>	<b>\$ 15,544,440</b>

**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, 2012

(Page 1 of 3)

	Major Maintenance			CCCPRD			Title I - Neglected and 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	\$ -	\$ -	\$ -	\$ 5,425,565	\$ 5,668,098	\$ 242,533	\$ -	\$ -	\$ -
Interest	8,500	4,514	(3,986)	29,000	3,686	(25,314)	-	-	-
Contributions and Donations	-	-	-	40,400	-	(40,400)	-	-	-
<b>Total Local Sources</b>	<b>\$ 8,500</b>	<b>\$ 4,514</b>	<b>\$ (3,986)</b>	<b>\$ 5,494,965</b>	<b>\$ 5,671,784</b>	<b>\$ 176,819</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
State Sources:									
Intergovernmental	\$ 2,969,912	\$ 2,969,968	\$ 56	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,891,027	\$ 1,528,853	\$ (362,174)
<b>Total Revenues</b>	<b>\$ 2,978,412</b>	<b>\$ 2,974,482</b>	<b>\$ (3,930)</b>	<b>\$ 5,494,965</b>	<b>\$ 5,671,784</b>	<b>\$ 176,819</b>	<b>\$ 1,891,027</b>	<b>\$ 1,528,853</b>	<b>\$ (362,174)</b>
<b>EXPENDITURES</b>									
Current:									
Instruction:									
Regular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,214,542	\$ 942,432	\$ 272,110
Special Education	-	-	-	-	-	-	143,427	82,310	61,117
Vocational Education	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	-	-	-	-	-	-	25,060	9,287	15,773
Instructional Staff	-	-	-	-	-	-	160,140	159,433	707
General Administration	-	-	-	17,050	11,459	5,591	6,234	6,041	193
Operation and Maintenance									
of Plant	1,757,175	841,888	915,287	-	-	-	-	-	-
Central	6,953,541	6,141,544	811,997	-	-	-	-	-	-
Other Support	-	-	-	-	-	-	77,168	72,118	5,050
Operation of Non-Instructional Services:									
Community Services	-	-	-	6,249,440	4,608,595	1,640,845	264,456	257,232	7,224
Capital Outlay	-	-	-	2,056,102	536,681	1,519,421	-	-	-
<b>Total Expenditures</b>	<b>\$ 8,710,716</b>	<b>\$ 6,983,432</b>	<b>\$ 1,727,284</b>	<b>\$ 8,322,592</b>	<b>\$ 5,156,735</b>	<b>\$ 3,165,857</b>	<b>\$ 1,891,027</b>	<b>\$ 1,528,853</b>	<b>\$ 362,174</b>
Net Change in Fund Balances	\$ (5,732,304)	\$ (4,008,950)	\$ 1,723,354	\$ (2,827,627)	\$ 515,049	\$ 3,342,676	\$ -	\$ -	\$ -
<b>FUND BALANCES,</b>									
BEGINNING JULY 1	5,732,304	5,732,304	-	5,148,817	5,148,817	-	-	-	-
<b>FUND BALANCES,</b>									
ENDING JUNE 30	\$ -	\$ 1,723,354	\$ 1,723,354	\$ 2,321,190	\$ 5,663,866	\$ 3,342,676	\$ -	\$ -	\$ -

Title IIA			Drug Free Schools			Carl Perkins		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 838,898	\$ 836,500	\$ (2,398)	\$ 15,000	\$ 15,000	\$ -	\$ 182,031	\$ 157,245	\$ (24,786)
\$ 838,898	\$ 836,500	\$ (2,398)	\$ 15,000	\$ 15,000	\$ -	\$ 182,031	\$ 157,245	\$ (24,786)
\$ 37,810	\$ 37,810	\$ -	\$ -	\$ -	\$ -	\$ 94,646	\$ 94,485	\$ 161
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,084	1,875	209
-	-	-	-	-	-	2,507	2,507	-
800,104	798,190	1,914	15,000	15,000	-	64,118	40,070	24,048
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
984	500	484	-	-	-	11,371	11,003	368
-	-	-	-	-	-	7,305	7,305	-
-	-	-	-	-	-	-	-	-
\$ 838,898	\$ 836,500	\$ 2,398	\$ 15,000	\$ 15,000	\$ -	\$ 182,031	\$ 157,245	\$ 24,786
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2012

(Page 2 of 3)

	Part B			School-Based Health Centers			ED Jobs		
	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	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-
<b>Total Local Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
State Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ 2,828,423	\$ 2,644,452	\$ (183,971)	\$ 500,000	\$ 334,807	\$ (165,193)	\$ 570,482	\$ 570,482	\$ -
<b>Total Revenues</b>	<b>\$ 2,828,423</b>	<b>\$ 2,644,452</b>	<b>\$ (183,971)</b>	<b>\$ 500,000</b>	<b>\$ 334,807</b>	<b>\$ (165,193)</b>	<b>\$ 570,482</b>	<b>\$ 570,482</b>	<b>\$ -</b>
<b>EXPENDITURES</b>									
Current:									
Instruction:									
Regular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 282,230	\$ 282,230	\$ -
Special Education	2,532,000	2,359,947	172,053	-	-	-	13,298	13,298	-
Vocational Education	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	184,614	183,826	788	204,780	143,977	60,803	25,789	25,789	-
Instructional Staff	55,015	49,157	5,858	-	-	-	24,440	24,440	-
General Administration	72	72	-	-	-	-	36,894	36,894	-
Operation and Maintenance									
of Plant	-	-	-	-	-	-	39,037	39,037	-
Central	-	-	-	295,220	190,830	104,390	-	-	-
Other Support	56,722	51,450	5,272	-	-	-	-	-	-
Operation of Non-Instructional Services:									
Community Services	-	-	-	-	-	-	148,794	148,794	-
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 2,828,423</b>	<b>\$ 2,644,452</b>	<b>\$ 183,971</b>	<b>\$ 500,000</b>	<b>\$ 334,807</b>	<b>\$ 165,193</b>	<b>\$ 570,482</b>	<b>\$ 570,482</b>	<b>\$ -</b>
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES,</b>									
BEGINNING JULY 1	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES,</b>									
ENDING JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Title III			McKinney Homeless			21 <sup>st</sup> Century CLC		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 68,984	\$ 38,183	\$ (30,801)	\$ 36,538	\$ 29,246	\$ (7,292)	\$ 1,054,733	\$ 671,622	\$ (383,111)
\$ 68,984	\$ 38,183	\$ (30,801)	\$ 36,538	\$ 29,246	\$ (7,292)	\$ 1,054,733	\$ 671,622	\$ (383,111)
\$ 216	\$ 216	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36,928	9,614	27,314	12,254	7,785	4,469	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	9,723	8,198	1,525	29,817	21,806	8,011
25,979	22,778	3,201	-	-	-	2,354	982	1,372
368	368	-	1,450	1,450	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
3,482	3,196	286	958	759	199	26,391	15,983	10,408
2,011	2,011	-	12,153	11,054	1,099	996,171	632,851	363,320
-	-	-	-	-	-	-	-	-
\$ 68,984	\$ 38,183	\$ 30,801	\$ 36,538	\$ 29,246	\$ 7,292	\$ 1,054,733	\$ 671,622	\$ 383,111
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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, 2012

(Page 3 of 3)

	Learn and Serve			Safe Schools/Healthy Students			Title IID		
	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	-	-	-	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-	-	-	-
<b>Total Local Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
State Sources:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources:									
Intergovernmental	\$ 7,397	\$ 7,397	\$ -	\$ 2,398,839	\$ 1,325,690	\$ (1,073,149)	\$ 94,958	\$ 93,237	\$ (1,721)
<b>Total Revenues</b>	<b>\$ 7,397</b>	<b>\$ 7,397</b>	<b>\$ -</b>	<b>\$ 2,398,839</b>	<b>\$ 1,325,690</b>	<b>\$ (1,073,149)</b>	<b>\$ 94,958</b>	<b>\$ 93,237</b>	<b>\$ (1,721)</b>
<b>EXPENDITURES</b>									
Current:									
Instruction:									
Regular	\$ -	\$ -	\$ -	\$ 26,797	\$ 3,042	\$ 23,755	\$ -	\$ -	\$ -
Special Education	-	-	-	240,112	223,794	16,318	-	-	-
Vocational Education	-	-	-	-	-	-	-	-	-
Support Services:									
Pupil	-	-	-	-	-	-	-	-	-
Instructional Staff	-	-	-	1,057,348	201,449	855,899	94,239	92,518	1,721
General Administration	-	-	-	-	-	-	-	-	-
Operation and Maintenance									
of Plant	-	-	-	-	-	-	-	-	-
Central	-	-	-	78,750	78,750	-	-	-	-
Other Support	-	-	-	53,029	44,888	8,141	719	719	-
Operation of Non-Instructional Services:									
Community Services	7,397	7,397	-	942,803	773,767	169,036	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 7,397</b>	<b>\$ 7,397</b>	<b>\$ -</b>	<b>\$ 2,398,839</b>	<b>\$ 1,325,690</b>	<b>\$ 1,073,149</b>	<b>\$ 94,958</b>	<b>\$ 93,237</b>	<b>\$ 1,721</b>
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES,</b>									
BEGINNING JULY 1	-	-	-	-	-	-	-	-	-
<b>FUND BALANCES,</b>									
ENDING JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Juvenile Mentoring Program			NASA Wind Energy			Totals		
Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,425,565	\$ 5,668,098	\$ 242,533
-	-	-	-	-	-	37,500	8,200	(29,300)
-	-	-	-	-	-	40,400	-	(40,400)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,503,465	\$ 5,676,298	\$ 172,833
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,969,912	\$ 2,969,968	\$ 56
\$ 233,808	\$ 82,216	\$ (151,592)	\$ 5,526	\$ 5,464	\$ (62)	\$ 10,726,644	\$ 8,340,394	\$ (2,386,250)
\$ 233,808	\$ 82,216	\$ (151,592)	\$ 5,526	\$ 5,464	\$ (62)	\$ 19,200,021	\$ 16,986,660	\$ (2,213,361)
\$ -	\$ -	\$ -	\$ 5,326	\$ 5,264	\$ 62	\$ 1,661,567	\$ 1,365,479	\$ 296,088
-	-	-	200	200	-	2,978,219	2,696,948	281,271
-	-	-	-	-	-	2,084	1,875	209
-	-	-	-	-	-	482,290	395,390	86,900
-	-	-	-	-	-	2,298,737	1,404,017	894,720
-	-	-	-	-	-	62,068	56,284	5,784
-	-	-	-	-	-	1,796,212	880,925	915,287
-	-	-	-	-	-	7,327,511	6,411,124	916,387
6,209	1,834	4,375	-	-	-	237,033	202,450	34,583
227,599	80,382	147,217	-	-	-	8,858,129	6,529,388	2,328,741
-	-	-	-	-	-	2,056,102	536,681	1,519,421
\$ 233,808	\$ 82,216	\$ 151,592	\$ 5,526	\$ 5,464	\$ 62	\$ 27,759,952	\$ 20,480,561	\$ 7,279,391
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,559,931)	\$ (3,493,901)	\$ 5,066,030
-	-	-	-	-	-	10,881,121	10,881,121	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,321,190	\$ 7,387,220	\$ 5,066,030

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**DEBT SERVICE FUND**

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUND**  
June 30, 2012

<b>ASSETS</b>	
Cash With Fiscal Agent	\$ 1,014,687
Taxes Receivable (net of allowance for uncollectibles)	156
<hr/>	
Total Assets	\$ 1,014,843
<hr/>	
<b>LIABILITIES AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Deferred Revenue	\$ 156
<hr/>	
<b>FUND BALANCE</b>	
Restricted	\$ 1,014,687
<hr/>	
Total Liabilities and Fund Balance	\$ 1,014,843
<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, 2012**

	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>			
Local Sources			
Taxes	\$ -	\$ 4,610	\$ 4,610
<b>EXPENDITURES</b>			
Capital Outlay	\$ 1,010,077	\$ -	\$ 1,010,077
Net change in fund balance	\$ (1,010,077)	\$ 4,610	\$ 1,014,687
<b>FUND BALANCE, BEGINNING JULY 1</b>	<b>1,010,077</b>	<b>1,010,077</b>	<b>-</b>
<b>FUND BALANCE, ENDING JUNE 30</b>	<b>\$ -</b>	<b>\$ 1,014,687</b>	<b>\$ 1,014,687</b>

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**NONMAJOR CAPITAL PROJECTS FUNDS**



**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS**

June 30, 2012

	Capital Construction	Depreciation Reserve	Major Capital Projects	Minor Capital Projects	Totals
<b>ASSETS</b>					
Temporary Investments	\$ -	\$ 9,666,345	\$ -	\$ -	\$ 9,666,345
Due From Other Governments	-	-	749,148	-	749,148
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 9,666,345</b>	<b>\$ 749,148</b>	<b>\$ -</b>	<b>\$ 10,415,493</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 4,685	\$ 44	\$ -	\$ 4,729
Contracts and Retainage Payable	-	2,225,338	747,680	-	2,973,018
Due To Other Funds	-	-	1,424	-	1,424
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 2,230,023</b>	<b>\$ 749,148</b>	<b>\$ -</b>	<b>\$ 2,979,171</b>
<b>FUND BALANCES</b>					
Restricted	\$ -	\$ 7,436,322	\$ -	\$ -	\$ 7,436,322
<b>Total Liabilities and Fund Balances</b>	<b>\$ -</b>	<b>\$ 9,666,345</b>	<b>\$ 749,148</b>	<b>\$ -</b>	<b>\$ 10,415,493</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, 2012

	Capital Construction			Depreciation Reserve		
	Final Budget	Actual	Variance With Final Budget	Final Budget	Actual	Variance With Final Budget
<b>REVENUES</b>						
Local Sources:						
Interest	\$ 1,400	\$ -	\$ (1,400)	\$ 12,750	\$ 6,111	\$ (6,639)
State Sources:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 1,400	\$ -	\$ (1,400)	\$ 12,750	\$ 6,111	\$ (6,639)
<b>EXPENDITURES</b>						
Capital Outlay	\$ 514,411	\$ 513,011	\$ 1,400	\$ 14,106,917	\$ 6,663,956	\$ 7,442,961
Excess (deficiency) of revenues over (under) expenditures	\$ (513,011)	\$ (513,011)	\$ -	\$ (14,094,167)	\$ (6,657,845)	\$ 7,436,322
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	\$ 136	\$ 136	\$ -	\$ 71,500	\$ 71,500	\$ -
Transfers (Out)	(309,394)	(309,394)	-	-	-	-
Total Other Financing Sources (Uses)	\$ (309,258)	\$ (309,258)	\$ -	\$ 71,500	\$ 71,500	\$ -
Net Change in Fund Balances	\$ (822,269)	\$ (822,269)	\$ -	\$ (14,022,667)	\$ (6,586,345)	\$ 7,436,322
FUND BALANCES, BEGINNING JULY 1	822,269	822,269	-	14,022,667	14,022,667	-
FUND BALANCES, ENDING JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ 7,436,322	\$ 7,436,322

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,150	\$ 6,111	\$ (8,039)
\$ 14,223,619	\$ 12,114,900	\$ (2,108,719)	\$ 4,547,915	\$ 2,252,644	\$ (2,295,271)	\$ 18,771,534	\$ 14,367,544	\$ (4,403,990)
\$ 14,223,619	\$ 12,114,900	\$ (2,108,719)	\$ 4,547,915	\$ 2,252,644	\$ (2,295,271)	\$ 18,785,684	\$ 14,373,655	\$ (4,412,029)
\$ 14,223,619	\$ 12,114,900	\$ 2,108,719	\$ 4,547,915	\$ 2,252,644	\$ 2,295,271	\$ 33,392,862	\$ 21,544,511	\$ 11,848,351
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,607,178)	\$ (7,170,856)	\$ 7,436,322
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,636	\$ 71,636	\$ -
-	-	-	-	-	-	(309,394)	(309,394)	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (237,758)	\$ (237,758)	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (14,844,936)	\$ (7,408,614)	\$ 7,436,322
-	-	-	-	-	-	14,844,936	14,844,936	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,436,322	\$ 7,436,322

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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 over time.	70
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	76
Debt Capacity These schedules present information to help the reader assess the afford ability of the District's current levels of outstanding debt and also its ability to issue additional debt in the future.	81
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.	84

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 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
<b>Revenues</b>										
Local Sources:										
Taxes	\$ 50,047,834	\$ 51,994,888	\$ 57,743,950	\$ 67,371,197	\$ 82,648,800	\$ 85,123,873	\$ 86,303,539	\$ 89,965,029	\$ 93,009,532	\$ 99,786,164
Interest	243,119	221,793	931,296	2,403,857	3,665,603	3,065,541	998,796	218,746	121,985	87,243
Tuition and Fees	469,864	385,972	443,528	528,323	430,981	383,067	675,883	355,516	303,386	49,845
Rentals	29,621	41,664	50,899	47,754	50,348	65,307	43,002	55,024	44,612	57,580
Charges for Services	448,400	511,732	394,464	480,781	509,228	449,902	446,185	609,350	603,220	606,482
Contributions and Donations	294,122	237,083	184,705	272,491	337,395	311,034	262,591	540,885	738,691	438,373
Other Local Revenue	5,483,836	5,699,311	0	0	0	0	0	0	0	0
Miscellaneous	395,756	2,120,369	378,247	2,217,249	454,343	492,334	501,898	57,907	851,430	565,530
County Sources										
Taxes	12,058,310	11,133,885	13,521,611	15,990,906	19,548,166	20,159,453	20,389,644	21,663,559	22,236,817	24,028,699
State Sources										
Taxes	4,066,544	3,123,263	29,579	0	0	0	0	0	0	0
Intergovernmental	478,511	391,842	7,035,151	4,290,852	11,344,356	10,741,114	36,078,614	21,736,066	13,142,804	20,509,706
Federal Sources										
Intergovernmental	5,076,803	5,804,466	5,850,154	6,556,265	6,044,559	4,658,244	6,056,673	7,781,772	9,619,392	8,502,731
Total Revenues	\$ 79,092,720	\$ 81,666,268	\$ 86,563,584	\$ 100,159,675	\$ 125,033,779	\$ 125,449,869	\$ 151,756,825	\$ 142,983,854	\$ 140,671,869	\$ 154,632,553
<b>Expenditures</b>										
Current										
Instruction										
Regular	\$ 25,598,476	\$ 25,500,183	\$ 26,861,682	\$ 32,108,659	\$ 37,473,385	\$ 40,830,255	\$ 40,684,778	\$ 46,021,958	\$ 49,505,090	\$ 48,524,323
Special Education	7,439,069	8,183,123	8,760,854	9,586,186	11,629,285	13,221,764	14,023,482	17,110,954	17,874,522	18,929,112
Vocational Education	3,027,131	2,786,631	2,518,501	2,166,194	2,318,771	2,411,560	2,472,652	2,276,673	2,570,126	2,508,614
Adult/Continuing	13,707	16,225	5,432	8,595	0	0	0	0	0	0
Other Instruction	0	0	0	0	0	476,151	459,419	590,637	577,012	466,381
Support Services										
Pupil	5,950,319	5,809,497	6,454,205	8,076,778	9,724,999	11,148,606	10,651,612	11,829,225	12,546,405	12,454,778
Instructional Staff	3,859,572	4,121,610	4,194,925	5,266,331	7,000,407	7,546,679	8,265,732	10,725,768	11,967,581	10,206,960
General Administration	714,826	823,411	848,066	1,080,347	856,650	999,466	1,023,483	1,019,855	1,175,681	1,245,477
School Administration	3,821,482	3,864,100	3,958,637	4,704,911	5,611,949	5,804,072	5,794,233	6,630,776	6,661,685	6,415,623
Business	1,257,101	1,563,941	1,536,943	1,768,015	2,148,965	2,118,546	2,541,191	2,608,141	2,629,410	2,631,358
Operation/Maintenance of Plant	7,133,378	7,606,965	7,659,891	9,317,673	10,552,909	10,664,755	10,199,983	12,961,975	14,313,183	12,979,037
Pupil Transportation	3,562,678	3,698,771	3,844,481	4,628,698	5,404,748	6,152,348	6,606,642	7,446,730	7,887,065	8,056,002
Central	7,289,859	7,335,729	1,490,994	1,682,479	1,737,303	1,370,924	2,838,947	2,737,998	3,051,340	7,964,551
Other Support	162,206	155,440	269,654	320,904	305,251	2,829,937	448,653	280,269	387,249	426,576
Other Non-Instructional Service										
Community Services	825,537	1,032,740	1,177,841	3,885,187	3,203,958	3,022,793	5,377,841	6,357,823	7,667,134	6,984,763
Capital Outlay	3,840,767	3,254,176	3,600,372	3,193,777	8,633,841	9,399,407	33,812,937	22,036,549	13,019,478	23,396,869

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
Debt Service										
Interest	897,798	768,418	606,617	444,791	277,765	84,581	92,342	103,995	114,587	114,855
Principal	3,190,519	3,725,122	3,709,593	3,762,216	4,238,123	802,081	797,229	890,963	1,033,699	1,165,065
Total Expenditures	\$ 78,584,425	\$ 80,246,082	\$ 77,498,688	\$ 92,001,741	\$ 111,118,309	\$ 118,883,925	\$ 146,091,156	\$ 151,630,289	\$ 152,981,247	\$ 164,470,344
<b>Excess of revenues over(under) expenditures</b>	\$ 508,295	\$ 1,420,186	\$ 9,064,896	\$ 8,157,934	\$ 13,915,470	\$ 6,565,944	\$ 5,665,669	\$ (8,646,435)	\$ (12,309,378)	\$ (9,837,991)
<b>Other Financing Sources (Uses)</b>										
Transfers in										
Transfers (out)	\$ 374,297	\$ 662,090	\$ 2,802,979	\$ 9,218,359	\$ 19,229,752	\$ 22,442,859	\$ 8,206,648	\$ 26,892,411	\$ 19,682,327	\$ 381,030
Proceeds from Capital Lease	(379,297)	(667,090)	(2,987,129)	(9,746,851)	(19,291,127)	(23,134,844)	(9,199,626)	(27,208,195)	(20,361,636)	(1,802,862)
Sale of Capital Assets	925,643	964,560	771,176	853,609	679,019	738,431	963,907	1,248,009	1,580,687	1,315,677
Total Other Financing Sources (Uses)	47,596	7,839	1,153,183	12,652	9,426	21,934	650	0	0	0
	\$ 968,239	\$ 967,399	\$ 1,740,209	\$ 337,769	\$ 627,070	\$ 68,380	\$ (28,421)	\$ 932,225	\$ 901,378	\$ (106,155)
<b>Net Change in Fund Balance</b>	\$ 1,476,534	\$ 2,387,585	\$ 10,805,105	\$ 8,495,703	\$ 14,542,540	\$ 6,634,324	\$ 5,637,248	\$ (7,714,210)	\$ (11,408,000)	\$ (9,944,146)
<b>Debt Service as a percentage of noncapital expenditures</b>	5.470%	5.836%	5.841%	4.737%	4.406%	0.817%	0.799%	0.774%	0.827%	0.916%

(1) Starting 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 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$ 71,564,430	\$ 73,677,938	\$ 73,973,479	\$ 75,908,464	\$ 83,358,145	\$ 88,073,945	\$ 114,948,069	\$ 131,030,921	\$ 136,526,203	\$ 157,758,844
Restricted	7,244,967	9,281,925	6,973,078	8,464,190	17,268,466	31,899,966	32,397,594	20,003,538	19,993,570	14,114,875
Unrestricted	<u>4,388,190</u>	<u>4,692,361</u>	<u>19,755,557</u>	<u>25,477,051</u>	<u>31,445,546</u>	<u>24,703,473</u>	<u>31,024,353</u>	<u>36,411,404</u>	<u>21,680,356</u>	<u>19,570,706</u>
Total governmental activities net assets	\$ 83,197,587	\$ 87,652,224	\$ 100,702,114	\$ 109,849,705	\$ 132,072,157	\$ 144,677,384	\$ 178,370,016	\$ 187,445,863	\$ 178,200,129	\$ 191,444,425
<b>Business-type Activities</b>										
Invested in capital assets, net of related debt	\$ 89,229	\$ 74,115	\$ 63,019	\$ 59,588	\$ 62,165	\$ 97,634	\$ 81,338	\$ 77,543	\$ 65,515	\$ 144,616
Restricted	0	0	0	0	0	0	0	0	0	0
Unrestricted	<u>96,960</u>	<u>94,049</u>	<u>255,787</u>	<u>305,825</u>	<u>233,659</u>	<u>54,561</u>	<u>203,108</u>	<u>264,565</u>	<u>124,407</u>	<u>31,942</u>
Total business-type activities net assets	\$ 186,189	\$ 168,164	\$ 318,806	\$ 365,413	\$ 295,824	\$ 152,195	\$ 284,446	\$ 342,108	\$ 189,922	\$ 176,558
<b>Primary government</b>										
Invested in capital assets, net of related debt	\$ 71,653,659	\$ 73,752,053	\$ 74,036,498	\$ 75,968,052	\$ 83,420,310	\$ 88,171,579	\$ 115,029,407	\$ 131,108,464	\$ 136,591,718	\$ 157,903,460
Restricted	7,244,967	9,281,925	6,973,078	8,464,190	17,268,466	31,899,966	32,397,594	20,003,538	19,993,570	14,114,875
Unrestricted	<u>4,485,150</u>	<u>4,786,410</u>	<u>20,011,344</u>	<u>25,782,876</u>	<u>31,679,205</u>	<u>24,758,034</u>	<u>31,227,461</u>	<u>36,675,969</u>	<u>21,804,763</u>	<u>19,602,648</u>
Total primary government net assets	\$ 83,383,776	\$ 87,820,388	\$ 101,020,920	\$ 110,215,118	\$ 132,367,981	\$ 144,829,579	\$ 178,654,462	\$ 187,787,971	\$ 178,390,051	\$ 191,620,983

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**CHANGES IN NET ASSETS****LAST TEN FISCAL YEARS**

(accrual basis of accounting)

(Unaudited)

TABLE 3

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>Expenses</b>										
Governmental activities										
Instruction	\$ 39,563,194	\$ 40,308,574	\$ 41,968,805	\$ 47,854,598	\$ 56,300,657	\$ 61,432,277	\$ 62,503,185	\$ 72,969,956	\$ 77,763,448	\$ 78,211,197
Pupil and Instructional Staff	9,791,560	9,903,822	10,623,844	13,296,142	16,772,998	18,684,371	18,935,613	22,500,741	24,564,408	23,188,529
General, School & Business Administration	5,881,729	6,304,993	6,419,171	7,631,520	8,764,073	9,115,868	9,603,022	10,617,683	10,787,619	10,389,118
Operation/Maintenance of Plant	7,133,378	7,693,871	8,052,935	9,972,691	11,363,114	10,861,919	10,332,457	12,938,575	14,487,926	12,891,865
Pupil Transportation	3,562,678	3,698,771	3,844,481	4,628,698	5,468,797	6,152,348	6,606,617	7,401,304	7,888,565	8,029,636
Other Support Services	162,706	155,440	267,673	320,904	305,251	2,829,937	448,652	252,464	356,611	426,575
Community Support - Non Instructional	807,865	3,710,442	4,137,175	1,353,835	1,939,733	1,748,671	2,572,080	1,547,551	2,376,918	1,548,050
Debt Service - Interest Only	897,798	1,014,168	1,172,495	3,401,251	2,639,060	2,477,910	7,666,966	7,247,504	8,551,304	7,130,590
Total Governmental activities expenses	73,210,424	73,538,499	77,093,196	88,904,430	103,831,448	113,387,882	118,760,934	135,579,773	146,891,386	141,930,415
Business-type activities										
Enterprise Fund - Food Service	2,154,632	2,265,220	2,462,803	2,815,794	2,972,381	3,323,556	3,877,628	4,043,595	4,790,367	5,061,027
Enterprise Fund - C AT/Preschool	0	0	0	0	0	0	0	0	197,582	185,237
Total Business-type activities expenses	2,154,632	2,265,220	2,462,803	2,815,794	2,972,381	3,323,556	3,877,628	4,043,595	4,987,949	5,246,264
Total primary government expenses	75,365,056	75,803,719	79,555,999	91,720,224	106,803,829	116,711,438	122,638,562	139,623,368	151,879,335	147,176,679
<b>Program Revenues</b>										
Governmental activities										
Charges for Services										
Instruction	\$ 435,757	\$ 402,537	\$ 375,956	\$ 461,634	\$ 410,816	\$ 347,673	\$ 645,679	\$ 631,801	\$ 1,783,280	\$ 1,574,206
Support Services	378,335	386,177	364,039	425,051	390,274	344,981	331,857	205,130	214,432	143,722
Operation of Non-Instructional Services	133,793	150,654	148,896	170,173	189,467	205,622	192,001	182,961	0	0
Operating Grants & Contributions	4,460,219	4,770,890	5,619,723	6,764,857	6,723,873	7,364,335	9,066,574	10,850,375	12,900,803	11,138,051
Total Governmental activities program revenues	5,408,104	5,710,258	6,508,614	7,821,715	7,714,430	8,262,611	10,236,111	11,870,267	14,898,515	12,855,979
Business-type activities										
Charges for Services	1,437,485	1,628,421	1,765,661	1,887,160	2,081,475	2,092,833	2,459,907	2,349,775	2,731,836	2,724,666
Operating Grants & Contributions	518,659	612,410	750,330	771,855	744,703	904,897	1,431,659	1,435,328	1,424,314	1,546,359
Total Business-type activities program revenues	1,956,144	2,240,831	2,515,991	2,659,015	2,826,178	2,997,730	3,891,566	3,785,103	4,156,150	4,271,025
Total primary governmental program revenues	7,364,248	7,951,089	9,024,605	10,480,730	10,540,608	11,260,341	14,127,677	15,655,370	19,054,665	17,127,004
Net (expense)/revenue	\$ (67,802,320)	\$ (67,848,241)	\$ (70,584,582)	\$ (81,082,715)	\$ (96,117,018)	\$ (105,125,271)	\$ (108,524,823)	\$ (123,709,506)	\$ (131,992,871)	\$ (129,074,436)
Governmental activities	(198,488)	(24,389)	53,188	(156,779)	(146,203)	(325,826)	13,938	(258,492)	(831,799)	(975,239)
Business-type activities	(68,000,808)	(67,872,630)	(70,531,394)	(81,239,494)	(96,263,221)	(103,451,097)	(108,510,885)	(123,967,998)	(132,824,670)	(130,049,675)
Total primary government net expenses										

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities										
Taxes										
Property Taxes, general purposes	\$ 56,181,202	\$ 60,325,775	\$ 66,535,976	\$ 78,284,359	\$ 97,112,444	100,761,353	102,039,741	107,162,521	107,568,137	119,635,711
Property Taxes, debt service	3,472,106	2,665,903	87,102	183,135	276,766	56,466	110,810	90,243	2,749	4,610
Property Taxes, capital construction	1,379	4,020	0	0	0	0	0	0	0	0
Property Taxes, major building & facility maintenance	4,044,178	3,093,138	0	0	0	0	0	0	0	0
Property Taxes, public recreation	1,353,401	1,382,454	3,336,195	3,841,178	4,488,702	4,752,745	5,028,894	6,138,300	5,346,431	5,682,758
Grants & Contribution not restricted to specific programs	1,392,218	1,62,501	8,886,948	2,854,751	9,132,437	8,346,057	33,326,838	19,208,350	9,699,083	17,438,448
Capital Grant restricted for debt service	1,250,000	1,500,000	1,500,000	1,500,000	1,870,000	0	0	0	0	0
Interest	243,119	221,793	975,584	2,546,754	3,919,975	3,204,151	1,025,201	225,014	123,969	88,627
Other Local Revenue	1,960,143	2,018,820	2,176,045	0	0	0	0	0	0	0
Miscellaneous	395,756	917,291	874,195	1,184,306	1,581,033	793,537	767,153	276,709	686,077	430,244
Gain(loss) on sale of capital assets	71,622	16,183	(643,948)	27,605	19,488	(7,975)	36,250	0	0	0
Transfers	(5,000)	(5,000)	(93,625)	(191,782)	(61,375)	(175,836)	(117,432)	(315,784)	(679,309)	(961,666)
Total Governmental activities	69,107,124	72,302,878	83,634,472	90,230,306	118,339,470	117,730,498	142,217,455	132,785,353	122,747,137	142,318,732
Business-type activities										
Interest	3,717	1,364	3,829	11,604	15,759	6,361	1,387	370	304	209
Gain(loss) on sale of capital assets	(375)	0	0	0	(520)	0	(506)	0	0	0
Transfers	5,000	5,000	93,625	191,782	61,375	175,836	117,432	315,784	679,309	961,666
Total Business-type activities	8,342	6,364	97,454	203,386	76,614	182,197	118,313	316,154	679,613	961,875
Total primary government	\$ 69,115,466	\$ 72,309,242	\$ 83,731,926	\$ 90,433,692	\$ 118,416,084	\$ 117,912,695	\$ 142,335,768	\$ 133,101,507	\$ 123,426,750	\$ 143,280,607
<b>Change in Net Assets</b>										
Government activities	\$ 1,304,804	\$ 4,454,637	\$ 13,049,890	\$ 9,147,591	\$ 22,222,452	12,605,227	33,692,632	9,075,847	(9,245,734)	13,244,296
Business-type activities	(190,146)	(18,025)	150,642	46,607	(69,589)	(143,629)	132,251	57,662	(152,186)	(13,364)
Total primary government	\$ 1,114,658	\$ 4,436,612	\$ 13,200,532	\$ 9,194,198	\$ 22,152,863	12,461,598	33,824,883	9,133,509	(9,397,920)	13,230,932

**FUND BALANCES OF GOVERNMENTAL FUNDS**

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(Unaudited)

TABLE 4

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010 (1)	Fiscal Year 2011 (1)	Fiscal Year 2012 (1)
<b>General Fund</b>										
Reserved	\$ 351,013	\$ 62,933	\$ 195,768	\$ 217,127	\$ 165,993	\$ 294,626	\$ 274,686	\$ 0	\$ 0	\$ 0
Unreserved	(74,183)	752,302	7,935,036	13,958,990	11,027,740	9,107,250	12,670,681	0	0	0
Nonspendable	0	0	0	0	0	0	0	913,910	803,167	750,125
Committed	0	0	0	0	0	0	0	0	3,110,000	2,611,000
Unassigned	0	0	0	0	0	0	0	11,209,516	9,237,888	10,743,689
Total General Fund	\$ <u>276,830</u>	\$ <u>815,235</u>	\$ <u>8,130,804</u>	\$ <u>14,176,117</u>	\$ <u>11,193,733</u>	\$ <u>9,401,876</u>	\$ <u>12,945,367</u>	\$ <u>12,123,426</u>	\$ <u>13,151,055</u>	\$ <u>14,104,814</u>
<b>All other governmental funds</b>										
Reserved	\$ 7,773,774	\$ 10,777,969	\$ 7,239,902	\$ 9,187,385	\$ 17,345,142	\$ 32,508,829	\$ 32,729,619	\$ 0	\$ 0	\$ 0
Unreserved										
Designated for Capital Projects	0	0	0	0	4,000,000	2,502,441	2,851,987	0	0	0
Undesignated, Reported in:										
Capital Construction	0	0	1,135,403	1,913,336	0	0	0	0	0	0
Special Revenue Funds	2,456,290	1,301,275	7,193,475	6,918,449	13,101,169	6,243,936	7,995,811	0	0	0
Capital Projects Funds	0	0	0	0	1,097,783	2,715,069	2,486,615	0	0	0
Nonspendable	0	0	0	0	0	0	0	183	183	0
Restricted	0	0	0	0	0	0	0	38,718,067	26,735,951	15,838,229
Committed	0	0	0	0	0	0	0	453,513	0	0
Unassigned	0	0	0	0	0	0	0	0	0	0
Total all other governmental funds	\$ <u>10,230,064</u>	\$ <u>12,079,244</u>	\$ <u>15,568,780</u>	\$ <u>18,019,170</u>	\$ <u>35,544,094</u>	\$ <u>43,970,275</u>	\$ <u>46,064,032</u>	\$ <u>39,171,763</u>	\$ <u>26,736,134</u>	\$ <u>15,838,229</u>

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

**PROPERTY TAX LEVIES AND COLLECTIONS**  
 LAST TEN FISCAL YEARS

(Unaudited)

TABLE 5

Fiscal Year	Tax Year	Total Tax Levied for Year	Collections during Levied Year		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2003	2002	\$ 80,810,637	\$ 79,244,072	98.06%	\$ 1,555,096	\$ 80,799,168	99.99%
2004	2003	84,598,369	83,457,249	98.65%	1,114,343	84,571,592	99.97%
2005	2004	104,269,723	104,058,464	99.80%	154,541	104,213,005	99.95%
2006	2005	117,076,280	116,418,254	99.44%	579,099	116,997,353	99.93%
2007	2006	133,173,074	132,259,567	99.31%	710,246	132,969,813	99.85%
2008	2007	145,941,864	145,780,209	99.89%	264,678	145,616,336	99.78%
2009	2008	152,002,298	151,652,400	99.77%	713,471	151,142,266	99.43%
2010	2009	182,526,173	179,588,657	98.39%	1,596,495	181,185,152	99.27%
2011	2010	160,408,680	159,338,689	99.33%	900,800	159,968,458	99.73%
2012	2011	173,660,462	172,631,190	99.41%	0	172,631,190	99.41%

Source: Campbell County Treasurer

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

(Unaudited)

TABLE 6

Fiscal Year	Tax Year	Real Property		Personal Property	Public Utilities & Minerals	Total Taxable Assessed Value	Estimated Actual Taxable Value (1)	Assessed Value as a percentage of Actual Value
		Residential	Commercial					
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%
2009	2008	165,467,474	52,373,558	419,621,743	4,085,359,669	4,722,822,444	10,046,143,547	47.01%
2010	2009	215,236,023	53,391,771	492,692,048	4,949,234,676	5,710,554,518	13,053,305,514	43.75%
2011	2010	229,943,446	69,824,075	462,373,422	4,254,525,971	5,016,666,914	11,270,859,091	44.51%
2012	2011	234,056,585	62,886,371	475,857,579	4,652,764,672	5,425,565,207	13,446,903,747	40.35%

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.

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

(Unaudited)

TABLE 7

Fiscal Year	Tax Year	City of Gillette			County			Overlapping Rate			State School Millage	Special Districts	Total Direct & Overlapping Rates
		Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	School District					
								Operating Millage	Debt Service Millage	Total County Millage			
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
2009	2008	8.000	0.000	8.000	12.000	0.000	12.000	32.000	0.000	32.000	12.000	4.163	68.163
2010	2009	8.000	0.000	8.000	11.088	0.000	11.088	32.000	0.000	32.000	12.000	3.711	66.799
2011	2010	8.000	0.000	8.000	11.051	0.000	11.051	32.000	0.000	32.000	12.000	4.720	67.771
2012	2011	8.000	0.000	8.000	11.051	0.000	11.051	32.000	0.000	32.000	12.000	4.370	67.421

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	Tuition & Fees	Rentals	Charges for Services	Contributions & Donations	Other Local Revenue	Miscellaneous	Taxes	Taxes	Intergovernmental	Intergovernmental	
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	\$ 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	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	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	100,159,675
2007	82,648,800	3,665,603	430,981	50,348	509,228	337,395	0	454,343	19,548,166	0	11,344,356	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	125,449,869
2009	86,303,539	998,796	675,883	43,002	446,185	262,591	0	501,898	20,389,644	0	36,078,614	6,056,673	151,756,825
2010	89,965,029	218,746	355,516	55,024	609,350	540,885	0	57,907	21,663,559	0	21,736,066	7,781,772	142,983,854
2011	93,009,532	121,985	303,386	44,612	603,220	738,691	0	851,430	22,236,817	0	13,142,804	9,619,392	140,671,869
2012	99,786,164	87,243	49,845	57,580	606,482	438,373	0	565,530	24,028,699	0	20,509,706	8,502,731	154,632,353

**PRINCIPAL TAXPAYERS (Top 50%)**

LAST TEN FISCAL YEARS

(Unaudited)

TABLE 9

TAXPAYER	TYPE OF BUSINESS	Tax Year 2011			Tax Year 2002		
		ASSESSED VALUE	RANK	% of Total Taxable Assessed Value	ASSESSED VALUE	RANK	% of Total Taxable Assessed Value
Powder River Coal Company	Coal	\$ 1,174,937,780	1	21.656%	\$ 345,581,185	2	13.478%
Thunder Basin Coal Company	Coal	1,091,286,534	2	20.114%	681,340,621	1	26.574%
Alpha Coal West Inc	Coal	391,805,369	3	7.221%			
Cordero Mining Company	Coal	324,922,016	4	5.989%	83,620,385	7	3.261%
Peabody Caballo Coal Company	Coal	299,591,718	5	5.522%	142,369,460	5	5.553%
Buckskin Mining Company	Coal	204,894,614	6	3.776%			
Lance Oil & Gas Company Inc	Coal	65,754,346	7	1.212%	93,215,939	6	3.636%
Rag Coal West Inc	Coal				230,680,466	3	8.997%
Williams Production RMT Company	Oil & Gas				193,602,103	4	7.551%
Total		<u>3,553,192,377</u>		<u>65.490%</u>	<u>1,770,410,159</u>		<u>69.050%</u>
Assessed Value		5,425,565,207			2,563,944,782		

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

(Unaudited)

TABLE 10

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Tax Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Assessed Valuation</b>	\$ 2,563,944,782	\$ 2,686,679,191	\$ 3,258,728,319	\$ 3,660,527,493	\$ 4,263,561,953	\$ 4,553,066,493	\$ 4,722,822,444	\$ 5,710,554,518	\$ 5,016,666,914	\$ 5,425,565,207
Debt Limit (1)	\$ 256,394,478	\$ 268,667,919	\$ 325,872,832	\$ 366,052,749	\$ 426,356,195	\$ 455,306,649	\$ 472,282,244	\$ 571,055,452	\$ 501,666,691	\$ 542,556,521
Total Net Debt Applicable to the Limit on June 30, fiscal year	\$ <u>11,560,000</u>	\$ <u>8,980,000</u>	\$ <u>6,255,000</u>	\$ <u>3,395,000</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Legal debt margin	\$ <u>244,834,478</u>	\$ <u>259,687,919</u>	\$ <u>319,617,832</u>	\$ <u>362,657,749</u>	\$ <u>426,356,195</u>	\$ <u>455,306,649</u>	\$ <u>472,282,244</u>	\$ <u>571,055,452</u>	\$ <u>501,666,691</u>	\$ <u>542,556,521</u>
Total net debt applicable to the limit as a percentage of debt limit	4.51%	3.34%	1.92%	0.93%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

**RATIOS OF 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
2003	\$ 11,560,000	\$ 4,463,883	7,096,117	\$ 6,775,004,265	0.10%	36,086	\$ 197
2004	8,980,000	5,370,375	3,609,625	7,108,629,105	0.05%	36,260	100
2005	6,255,000	3,789,189	2,465,811	7,870,968,065	0.03%	37,061	67
2006	3,395,000	2,296,280	1,098,720	8,564,715,607	0.01%	38,487	29
2007	0	871,808	(871,808)	9,508,052,813	-0.01%	40,462	(22)
2008	0	916,098	(916,098)	10,580,504,775	-0.01%	41,474	(22)
2009	0	1,028,413	(1,028,413)	10,046,143,547	-0.01%	43,967	(23)
2010	0	1,085,363	(1,085,363)	13,053,305,514	-0.01%	46,133	(24)
2011	0	1,010,077	(1,010,077)	11,270,859,091	-0.01%	46,618	(22)
2012	0	1,014,687	(1,014,687)	13,446,903,747	-0.01%	47,250	(21)

(1) State Agency - Wyoming, Department of Administration & Information Economic Analysis Division 2011 and 2012 estimated.

(2) Campbell County Assessor

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

(Unaudited)

TABLE 12

As of June 30,	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Debt Outstanding</b>										
Campbell County School District - Net Debt Obligation	\$ 7,096,117	\$ 3,609,625	\$ 2,465,811	\$ 1,098,720	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total direct and overlapping dept	<u>\$ 7,096,117</u>	<u>\$ 3,609,625</u>	<u>\$ 2,465,811</u>	<u>\$ 1,098,720</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Percentage overlapping	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Campbell County Treasurer

**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

(Unaudited)

TABLE 13

Fiscal Year	County Population (1)	Personal Income (2)	Per Capita Personal Income	Median Age (2)	Average Daily Membership	Students as % of Population	Unemployment Rate (1)
2003	36,086	1,145,903	31,755	32.0	7,294	20.21%	3.4%
2004	36,260	1,253,564	34,572	32.0	7,155	19.73%	2.9%
2005	37,061	1,457,132	39,317	32.1	7,141	19.27%	2.5%
2006	38,487	1,728,719	44,917	33.3	7,350	19.10%	1.5%
2007	40,462	1,877,931	46,412	32.9	7,566	18.70%	1.9%
2008	41,474	2,087,459	50,332	32.2	7,534	18.17%	2.0%
2009	43,967	2,127,914	48,398	31.7	8,007	18.21%	4.1%
2010	46,133	2,115,089	45,848	31.9	8,145	17.66%	5.3%
2011	46,618	N/A	N/A	32.2	8,248	17.69%	4.1%
2012	47,250	N/A	N/A	N/A	8,368	17.71%	4.6%

(1) State Agency - Wyoming Department of Administration & Information Economic Analysis Division, County Population 2011 and 2012 estimated

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

**PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

(Unaudited)

TABLE 14

Employer	Product	2012			2003		
		Employees	Rank	Percentage of Total County Labor Force as of 3/2012	Employees	Rank	Percentage of Total County Labor Force as of 1/2003
Peabody Energy / Peabody Caballo Mining, LLC	Coal Mining	2,098	1	4.44%	943	4	2.61%
Campbell County School District	Education	1,858	2	3.93%	1,455	1	4.03%
ARCH Coal, Inc. / Thunder Basin Coal Company	Coal Mining	1,759	3	3.72%	600	8	1.66%
Campbell County Memorial Hospital	Hospital	1,050	4	2.22%	778	6	2.16%
Cloud Peak Energy / Rio Tinto America Inc	Coal Mining	805	5	1.70%	645	7	1.79%
Foundation Coal West / Alpha Coal West	Coal Mining	679	6	1.44%			
Campbell County Government	Government	541	7	1.14%	840	5	2.33%
Wal-mart	Retail	520	8	1.10%			
Kennecott Energy	Coal Mining				1,095	2	3.03%
Powder River Coal Company	Coal Mining				1,042	3	2.89%

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

Note: County labor force statistics from Wyoming Department of Workforce Services and the United States Department of Labor 1/2003 36,086 3/2012 47,250

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**OPERATING INFORMATION FOR CAMPBELL COUNTY SCHOOL DISTRICT**  
**LAST TEN FISCAL YEARS**

(Unaudited)

TABLE 15

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<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	452	375	384	356	378	299	364	380	404	382
Wright Jr/Sr High	38	46	41	28	22	43	33	20	37	32
Westwood High School	28	72	53	71	87	98	114	126	102	102
Total Graduates	518	493	478	455	487	440	511	526	543	516
<b>Student / Teacher Ratios</b>										
Elementary	17.22:1	16.68:1	17.16:1	17.18:1	16.57:1	18.73:1	18.17:1	17.67:1	19.08:1	19.00:1
Secondary	17.46:1	15.76:1	15.35:1	19.9:1	15.41:1	14.58:1	14.12:1	14.44:1	14.91:1	15.33:1
<b>Student Membership/Attendance</b>										
Average Daily Membership	7,294	7,155	7,141	7,350	7,565	7,534	8,007	8,145	8,248	8,368
Average Daily Attendance	6,891	6,744	6,702	6,842	7,077	7,060	7,547	7,626	7,729	7,881
Percent of Attendance	94.47%	94.26%	93.85%	93.09%	93.55%	93.71%	94.26%	93.63%	93.71%	94.18%
General Fund Cost per Pupil based on ADM	\$ 8,866	\$ 9,257	\$ 8,848	\$ 10,156	\$ 11,777	\$ 12,998	\$ 12,463	\$ 14,192	\$ 14,934	\$ 14,653
Free/Reduced Food Program Eligibility										
Percent of Total Students Enrolled in Fall of calendar year	22.64%	24.89%	24.29%	19.00%	20.24%	23.67%	27.58%	31.03%	32.85%	32.48%

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>School District Employees</b>										
Instructional Services										
Central Office Administrators	4	4	5	5	9	9	10	7	7	7
Principals & Assistant Principals	25	25	27	27	26	26	27	28	28	25
Teaching Staff	571	585	604	620	616	635	638	657	669	671
Substitute Teachers	205	205	144	180	213	202	225	246	229	251
Guidance Counselors	17	17	17	19	16	18	18	17	17	18
Media Specialists	12	12	12	13	13	13	13	16	15	16
Support Services										
Central Office Administrators	5	5	5	5	4	4	4	3	3	3
Specialists/Coordinators/Directors	0	0	0	7	8	8	9	13	14	15
Nurses, Psychologists, and Social Workers	28	28	28	48	43	43	45	39	32	34
Pupil Transportation	126	126	147	135	115	119	136	151	154	144
Personnel Services	5	5	5	6	6	6	7	7	7	7
Operation and Maintenance	107	107	109	103	101	116	122	131	136	137
Finance, Fiscal Services and Data Processing	14	14	15	16	16	16	16	16	16	16
School Bldg Clerical & Aides Support	269	269	314	421	426	425	432	443	454	435
General Laborer / Science Center	2	2	2	2	2	2	2	2	2	4
Print Shop	6	6	5	5	5	4	4	4	4	4
Purchasing/Warehouse/Mail Services	6	6	6	6	6	6	6	6	6	6
Food Service	51	51	56	68	54	55	57	59	64	65
<b>Total School District Employees</b>	<b>1,453</b>	<b>1,467</b>	<b>1,499</b>	<b>1,686</b>	<b>1,679</b>	<b>1,707</b>	<b>1,771</b>	<b>1,845</b>	<b>1,857</b>	<b>1,858</b>
<b>Teacher Salaries</b>										
Minimum	\$ 28,000	\$ 28,100	\$ 28,100	\$ 30,303	\$ 40,500	\$ 42,500	\$ 43,000	\$ 46,000	\$ 46,000	\$ 46,000
Maximum	55,095	56,450	56,730	59,899	74,900	77,400	77,900	80,900	80,900	80,900
Average	39,877	40,164	40,664	42,528	55,381	57,735	58,023	61,199	61,511	61,564

**SCHOOL BUILDING INFORMATION - OWNED BUILDINGS**  
**LAST TEN FISCAL YEARS**

(Unaudited)

TABLE 16

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>SCHOOLS</b>										
<b>ELEMENTARY (K-6)</b>										
<b>CONESTOGA (1982)</b>										
Square Feet	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108	56,108
Acres	9.77	9.77	9.77	9.77	9.77	9.77	9.77	9.77	9.77	9.77
Capacity	545	545	545	545	545	545	545	545	545	545
Average Daily Membership	318	314	317	347	393	402	435	440	420	443
<b>COTTONWOOD (1979)</b>										
Square Feet	58,200	58,200	58,200	58,200	58,200	58,200	58,200	58,200	58,200	58,200
Acres	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32
Capacity	574	574	574	574	574	574	574	574	574	574
Average Daily Membership	217	219	240	238	285	298	287	281	270	284
<b>FOUR - J (1986)</b>										
Square Feet	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
Acres	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10	15.10
Capacity	83	83	83	83	83	83	83	83	83	83
Average Daily Membership	43	40	43	37	41	41	36	37	39	37
<b>HILLCREST (Old Building &amp; Location 1972/1975/1984) New Building and Location 2009</b>										
Square Feet	41,784	41,784	41,784	41,784	41,784	41,784	68,620	68,620	68,620	68,620
Acres	8.95	8.95	8.95	8.95	8.95	8.95	10.89	10.89	10.89	10.89
Capacity	481	481	481	481	481	481	519	519	519	519
Average Daily Membership	308	290	310	322	337	324	348	408	409	412
<b>LAKEVIEW (1968/1973/1976)</b>										
Square Feet	35,057	35,057	35,057	35,057	35,057	35,057	35,057	35,057	35,057	35,057
Acres	4.19	4.19	4.19	4.19	4.19	4.19	4.19	4.19	4.19	4.19
Capacity	378	378	378	378	378	378	378	378	378	378
Average Daily Membership	301	288	294	305	345	344	350	348	381	379
<b>LITTLE POWDER (1976)</b>										
Square Feet	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600	10,600
Acres	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Capacity	88	88	88	88	88	88	88	88	88	88
Average Daily Membership	18	15	16	19	21	21	22	19	24	22

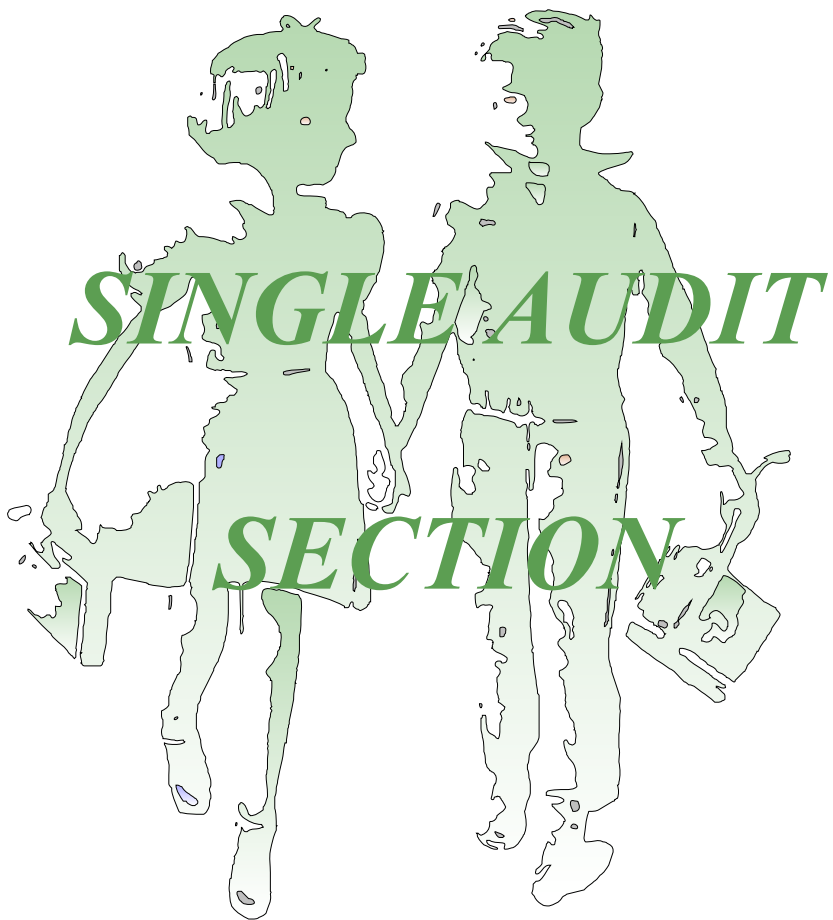
	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>MEADOWLARK (1975)</b>										
Square Feet	37,832	37,832	37,832	37,832	37,832	37,832	37,832	37,832	37,832	37,832
Acres	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88	2.88
Capacity	338	338	338	338	338	338	338	338	338	338
Average Daily Membership	270	263	271	289	288	299	322	290	331	340
<b>PAINTBRUSH (1980)</b>										
Square Feet	63,450	63,450	63,450	63,450	63,450	63,450	63,450	63,450	63,450	63,450
Acres	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69	5.69
Capacity	595	595	595	595	595	595	595	595	595	595
Average Daily Membership	396	400	422	434	440	455	460	458	473	491
<b>PRAIRIE WIND ELEMENTARY (2011)</b>										
Square Feet	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Acres	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capacity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average Daily Membership	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>PRONGHORN (1993)</b>										
Square Feet	66,415	66,415	66,415	66,415	66,415	66,415	66,415	66,415	66,415	66,415
Acres	13.15	13.15	13.15	13.15	13.15	13.15	13.15	13.15	13.15	13.15
Capacity	577	577	577	577	577	577	577	577	577	577
Average Daily Membership	417	426	412	433	449	260	489	476	440	453
<b>RAWHIDE (1980)</b>										
Square Feet	60,725	60,725	60,725	60,725	60,725	60,725	60,725	60,725	60,725	60,725
Acres	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Capacity	549	549	549	549	549	549	549	549	549	549
Average Daily Membership	129	137	139	141	144	171	273	325	291	281
<b>RECLUSE (Old Building &amp; Location 1964/1973) New Building &amp; New Location 2007</b>										
Square Feet	9,625	9,625	9,625	9,625	17,509	17,509	17,509	17,509	17,509	17,509
Acres	3.90	3.90	3.90	3.90	7.02	7.02	7.02	7.02	7.02	7.02
Capacity	80	80	80	80	100	100	100	100	100	100
Average Daily Membership	32	33	33	33	38	35	34	39	31	28
<b>ROZET (1939/1973/1976/1983)</b>										
Square Feet	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221	83,221
Acres	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Capacity	723	723	723	723	723	723	723	723	723	723
Average Daily Membership	326	311	321	312	327	354	362	351	346	350
<b>STOCKTRAIL (1971) School Closed 2011 - Students moved to new school Prairie Wind Elementary</b>										
Square Feet	27,162	27,162	27,162	27,162	27,162	27,162	27,162	27,162	0	0
Acres	7.99	7.99	7.99	7.99	7.99	7.99	7.99	7.99	0	0
Capacity	445	445	445	445	445	445	445	445	0	0
Average Daily Membership	247	246	249	253	262	245	270	309	0	0
<b>SUNFLOWER (1983)</b>										
Square Feet	57,500	57,500	57,500	57,500	57,500	57,500	57,500	57,500	57,500	57,500
Acres	5.53	5.53	5.53	5.53	5.53	5.53	5.53	5.53	5.53	5.53
Capacity	553	553	553	553	553	553	553	553	553	553
Average Daily Membership	418	425	398	425	432	446	474	462	456	453
<b>WAGONWHEEL (1976)</b>										
Square Feet	52,314	52,314	52,314	52,314	52,314	52,314	52,314	52,314	52,314	52,314
Acres	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02	7.02
Capacity	547	547	547	547	547	547	547	547	547	547
Average Daily Membership	368	363	362	367	384	391	434	427	442	427

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

(Unaudited)

TABLE 16 (CONTINUED)

	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012
<b>JUNIOR HIGH</b>										
SAGE VALLEY (1981)										
Square Feet	188,630	188,630	188,630	188,630	188,630	188,630	188,630	188,630	188,630	188,630
Acres	21.04	21.04	21.04	21.04	21.04	21.04	21.04	21.04	21.04	21.04
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Average Daily Membership	795	767	742	804	806	771	816	834	902	938
<b>TWIN SPRUCE (1925/1964/1976)</b>										
Square Feet	167,000	167,000	167,000	167,000	167,000	167,000	167,000	167,000	167,000	167,000
Acres	12.90	12.90	12.90	12.90	12.90	12.90	12.90	12.90	12.90	12.90
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Average Daily Membership	855	853	836	830	826	778	782	787	805	836
<b>JUNIOR/SENIOR HIGH</b>										
WRIGHT JR/SR HIGH (1983)										
Square Feet	109,741	109,741	109,741	109,741	109,741	109,741	109,741	109,741	109,741	109,741
Acres	23.24	23.24	23.24	23.24	23.24	23.24	23.24	23.24	23.24	23.24
Capacity	650	650	650	650	650	650	650	650	650	650
Average Daily Membership	250	255	221	253	245	244	228	249	254	232
<b>HIGH SCHOOL</b>										
WESTWOOD (1962/1975)										
Square Feet	21,429	21,429	21,429	21,429	21,429	21,429	21,429	21,429	21,429	21,429
Acres	2.48	2.48	2.48	2.48	2.48	2.48	2.48	2.48	2.48	2.48
Capacity	135	135	135	135	135	135	135	135	135	135
Average Daily Membership	107	110	82	97	100	106	156	160	86	140
<b>CAMPBELL COUNTY HIGH SCHOOL (2 SITES)</b>										
CAMPBELL COUNTY - NORTH CAMPUS(1972/1977/1978/1982/1988)										
Square Feet	337,557	337,557	337,557	337,557	337,557	337,557	337,557	337,557	337,557	337,557
Acres	42.95	42.95	42.95	42.95	42.95	42.95	42.95	42.95	42.95	42.95
Capacity	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Average Daily Membership	1,482	1,399	1,433	1,413	1,298	1,349	1,429	1,446	1,433	1,377
CAMPBELL COUNTY - SOUTH CAMPUS(1998)										
Square Feet	214,398	214,398	214,398	214,398	214,398	214,398	214,398	214,398	214,398	214,398
Acres	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Capacity	1,429	1,429	1,429	1,429	1,429	1,429	1,429	1,429	1,429	1,429
Capacity - both sites combined	3,229	3,229	3,229	3,229	3,229	3,229	3,229	3,229	3,229	3,229
Average Daily Membership	1,482	1,399	1,433	1,413	1,298	1,349	1,429	1,446	1,433	1,377



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# SHUCK, BENNETT & WEBER, LLP

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

319 S. Gillette Avenue, Suite 200

P.O. Box 2256

Gillette, WY 82717-2256

Telephone (307)682-5250

Fax (307) 682-6938

sbw@sbwcpas.com

Michael R. Bennett, CPA  
Rauland J. Weber, CPA  
Tamara J. Hermstad, CPA

Michael L. Shuck, CPA  
Amanda J. Fiedor, CPA  
Ryan J. Gemar, CPA

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

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

We have audited 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, 2012, which collectively comprise **Campbell County School District No. 1's** basic financial statements and have issued our report thereon dated October 23, 2012. 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.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, as discussed above, we identified a certain deficiency in internal control over financial reporting, described in the accompanying



schedule of findings and questioned costs that we consider to be a significant deficiency in internal control over financial reporting. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding IC 12-1 to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

### **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*.

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 of Audit, the oversight 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.

*STUCK, BENNETT & WEBER, LLP*

Gillette, Wyoming  
October 23, 2012

# SHUCK, BENNETT & WEBER, LLP

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

319 S. Gillette Avenue, Suite 200

P.O. Box 2256

Gillette, WY 82717-2256

Telephone (307) 682-5250

Fax (307) 682-6938

sbw@sbwcpas.com

Michael R. Bennett, CPA  
Rauland J. Weber, CPA  
Tamara J. Hermstad, CPA

Michael L. Shuck, CPA  
Amanda J. Fiedor, CPA  
Ryan J. Gemar, CPA

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

### Compliance

We have audited **Campbell County School District No. 1's** compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the **District's** major federal programs for the year ended June 30, 2012. 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 Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as Finding FA 12-1.

## Internal Control Over Compliance

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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the **District's** internal control over compliance.

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

We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item FA 12-1 to be a material weakness.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses, and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

The **District's** responses 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** responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Governing Board, management, the Wyoming Department of Audit, the oversight entity, 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.

*SHUCK, BENNETT + WEBER, LLP*

Gillette, Wyoming  
October 23, 2012

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

Year Ended June 30, 2012

(Page 1 of 3)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Expenditures
<b>Department of Education</b>			
Direct Awards:			
Impact Aid Section 8003(b)	84.041B	S041B-2010-5966	\$ 39,113
Safe Schools/Healthy Students FY11	84.184L	Q184L080013	33,731
Safe Schools/Healthy Students FY12	84.184L	Q184L080013	1,291,959
<b>Total Direct Awards U.S. Department of Education</b>			<b>\$ 1,364,803</b>
Passed Through State of Wyoming Department of Education			
Carl Perkins, Vocational Education, FY11	84.048A	110VEA2569	\$ 34,175
Carl Perkins, Vocational Education, FY12	84.048A	120VEA2569	123,070
Title I, FY11	84.010A	110T1A256S	71,191
Title I, Basic ARRA FY10	84.389A	100301TIA00	136,196
Title I School Wide, FY11	84.010A	110T1A256S	12,370
Title I, FY12	84.010A	120T1A256S	1,215,633
Title I, Neglected and Delinquent, FY11	84.010A	11NDS2256V	46,504
Title I, Neglected and Delinquent, FY12	84.010A	12NDS2256V	46,588
Title I Neglected and Delinquent ARRA, FY10	84.389A	10031AND200	371
Drug Free Schools, FY12	84.186A	12SDFS256H	15,000
Title II D, Technology, FY11	84.318X	11IIDCOMP1	45,883
Title II D, FY11	84.318X	110T2D2566	11,104
Title II D, Technology, ARRA, FY10	84.386A	100301AT2DAO	36,250
Title II A, FY11	84.367A	110T2A2569	125,093
Title II A, FY12	84.367A	120T2A2569	711,407
Part B, 611, FY11	84.027A	11VIBA2566	403,142
Part B, 619, FY11	84.173A	11VIBP256ZM	3,768
Part B, 611, FY12	84.027A	12VIBA2566	1,723,514
Part B, 619, FY12	84.173A	12VIBP256ZM	9,429
Part B, 611 ARRA, FY10	84.027A	100301AVIB00	503,955
Part B, 619 ARRA, FY12	84.173A	100301A1BP00	644
Title III, FY11	84.365A	1100T3256W	23,043
Title III, FY12	84.365A	1200T3256W	15,140
McKinney Homeless, FY10	84.196A	10HMLS00301	378
McKinney Homeless, FY11	84.196A	11HMLS00301	16,239
McKinney Homeless, FY12	84.196A	12HMLS00301	12,629
ED Jobs, ARRA, FY11	84.410A	110301AEDJOO	570,482
21 <sup>st</sup> Century CLC, FY10	84.287C	10T21C40301	4,956
21 <sup>st</sup> Century CLC, FY10	84.287C	100301C6C00	1,606

(Continued)

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

Year Ended June 30, 2012

(Page 2 of 3)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Expenditures
<b>Passed Through State of Wyoming Department of Education (Continued)</b>			
21 <sup>st</sup> Century CLC, FY11	84.287C	08T21C40301	\$ 300
21 <sup>st</sup> Century CLC, FY11	84.287C	11T21C40301	101,845
21 <sup>st</sup> Century CLC, FY11	84.287C	11T21C50301	113,289
21 <sup>st</sup> Century CLC, FY11	84.287C	110301C6C00	234,477
21 <sup>st</sup> Century CLC, FY11	84.287C	1103011SF100	47,200
21 <sup>st</sup> Century CLC, FY12	84.287C	12T21C50301	72,975
21 <sup>st</sup> Century CLC, FY12	84.287C	12T21C40301	94,920
21 <sup>st</sup> Century CLC, FY12	84.287C	120301C6C00	54
Total Passed Through State of Wyoming Department of Education			\$ 6,584,820
Passed Through University of South Dakota Investing in Innovation (i3) Fund	84.411C	-	\$ 6,710
Total Passed Through Awards			\$ 6,591,530
Total U.S. Department of Education			\$ 7,956,333
<u>Department of Justice</u>			
Direct Awards:			
Juvenile Mentoring Program, FY11	16.726	2010-JU-FX-0043	\$ 82,216
<u>Department of Health and Human Services</u>			
Direct Awards:			
School-Based Health Centers	93.501	C12CS21803-0	\$ 334,807
Passed Through the State of Wyoming Department of Family Services			
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	-	5,715
Total Department of Health and Human Services			\$ 340,522
<u>Corporation for National and Community Service</u>			
Passed Through Serve Wyoming			
Learn and Serve America, School and Community Based Programs FY11	94.004	LSA2010-2011	\$ 7,397
<u>Department of Agriculture</u>			
Passed Through the State of Wyoming Department of Education			
Food Distribution Program	10.550	-	\$ 107,415
National Breakfast Program	10.553	-	263,458
National School Lunch Program	10.555	-	1,170,462
Child and Adult Care Food Program	10.558	-	9,559
Total U.S. Department of Agriculture			\$ 1,550,894

(Continued)

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

Year Ended June 30, 2012

(Page 3 of 3)

Federal Grantor Pass Through Grantor Program Title	Federal CFDA Number	Pass- Through Grantor's Number	Expenditures
<u>Department of Interior</u>			
Passed Through Campbell County, Wyoming			
Treasurer's Office			
Taylor Grazing Act	15.227	-	\$ 61,822
<u>Department of Energy</u>			
Passed Through Wyoming Business Council			
State Energy Program - ARRA	81.041	-	\$ 42,442
<u>National Aeronautics and Space Administration</u>			
Passed Through State of Wyoming Department of Education			
NASA Summer of Innovation, FY11	43.008	110301NASA00	\$ 3,026
NASA Summer of Innovation, FY12	43.008	120301NASA00	2,438
Total National Aeronautics and Space Administration			\$ 5,464
<u>National Endowment for the Arts</u>			
Passed Through Wyoming Arts Council			
AEO: Teaching Gallery	45.025	6054149	\$ 2,000
Total Expenditures of Federal Awards			\$ 10,049,090

Note 1. 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.

Note 2. Subrecipients

Of the Federal expenditures presented in the schedule, the entity provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided to Subrecipient
Learn and Serve America, School and Community		
Based Programs, FY11	94.004	\$ 7,397
Juvenile Mentoring Program, FY11	16.726	\$ 80,382
21 <sup>st</sup> Century CLC, FY10	84.287C	\$ 4,200
21 <sup>st</sup> Century CLC, FY11	84.287C	\$ 385,868
21 <sup>st</sup> Century CLC, FY12	84.287C	\$ 139,247

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2012**

(Page 1 of 4)

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**Section I. Summary of Independent Auditor's Results**

*Financial Statements*

Type of auditor's report issued: unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? \_\_\_\_\_ yes   X   no

*Federal Awards*

Internal control over major programs:

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

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

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

\_\_\_\_\_   X   yes \_\_\_\_\_ no

Identification of major programs:

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Amount Expended</i>
84.048	Carl Perkins	<u>\$ 157,245</u>
84.184	Safe Schools/Healthy Students	<u>\$ 1,325,690</u>
84.287	21 <sup>st</sup> Century CLC	<u>\$ 671,622</u>
84.367	Title IIA	<u>\$ 836,500</u>
84.410	ED Jobs	<u>\$ 570,482</u>
93.501	School-Based Health Centers	<u>\$ 334,807</u>

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

\$ 301,473

Auditee qualified as low-risk auditee?

\_\_\_\_\_   X   yes \_\_\_\_\_ no

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(Continued)

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2012**

(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 12-1 - Auditor Generates the Annual Financial Statements Including Footnotes

Criteria

The Auditing Standards Board (ASB) has 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. This guidance 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).

Context

As part of the annual audit, the District requests that the auditor prepare the financial statements including footnotes.

Effect

A possibility exists that a material misstatement may be missed due to management not preparing the financial statements.

Cause

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).

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.

Views of Responsible Officials and Planned Corrective Actions

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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(Continued)



**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2012**

(Page 3 of 4)

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

FA-12-1 - School-Based Health Centers CFDA #93.501

Criteria

In accordance with the grant requirements for the School-Based Health Centers grant through the Department of Health and Human Services, the grant recipients are required to abide by the provisions of the Davis-Bacon Act, the Copeland Act, and the Contract Work Hours and Safety Standards Act.

Condition

The District was not aware of the requirement to abide by the Davis-Bacon, Copeland, or the Contract Work Hours and Safety Standards Acts.

Questioned Costs

The amount received through CFDA #93.501 was \$124,416.

Context

In the course of auditing federal awards, the auditors noted that the grant required compliance with these Acts and that the construction agreements issued to contractors did not indicate such compliance requirements. Upon discussion with the District, it was determined that they were not aware of the requirements and had not been following them.

Cause

The District did not have in place a system to ensure that construction contracts issued with federal grant monies complied with grant requirements. The District also did not have in place the internal controls necessary that would have prevented, or detected and corrected, this compliance requirement on a timely basis.

Recommendation

It is recommended that District provide the construction contract administrator with a copy of a grant every time she is asked to write a contract which will utilize funds from a grant. It is also recommended that internal controls be put in place so that all compliance requirements are met on a timely basis.

Views of Responsible Officials and Planned Corrective Action

Upon review of the grant award, it was noted that the District was not in compliance with the Davis-Bacon, Copeland, and Contract Work Hours and Safety Standards Act. The District amended the contract with the contractor for the School-Based Health Center, and stopped all payments to the contractor until all requirements of these acts were met including the following:

- 1) Verification of payment of prevailing wages as determined by the U.S. Department of Labor by both the contractor and all subcontractors.
- 2) Posting of wage scale at job site.
- 3) Verification of payment to all laborers and mechanics weekly for the full amount owed.
- 4) Verification of payment of time and a half for all hours worked over forty in one week.
- 5) Submission of a certified statement weekly by CTA Architects of wages paid for work during the preceding payroll period.

The District complied with the provisions of the Davis-Bacon Act (40 U.S.C. Section 276a to 276a-7), the Copeland Act (40 U.S.C. Section 276c and 18 U.S.C. Section 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. Section 327-333), prior to the end of the fiscal year.

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(Continued)

**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For The Year Ended **June 30, 2012**

(Page 4 of 4)

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**Section III. Findings and Questioned Costs for Federal Awards (Continued)**

As Grant C12CS21803 states that the grant must be in compliance with the Davis Bacon Act, the District's Director of Student Support Services contacted the Federal Project Officer for verification of this requirement. He received conflicting information from the Federal Project Officer for this grant concerning this matter. The response to the District was: "Grant C12CS21803 has no Davis Bacon requirements."

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**CAMPBELL COUNTY SCHOOL DISTRICT NO. 1**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

Year Ended June 30, 2012

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Prior Year Findings:

FA 11-1 - Juvenile Mentoring Program TY11 CFDA #16.726

Criteria

In accordance with grant requirements for the Juvenile Mentoring Program grant through the Department of Justice, quarterly financial status reports are due within 30 days of the end of each performance quarter.

Condition

The quarterly financial status report for the quarter ended December 31, 2010 was filed January 31, 2011, one day late; the quarterly financial status report for the quarter ended March 31, 2011 was filed May 5, 2011, five days late.

Context

In the course of auditing federal awards, the District's grant administrator brought to the auditor's attention that quarterly status reports for a nonmajor federal direct award had been submitted late.

Cause

The District did not have in place a system to track all grant related reprinting requirements.

Recommendation

It is recommended that District management devise a system to track all grant related reporting requirements. This would enable management to meet all reporting requirements in a timely fashion.

Views of Responsible Officials and Planned Corrective Action

The Administrative Assistant for grants and federal programs, along with the Grant Administrator, have put a schedule in place to ensure that quarterly financial status reports are filed within the filing window.

This finding was corrected during the fiscal year ended June 30, 2012.

---

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, Paula Steiger, Janell Richardson, Norma Miller & Staff

*Campbell County Treasurer*

Shirley Study, Becky Brazelton, Jackie Blikre & Staff

*Campbell County Assessor*

Troy Clements & Staff